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COURT CONCURS PBGC/UAL AGREEMENT IMPROPER BASIS FOR PENSION PLAN TERMINATION, BUT DENIES UNION MOTION

AFA Calls On United To Negotiate Meaningful Flight Attendant Retirement Security

CHICAGO –The District Court for the District of Columbia today issued a ruling against the Association of Flight Attendants-CWA (AFA-CWA) and found that the Pension Benefit Guaranty Corporation (PBGC) complied with the Employee Retirement Income Security Act of 1974 (ERISA) and other applicable laws in terminating the Flight Attendant Pension Plan. AFA-CWA United Master Executive Council President Grea Davidowitch issued the following statement with regard to the ruling:

"In this ruling, the same statute designed to protect employees' pensions is turned on its head as the basis for terminating pensions. Here, the District Court ruling first says that AFA was correct and that it was improper for the PBGC to rely on its Settlement Agreement with United as a basis for terminating our plan. But then goes on to forgive the agency for that violation by finding other, independent reasons to support the PBGC's decision to terminate our plan. We will continue to review all of our options for protecting flight attendant retirement security.

"The ruling from the court today doesn't change the fact that United Airlines needs to address the retirement security of its flight attendants. As part of our exhaustive effort to preserve our Members' retirement security, we have been meeting with United Airlines in an effort to negotiate a replacement pension plan. We call on management to redouble their efforts to reach an agreement that would provide the retirement security Flight Attendants have earned."

More than 46,000 Flight Attendants, including the 18,000 Flight Attendants at United, join together to form AFA, the world's largest Flight Attendant union. AFA is part of the 700,000 member strong Communications Workers of America, AFL-CIO, Visit us at www.unitedafa.org.

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