



UAL Corporation and United Air Lines, Inc.

April 30, 2003

Gregory E. Davidowitch, President
UAL Master Executive Council
Association of Flight Attendants
6400 Shafer Court Suite 250
Rosemont, IL 60018

Dear Mr. Davidowitch:

Attached hereto are the following documents negotiated by and between UAL Corporation ("UAL"), United Air Lines, Inc. (the "Company") and the Association of Flight Attendants ("AFA" or the "Association") (collectively referred to as the "Restructuring Agreement"):

Term Sheet setting forth the elements of the Restructuring Agreement, together with Attachments A through G, inclusive, further detailing the agreements reached.

I write to confirm that UAL, the Company and the Association will reduce these agreements to contractual language and implement them as of the effective date (May 1, 2003) following satisfaction of the following conditions:

- Acceptance by the AFA UAL-MEC;
- Approval of the UAL Board of Directors Labor Committee;
- Ratification by the AFA United Airlines membership;
- Execution by Pat Friend, President of AFA International;
- Approval of the Bankruptcy Court; and
- Withdrawal of the Company's motion for rejection of the Flight Attendants' collective bargaining agreement.

In the event these conditions are not all satisfied by April 30, 2003, this letter will terminate and will become null and void in its entirety, and neither UAL, the Company nor the Association will have any obligation to implement the Restructuring Agreement in whole or in part.

Gregory E. Davidowitch, President
April 30, 2003

If this letter accurately reflects our understanding, please sign and return two (2) copies for our files.

Sincerely,

Glenn F. Tilton
Chairman, President and
Chief Executive Officer
UAL Corporation and United Air Lines, Inc.

Accepted and agreed to this ___ day
of April, 2003:

Patricia A. Friend, International President
Association of Flight Attendants

Gregory E. Davidowitch, President
UAL-MEC
Association of Flight Attendants

AFA/UAL Restructuring Agreement

UAL Corp., United Air Lines, Inc. and the Association of Flight Attendants will enter into a Restructuring Agreement (“Restructuring Agreement”) to enable the successful reorganization, restructuring and transformation of United and UAL and upon the following terms and conditions. Unless otherwise stated, all terms of the 1996-2001 and 2001-2006 Collective Bargaining Agreement between the parties (“Agreement”) remain in full force and effect, provided the 1996-2001 and 2001-2006 Agreement will be modified as necessary to enable and to reflect the terms of this Restructuring Agreement together with its Attachments A through G, inclusive, further detailing the agreements reached. This Restructuring Agreement supersedes the Interim Relief Letter of Agreement, which remains in effect until the effective date of this Restructuring Agreement.

Duration	Effective date of May 1, 2003; amendable date of May 1, 2009.
Duration Clause	Revise the duration clause to provide: “This Agreement shall become effective May 1, 2003, shall continue in full force and effect until May 1, 2009 and shall thereafter renew itself yearly without change unless written notice of intended change is served in accordance with Title I, Section 6 of the Railway Labor Act, by either party at least sixty (60) but not more than ninety (90) days prior to May 1, 2009 or May 1 of any year thereafter upon written notice by either party thereto.”
Wage Rates	Eliminate the 2% increase in Section 5.A.1. and 5.A.2. hourly rates for domestic and international flying scheduled for March 1, 2004. Effective May 1, 2003, reduce Section 5.A.1. and 2. pay rates for domestic and international flying by 9%. Increase Section 5.A.1. and 2. pay rates by 2% on May 1, 2007, May 1, 2008 and April 30, 2009. The parties will modify other compensation as described in Attachment A.
Variable Benefits	All compensation-based welfare benefits and pension benefits based on reduced actual wage rates. As described in Attachment B.
Defined Benefit Pension Plan	The parties will modify and revise Defined Benefit Pension Plan benefits as described in Attachment B.
Active Health Benefits	AFA will participate in the medical and dental program described in Attachment B.
Retiree Health Benefits	As described in Attachment B.
Other Benefits	As described in Attachment B.

Mainline Work Rules and Productivity	Revisions to work rules and related provisions as described in Attachment C.
Low Cost Operation (“LCO”)	The parties will implement the solution described in Attachment D.
Grievances	AFA and the Company agree to settle the following grievances: MEC 8-99, MEC 7-02, and MEC 14-02.
Scope	Book
Voluntary Furlough	Book
Success Sharing	The Flight Attendant group will participate in the success sharing programs described in Attachment E.
Equity	As described in Attachment F.
Further Events	The parties agree in concept to negotiate under the following principles with respect to any further revisions to the Flight Attendant collective bargaining agreement in connection with hostilities in Iraq: (i) any such revisions will take the form of temporary wage rate reductions for all employee and management groups in connection with the Company’s attempt to secure government assistance and relaxation of lending covenants and (ii), if AFA and the Company agree on such revisions, the value of the revisions will be repaid to the Flight Attendants out of profits subsequent to the Company’s emergence from Chapter 11. Specific terms and conditions to be developed in connection with the negotiation of such revisions.
Fees and Expenses	As described in Attachment G.

Attachment A
Other Compensation

Premiums	Eliminate Section 5.B.1., 5.P., Section 12.C.7.i. and 12.C.7.l. premium increases scheduled for August 1, 2003 and August 1, 2004.
	Reduce all premiums provided for in Section 5.B., 5.E., 5.P., 12.C.7.i. 12.C.7.l, and 12.D.4. by 9%.
	Increase Section 5.B., 5.E., 5.P., 12.C.7.i., 12.C.7.l. and 12.D.4. and premiums by 2% on May 1, 2007, May 1, 2008, and April 30, 2009.
Lump Sum Payments	Eliminate the Section 5.Q. Lump Sum payments scheduled for March 1, 2003 and March 1, 2005.
Wage Letters	Eliminate the Letters of Agreement on pages 264 – 269 (Formula Adjustment Procedure) and 291 (Retroactive Pay).
Ground Pay	Eliminate Section 5.J.
COLA	Eliminate Section 5.K. Cost of Living Adjustment (“COLA”) and the Letter of Agreement on page 260 regarding HNL COLA.
Understaffing Pay	Revise Section 5.H. to provide that understaffing pay will be based on the total number of Flight Attendants on board the aircraft regardless of cabin assignments.
Hourly Expenses	Revise Section 6.A. to reduce hourly per diem to \$1.75.
ORC	Eliminate Section 12.F.2.
Holidays	<p>Revise the designation of holidays in Section 2.Q. to eliminate five (5) holidays in each subparagraph and to provide that no Flight Attendant shall be eligible to be paid for more than five (5) holidays in any calendar year. Designated Holidays as follows:</p> <p>U.S. - New Year's Day, July 4th, Thanksgiving, Christmas, Flight Attendant's Birthday;</p> <p>LHR – Good Friday, Easter Monday, Christmas, Boxing Day, Flight Attendant's Birthday;</p> <p>CDG – New Year's Day, Easter, Bastille, Christmas, Flight Attendant's Birthday;</p> <p>FRA – New Year's Day, Easter, Unification, Christmas, Flight Attendant's Birthday;</p> <p>TPE – Chinese New Year, Tombsweeping Day, Dragon Boat Festival, Mid Autumn Festival Day, Flight Attendant's Birthday;</p> <p>HKG – Chinese New Year, Handover Day, National Day, Christmas, Flight Attendant's Birthday;</p> <p>NRT - New Year's Day, Greenery Day, National Founding Day, Emperor's Day, Flight Attendant's Birthday.</p>

Attachment B
Benefits

Medical/Dental and Pension¹

Flight Attendant benefits will be described in a separate section of the Medical Plan and a summary of the agreed upon benefits will be included in the Collective Bargaining Agreement. If, during the term of this Agreement, the Company agrees to improvements (for any employee group (union or non-union)) in the terms, other than employee contributions, of the medical or dental coverage as described below, such improvements will be provided to the active Flight Attendants and to Flight Attendants retiring on or after July 1, 2003.

Active Employees	
Medical ²	
Preferred Provider Option (PPO)	
In-network	\$250 single/\$500 family deductible
	80/20 coinsurance
	\$1,500 single \$3,000 family out-of-pocket limit
	Out patient mental health and substance abuse treatment payable at 80% after the deductible and the employee share does not apply to out-of-pocket limits.
	Unlimited lifetime maximum

¹ Revise the applicable Sections of the Agreement to be consistent with the terms described in this Attachment B.

² The management medical and dental benefits described in the draft SPD provided to the Union and as further modified in this Attachment are the underlying basis for the medical and dental benefits under this Restructuring Agreement.

Out-of-network	Deductibles and out of pocket limits are the same as In-Network amounts
	<p>60/40 co-insurance. Employees or their dependents who receive pre-approved covered treatment will receive in-network benefits for those expenses if within 30 miles of their home there is no in-network specialist or in-network primary care physician as applicable to the treatment in question. A 6 month transition plan will be developed by the Company and AFA for those Flight Attendants who as of the Effective Date are receiving treatment from an out-of-network provider for scheduled surgery, inpatient treatment in a hospital, dialysis, chemotherapy, treatment as a follow-up to an accident or injury occurring before the Effective Date, terminal illness, or as a follow-up to a surgery performed before the Effective Date³. The transition period for those employees or their eligible dependents who are receiving treatment from an out-of-network provider for their pregnancy shall be the lesser of nine months or the pregnancy.</p> <p>Employees who have covered expenses for treatment received outside the United States will receive payment under the Plan as if the treatment were received in-network.</p>
	All covered expenses limited to Reasonable and Customary as currently defined in the Medical Plan
	Inpatient mental health and substance abuse treatment limited to 30 days per calendar year per person, out patient payable at 50% after the deductible and the employee share is not applied to the out-of-pocket limit.
	\$500,000 lifetime maximum for expenses incurred on or after May 1, 2003.
<p>Covered expenses would include necessary care and treatment of illness, injury, and pregnancy as well as expenses for certain preventive care, e.g., pap smears, PSA tests. The PPO Incentive check will be discontinued. Coverage for hearing aids and the Wellness Program will be provided on the same basis as for other employee groups.</p>	
<p>Prescription drugs at retail subject to deductible and co-insurance as described above for in-network. Mandatory use of mail after 90 days at retail. Mail order prescription drug employee co-payment \$15 for generic medication for up to 90 day supply and \$45 for brand medication for up to a 90 day supply. Employee co-pay increases annually at the same rate as the cost of the mail order prescription drug plan increases (cost to be determined using active employees and pre-Medicare retirees). Any increase in the co-payment for any year will not exceed 7% of the prior year's co-payment, rounded to the nearest dollar. Strong management to ensure consistency with medical necessity and generally accepted practice.</p>	

³ It is the Company's intention to have a joint meeting to which all labor groups will be invited to afford them an opportunity to participate in development of the transition plan.

Maintenance of Benefits for employees with other group coverage rather than Coordination of Benefits.
Full right of reimbursement.
Special Enrollment: A special enrollment for medical and dental coverage described in this Attachment B will be held before the effective date of the changes. Open enrollment periods will continue to be offered annually with elections to be effective the January 1 following the annual open enrollment period. Additionally, employees may change their elections outside the open enrollment period if the employee experiences a qualified life event and the change is made in accordance with the requirements of the law.
<p>The Flight Attendant contribution would equal the following percentage of the cost of the medical plan (cost to be determined using active employees and pre-Medicare retirees):</p> <p>July 1, 2003 -- 10%</p> <p>January 1, 2004 – 12%</p> <p>January 1, 2005 – 14%</p> <p>January 1, 2006 – 16%</p> <p>January 1, 2007 – 18%</p> <p>January 1, 2008 and thereafter -- 20%</p> <p>The contributions would be based on a 4 tier rate structure. The cost of the medical plan on which the employee contribution is calculated will not increase by more than 7% per year. The employee contribution will be rounded to the nearest penny. For example, if the 2003 cost of the medical plan for one adult is \$200 per month, the employee contribution is \$20; in 2004 the cost on which the employee contribution will be based may increase no more than 7% (\$214) and the employee contribution would be \$25.68; the 2005 cost would be limited to \$228.98 and the employee contribution would be \$32.06 per month, and so on through 2008. Thereafter, unless changed through subsequent contract negotiations, any increase in the employee contribution for any year will not exceed 7% of the prior year's contribution, rounded to the nearest penny. For example, if the 2008 employee medical deduction were \$56.10 per month, with the 2009 increase (not to exceed 7% per year) the 2009 contribution would be up to \$60.03 per month; the 2010 contribution would be up to \$64.23 per month and so on.</p>
Offer HMO options as appropriate. Employee contribution will be the cost of the HMO option less the Company contribution to the cost of the PPO option.

Dental	Provide current PPO dental plan
	Deductible \$50 per person \$100 per family (doesn't apply to preventive)
	100% Preventive
	80% Restorative
	50% major and orthodontia
	Annual non-orthodontia max - \$2,000
	Lifetime orthodontia max \$2,000

Maintenance of Benefits for employees with other group coverage rather than Coordination of Benefits	
<p>The Flight Attendant contribution would equal the following percentage of the cost of the dental plan:</p> <p>July 1, 2003 -- 10%</p> <p>January 1, 2004 – 12%</p> <p>January 1, 2005 – 14%</p> <p>January 1, 2006 – 16%</p> <p>January 1, 2007 – 18%</p> <p>January 1, 2008 and thereafter -- 20%</p> <p>The contributions would be based on a 4 tier rate structure. The cost of the dental plan on which the employee contribution is calculated will not increase by more than 7% per year. The employee contribution will be rounded to the nearest penny. For example, if the 2003 cost of the dental plan for one adult is \$75 per month, the employee contribution is \$7.50; in 2004 the cost on which the employee contribution will be based may increase no more than 7% (\$80.25) and the employee contribution would be \$9.63; the 2005 cost would be limited to \$85.87 and the employee contribution would be \$12.02 per month, and so on through 2008. Thereafter, unless changed through subsequent contract negotiations, any increase in the employee contribution for any year will not exceed 7% of the prior year's contribution, rounded to the nearest penny. For example, if the 2008 employee dental deduction were \$18.93 per month, with the 2009 increase (not to exceed 7% per year) the 2009 contribution would be up to \$20.26 per month; the 2010 contribution would be up to \$21.68 per month and so on.</p>	
Offer Dental Health Maintenance Organization (DHMO) coverage. Employee contribution will be the cost of the DHMO less the Company's contribution to the cost of the PPO option.	
Active Employee Survivors Medical Benefits	The surviving spouse or surviving qualified domestic partner and eligible dependents of an active employee or an employee on Illness Leave of Absence, with 10 or more years of Company seniority on the date of her/his death, will be covered by the active employee medical plan until they no longer meet the eligibility requirements for coverage. This applies to deaths occurring on or after the effective date of the Medical Plan changes.
Flexible Spending Account	Book
Life Insurance	<p>Company Paid: Book</p> <p>Contributory: Book except: the definition of base pay is 75 hours per month for a Flight Attendant based at an international domicile and 82 hours per month for a Flight Attendant based at a domestic domicile, and in both cases multiplied by 12 for an annual base pay.</p> <p>Clarification: A domestic domicile will be any domicile that has domestic flying only or both domestic and international flying.</p>

Accidental Death and Dismemberment	Book
Short Term Disability	Book
Sick Leave	<p>Cap sick leave accrual at 950 hours.</p> <p>Eliminate occupational sick leave bank.</p> <p>Employees collecting occupational leave prior to May 1, 2003 will continue to receive benefits under occupational sick leave until returning to work with the Company or exhausting the balance, whichever occurs first. If the employee returns to work with a remaining balance, that balance will be forfeited.</p> <p>Sick leave will be reduced by any state disability benefits or Worker's Compensation payments.</p> <p>Eliminate Letter of Agreement regarding occupational injury, page 278.</p>
Long Term Disability	<p>Book except as follows:</p> <p>(i) if the Flight Attendant elects to begin receiving pension benefits, the benefit is an offset to the LTD benefit, (ii) for disabilities that begin before age 60, the LTD benefit ends at age 65, (iii) Flight Attendants on a leave of absence may not continue their LTD coverage, (iv) coverage will be automatically reinstated upon return to work from an authorized leave of absence provided the Flight Attendant was enrolled in LTD at the start of the authorized leave of absence, and (v) pay will be the Flight Attendant's base pay rate for 75 hours for Flight Attendants with an international pay rate and 82 hours for Flight Attendants with a domestic pay rate.</p>
Illness Leave of Absence	<p>Maximum period of unpaid illness leave of absence 3 years, medical and dental benefits continue while on approved leave. Employees on leave in excess of 3 years on the effective date will be provided 180-days notice that their leave will be terminated. If the employee does not return to work within that period, their employment will be terminated. Employees on leave for less than 3 years on the effective date will have their leave expire upon the expiration of the 3 year maximum duration or 180 days following the effective date, whichever is longer.</p>
Defined Benefit Pension Plan	<p>Final average pay plan with final average pay equal to the highest consecutive 60 month average out of the last 120 months immediately before retirement, a multiplier of 1.48%, a 35 year cap on participation, and early retirement reductions equal to 3% per year from age 60, eligibility for early retirement is age 55 with at least 10 years of service (remaining provisions of the AFA Collective Bargaining agreement shall apply.)</p>

Defined Contribution Plan	Book.								
Retired Employees (Who Retire on or after July 1, 2003)									
Retiree Medical	<p><u>Pre Medicare</u></p> <p>Provide the same medical coverage__as active employees. Employee must be at least age 55 with at least 10 years of service and retire from active status or illness leave of absence, provided that an employee who is at least age 50 with 10 years of service as of May 1, 2003 and who retires from active status or illness leave of absence will be eligible for pre-Medicare retiree medical coverage. Retiree contribution based on length of service at retirement as follows:</p> <table> <tr> <td>Years of Service</td><td>% of Cost</td></tr> <tr> <td>Fewer than 20</td><td>80%</td></tr> <tr> <td>20 thru 24</td><td>60%</td></tr> <tr> <td>25 and over</td><td>40%</td></tr> </table> <p>The cost to the retiree will increase annually as the cost of the coverage increases.</p>	Years of Service	% of Cost	Fewer than 20	80%	20 thru 24	60%	25 and over	40%
Years of Service	% of Cost								
Fewer than 20	80%								
20 thru 24	60%								
25 and over	40%								

	<p><u>Post Medicare</u></p> <p>Employee must be at least age 55 with at least 10 years of service and retire from active status or illness leave of absence, provided that an employee who is at least age 50 with 10 years of service as of May 1, 2003 and who retires from active status or illness leave of absence will be eligible for post-Medicare retiree medical coverage. One or more supplemental plans to Medicare will be offered with the retiree paying the full cost of the coverage minus a company contribution of \$90 per month.</p> <p>The cost to the retiree will increase annually as the cost of the coverage increases.</p>
Retired Employee Survivors Medical Benefits	Book
Retiree Life	Employees must be at least age 55 with at least 10 years of service and retire from active status or illness leave of absence, provided that an employee who is at least age 50 with 10 years of service as of May 1, 2003 and who retires from active status or illness leave of absence will be eligible for retiree life. The benefit is \$10,000.

Other Benefits

Vacation Accrual	Book except maximum accrual will be 44 days for an employee with 25 or more years of service.
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“Me Too” Provision	Eliminate the vacation “me too” with Series 15 provided in Section 18.B.
Furlough Pay	Book

Attachment C
Work Rule Modifications

Hours Maximums	Effective with the August 2003 schedule month, revise Sections 7.A., 9.D.3., 9.E.3.a., 9.E.4.a., 9.I.2.b., 10.H.1., 12.G., 12.O.3., 12.P.1.a., 12.P.2.a., and 12.Q.2.b. to increase scheduled, actual, optional monthly/quarterly maximums per quarter to 92/184/261 and 97/194/276.															
Lines of Flying Averages	Revise Section 9.A.3.a. and 9.A.3.b. to increase lines of flying averages to 84/168/252. Revise Section 9.A.9. to delete the domestic line average cap.															
Definition of Domestic Flying	Revise Section 2.G. and 2.Z. to provide that definition of domestic flying includes all of Canada.															
Airplane Tidying	Revise Section 4.K., Onboard policies and procedures to provide that Flight Attendants will be required to perform additional responsibilities beyond tidying such as trash pick-up and maintaining a neat cabin appearance throughout the trip sequence. Such duties may include picking up supplies or depositing trash on the boarding device (e.g. jet bridge). Flight Attendants will not be required to perform such duties at the termination of a duty day.															
Flight Segments	Revise Section 7.I.5. to provide for a maximum of eight (8) segments per duty period.															
Minimum Rest	<div>Revise Section 12.M.2. Legal Rest Minimums (Up to 8:00 hours – Book)</div> <table><tr><td>Flt/Dhd Time</td><td>Lineholder</td><td>Reserve</td></tr><tr><td>08:01 – 10:00</td><td>24:00</td><td>24:00</td></tr><tr><td>10:01 – 12:00</td><td>36:00</td><td>36:00</td></tr><tr><td>Over 12:00</td><td>36:00</td><td>48:00</td></tr></table>	Flt/Dhd Time	Lineholder	Reserve	08:01 – 10:00	24:00	24:00	10:01 – 12:00	36:00	36:00	Over 12:00	36:00	48:00			
Flt/Dhd Time	Lineholder	Reserve														
08:01 – 10:00	24:00	24:00														
10:01 – 12:00	36:00	36:00														
Over 12:00	36:00	48:00														
International Legal Rest Minimums	<div>Revise Section 12.M.1.a. International legal rest minimums as follows:</div> <table><tr><td>Flt/Dhd Time</td><td>Block-to-Block</td><td>Place of Lodging</td></tr><tr><td>08:00 or less</td><td>= 11:00</td><td>9:00</td></tr><tr><td>08:01-10:00</td><td>= 18:00</td><td>16:00</td></tr><tr><td>10:01-14:00</td><td>= 22:00</td><td>20:00</td></tr><tr><td>Over 14:00</td><td>= 33:00</td><td>30:00</td></tr></table>	Flt/Dhd Time	Block-to-Block	Place of Lodging	08:00 or less	= 11:00	9:00	08:01-10:00	= 18:00	16:00	10:01-14:00	= 22:00	20:00	Over 14:00	= 33:00	30:00
Flt/Dhd Time	Block-to-Block	Place of Lodging														
08:00 or less	= 11:00	9:00														
08:01-10:00	= 18:00	16:00														
10:01-14:00	= 22:00	20:00														
Over 14:00	= 33:00	30:00														
	<div>Revise Section 12.M.1.c. for minimum legal rest for flights between U.S. and Japan:</div> <div>Block to Block: 22 hours Place of Lodging: 20 hours.</div>															

Duty Times	<p>Revise Section 7.I.4. to provide the following duty times:</p> <p>0500 - 1859 13 scheduled and 14 ½ actual</p> <p>1900 - 0459 11½ scheduled and 13 actual</p> <p>Revise Section 12.A.2.to read as follows:</p> <p>A Flight Attendant may be scheduled or rescheduled to work both flights in one duty period round trip between the West Coast and Hawaii and may not exceed fourteen and one half (14 ½) hours on duty.</p>
Reassignment Rights	<p>Revise Section 8.I to provide departure same day and increase return to no more than 6 hours later than the originally scheduled ID.</p> <p>Revise Section 8.J. – Reassignment to return no more than twenty-four (24) hours later than the originally scheduled. Priority will be given to reassigning Flight Attendants to IDs in the same operation and same number of days. If the number of reserves available is equal to or greater than the projected number of flights attendants needed for the specified time period of the reassignment, a Flight Attendant will have the option to decline the assignment. If the assignment is declined, her/his projection and line guarantee will be reduced.</p> <p>Revise Section 12.I.2.a. and 12.I.2.b. – Reassignment to return no more than twenty-four (24) hours later than the originally scheduled for a 4-day or less ID and no more than 36 hours later than originally scheduled for IDs in excess of four (4) days. Priority will be given to reassigning Flight Attendants to IDs in the same operation and same number of days. If the number of reserves available is equal to or greater than the projected number of flights attendants needed for the specified time period of the reassignment, a Flight Attendant will have the option to decline the assignment. If the assignment is declined, her/his projection and line guarantee will be reduced.</p> <p>Revise the second and third paragraphs of Section 9.I. and 12.Q. to provide: “Priority will be given to reassigning Flight Attendants to IDs in the same operation and same number of days.”</p>
Reserve Days Off	Revise Sections 10.D.1.a. and 12.V.2. to provide eleven (11) days off per month for reserves.
Personal Time Off	Revise Section 4.V. Personal Time Off (PTO/GWOP) to provide that if a PTO day would cause an inability for a reserve to be assigned on the remaining days of availability, the RSV will be placed on PTO for the day requested and DNF for the remaining days on.
Bid Positions	Revise Section 9.C.2. to read:

	<p>“A Flight Attendant assigned to a particular cabin may be required to perform duties in the other cabin(s) on a given flight.”</p> <p>Revise Section 9.C.6. to provide as follows:</p> <p>Purser position (F) assignments shall be available for bid each month. Should the aircraft require the following:</p> <p>Aft Purser (B-747) B</p> <p>Forward Lower Galley (B-747, DC-10)</p> <p>Or</p> <p>First Class Galley – Main Deck – for B-747-400, B-747-200 with more than 24 passenger seats** C</p> <p>Aft Lower Galley (B-747) D</p> <p>The positions shall be available for bid.</p> <p>All other positions will be awarded in seniority order to lineholders by line with no designator.</p> <p>Cabin work assignments for remaining positions will be filled in seniority order in briefing based on aircraft type per Company standards.</p>
Language Qualified	Section 12.C.7.j(4) Language qualified lines of flying will not have a work position designator.
Trades	<p>Effective May 1, 2003, revise Section 9.G. to provide that a Flight Attendant may increase hours by using the RDO process to ninety-seven (97) hours the first month of the quarter, one hundred ninety-four (194) hours for the first two months of the quarter and two hundred seventy-six (276) hours for the full quarter.</p> <p>Revise Section 9.G.3. to provide that lineholders may trade ID(s) in their lines of flying with another lineholder for days off.</p> <p>Revise 3.G., 9.I., & 12.Q. to provide that RDO process may be used to make up AFA releases in the two (2) subsequent schedule months.</p> <p>Section 9.G.4.b. will be revised to increase the daily allocation to not be less than four percent (4%) and eliminate 70 position cap.</p>
Combined Reserve Pool	<p>Revise Sections 10 & 12 to establish a single reserve pool at all domiciles. Reserve guarantee will be based on domestic rates of pay. International IDs will be paid at international rates of pay and domestic IDs at domestic rates of pay.</p> <p>Revise Section 10.B. – Move up lines will be constructed with either pure international or pure domestic IDs. A reserve Flight Attendant will have the option to elect her/his preference of move-up lines: 1) domestic or; 2) international or; 3) either.</p>

Layover Hotels	Revise Section 6 to modify the “downtown or downtown-like” lodging requirement for layovers of 20 hours or more. Revise Section 7.J.1.b. and 7.J.1.c. to change 10-minute requirement to 15-minutes.
Last Quarter Maximum	Revise Section 10.H. and 12.V. to provide as follows: On May 1, 2003 reserve maximum hours in the last month of the quarter will be increased to 80 hours from the current 77/Domestic and 75/International. The reserve maximum hours in the last month of the quarter will be increased to 87 hours effective with the August 2003 schedule month.
Duty Rigs	Revise Section 8.A.3. and 8.A.4., to provide a minimum average of pay and credit of five (5) hours per day for multi-day IDs. (e.g. 5/10/15/20). Eliminate 8.A.2. (4 hour minimum).
Scheduling Restrictions	Revise Section 7.D.1.a. to add that: A 2 segment, 1 duty period ID may be scheduled up to 8:30 hours in a 24 hour period.
Preferential Bidding System	The Company and AFA agree to a Preferential Bidding System (PBS) under the following conditions:
Ad Opt or Similar	The Company will use the AD OPT or a similar mutually agreed upon product. The Company may require that any outside vendor be the same for Onboard and Flight Operations PBS systems. The Company will not make any changes to this system unless mutually agreed upon.
Contract Modifications	Prior to implementation, the parties will meet and agree on changes to the provisions of the Agreement consistent with the bidding process necessary to implement the PBS system.
Value of Absences	The value of all absences other than sick leave will be paid at 2.8 hours per day before preferencing and at actual value after preferencing.
Implementation	Implementation of PBS schedule consistent with the following:
	A Joint Implementation Committee (JIC) consisting of representatives from AFA, the Company and the vendor will be established. This committee will develop the Detailed Requirements Document (DRD) including criteria for preferencing. It is anticipated this committee will meet as needed during the development and implementation period. After implementation is complete the committee will meet on an as needed basis to review the system.
	Parallel testing of the system will occur before implementation. The JIC will monitor the progress of this parallel testing to determine if

	additional testing is needed prior to implementation.
	Phase in may occur on a domicile basis consistent with the needs of the Company.
	The parties agree that the above provisions will not unnecessarily delay the implementation of PBS.
Interim Line Construction and Bidding Timeline	<p>Until such time as PBS is implemented, the Company and AFA will meet and agree on modifications to Section 3 and related Sections of the Agreement in order to condense the Flight Attendant schedule construction and bid process timeline to allow for a 12 – days later handoff from aircraft scheduling. The parties agree that the implementation of an interim line construction and bidding process timeline will not be unduly delayed and will be no later than the first schedule month following the implementation of the Flight Operation PBS system. The parties will develop solutions, which will include the following goals:</p> <ol style="list-style-type: none"> 1. Identify the best role for the Central Schedule Committee and the Local Schedule Committee in the interim line construction and bid process. 2. Find solutions for distributing lines of flying. 3. Automation of the lines of flying and reserve lines construction consistent with Section 3.N.3. 4. Condense AFA’s review of the line construction process, consistent with Section 3.N.3. 5. Eliminate paper bid cards and require all bidding to be done via electronic means. 6. Develop other solutions, which may include modifying the Section 9.C.3.a. bidding timeline and the elimination or reduction of the requirement to produce and distribute paper bid materials.
Vacation Overlap	Effective for all vacations beginning after June 1, 2003, revise Sections 12 and 18 to provide that Flight Attendants will not be paid for vacation overlap. Effective with 2004 vacations, revise Sections 12 and 18 to provide that vacation pay shall be 2.8 hours per vacation day, and eliminate pay for trip value and the vacation overlap for lineholders; reserve vacation shall be paid at the daily reserve guarantee rate; revise vacation buy back to pay 2.8 hours per day. A lineholder’s minimum and line guarantee will be reduced by any lost time. Revise reserve vacation pay per day based on reduced days off to [TBD].
Bulk Scheduling	Eliminate the “bulk scheduling” provision of Section 9.A.7., but retain the ability to schedule regular patterns.

Attachment D
Terms For Low Cost Operation

The parties agree to rates of pay and work rules for the United Airlines (“UA”) Low Cost Operation aircraft (as defined below) in order to permit UA and UAL Corp. (“UAL”) to more effectively compete against both low cost carriers and other network carriers. It is the parties’ intention to work together to identify and resolve any on-going issues with respect to maintaining the competitiveness of this Low Cost Operation (“LCO”). “LCO” is a contract term and is not intended to restrict in any way the Company’s sole discretion with respect to branding.

LCO Flying Performed by UA	UA will perform all the flying in or for the LCO, utilizing UA Flight Attendants on the UA seniority list under the terms and conditions of the UA Flight Attendants’ collective bargaining agreement (which may, at UA’s option, include an LCO Side Letter of Agreement that reflects the terms of this Agreement).
Description and Use of LCO Aircraft	The LCO will consist of B737-300/500 and A319/320 fleets or aircraft of no greater seating capacity than the maximum certificated capacity of the A320. All of UA’s A319/320 and B737-300/500 aircraft including future deliveries in the fleet may be operated under the work rules contained in this attachment with no market restrictions. The LCO aircraft may be used at either the mainline or the LCO, at the Company’s discretion.
Compensation	The LCO will have a common pay scale for all flying, which shall be the same as the domestic pay scale.
Optional Separate Subsidiary	If UAL or UA establishes a separate majority-owned subsidiary of UAL or UA to house the LCO contemplated by this Attachment D, UAL and UA agree that such subsidiary will remain a majority-owned subsidiary of UAL or UA as applicable, so long as it continues as a corporation. All Flight Attendants in the LCO will continue to be solely UA employees operating under the UA air carrier certificate. Nothing in this paragraph limits or restricts in any way the Company’s right, in its sole discretion, to establish any other subsidiary at UA or UAL except an LCO subsidiary, which remains covered by the first two sentences of this paragraph.
Optional Certificate	If UAL or UA secures a separate air carrier certificate for such subsidiary, all Flight Attendants in the LCO will continue to operate solely as UA employees under the UA air carrier certificate.

Work Rules in Basic Agreement Modified	All of the contractual rules and procedures for the mainline will apply in the LCO except as noted herein:
Flight Segments	Revise Section 7.I.5. to provide a maximum of eight (8) segments per duty period.
Reserve Days Off	Revise Sections 10.D.1.a. and 12.V.2. to provide eleven (11) days off per month for reserves.
Airplane Tidying	Section 4.K., Onboard policies and procedures will be modified for the LCO. Flight Attendants will be required to perform additional responsibilities beyond tidying such as trash pick-up and maintaining a neat cabin appearance throughout the trip sequence. Such duties may include picking up supplies or depositing trash on the boarding device (e.g. jet bridge). Flight Attendants will not be required to perform such duties at the termination of a duty day.
Per Diem	Per diem will be \$1.75 per hour.
Purser Pay	LCO Purser Pay will be \$2.25 per hour. Effective May 1, 2003 the Purser pay will be reduced by 9%. Increase LCO Purser premium by 2% on May 1, 2007, May 1, 2008, and April 30, 2009.
Separate Subsidiary	In the event the Company establishes a separate LCO subsidiary, the Company and the AFA agree to meet and establish work rules and pay rates, which would include a monthly cap of 95 hours.
Bid Freeze	The Company may establish a separate LCO subsidiary: <ol style="list-style-type: none"> 1. Bid into the LCO – 6 month freeze. 2. Furlough/Surplus into the LCO – no freeze and the Flight Attendant may bid for vacancies that become available on the Mainline operation.

Attachment E

Success Sharing

The Flight Attendants will participate in the following incentive program and profit sharing program:

I. Incentive Program	
Program	All U.S. payroll employees (including all United Flight Attendants) will participate in an annual incentive program that aligns the interests of management and other employees.
Annual Performance Incentive Program	<ul style="list-style-type: none">• Prior to each calendar year beginning with 2004, the Compensation Committee of the Board of Directors will establish a performance incentive formula (the “Annual Incentive Formula”) that will provide a threshold or minimum incentive payment, a target or average incentive payment and a maximum incentive payment for senior management, other management, and other employees.• The Annual Incentive Formula will be based on the following performance measures as reasonably weighted by the Committee. Each business unit (e.g., United Airlines⁴, ULS) may have its own incentive plan measures. For example: financial performance (e.g., EBITDAR margin, pre-tax margin), operational performance (e.g., on-time performance), customer satisfaction (e.g., intent to repurchase), employee engagement, safety performance (e.g., lost time injuries) and reasonably comparable measures as adopted by the Committee.• A significant cash portion of the target cash compensation of management employees is payable through the Annual Performance Incentive Program. It is understood that the Compensation Committee of the BOD will, from time to time, review and adjust the target compensation levels, cash compensation levels and the portion of cash compensation at risk, provided that such compensation at risk remains a significant portion of the target cash compensation of management employees.

⁴The LCO (if established) may have separate measures for its own employees. UA employees providing services to the LCO will have UA measures.

Employee Incentive Payments	<p>Non-management employees will receive the following cash incentive payments based on United's actual performance under the annual incentive program (with linear interpolation between the performance points):</p> <p>Threshold Performance: 2.5% of Wages Target Performance: 5% of Wages Maximum Performance: 10% of Wages</p>
Wages	Base pay, incentive pay, holiday pay, sick pay, vacation pay, and all premiums but excluding expense reimbursement, incentive or profit sharing payments, pension payments, imputed income or other similar awards or allowances.
Payment Date	On the same date as incentive payments are made to management employees.
Benefits	Incentive payments will be pensionable.
Duration	The incentive plan will cover each calendar year beginning in 2004.
Distribution Option	Cash, subject to 401(k) deferral.
Dispute Resolution (As to both incentive and profit sharing programs)	The Company will provide any information requested by the Association to audit calculation of UAL's performance under the incentive plan and under the profit sharing program below. Expedited arbitration for any disputes over incentive payment and profit sharing calculations.

II. Profit Sharing Program	
Program	All U.S. payroll employees (including all United Flight Attendants) will participate in a pre-tax profit sharing program with respect to calendar years beginning in 2005.
Pretax Profit	Consolidated UAL pre-tax earnings as calculated under U.S. generally accepted accounting principles and reported in regulatory filings but excluding (i) unusual, special or extraordinary charges or (ii) charges with respect to grant or exercise of employee equity or options or (iii) charges with respect to payments under this profit sharing program.

Annual Profit Sharing Pool	15% of the excess of (i) annual Pretax Profit over (ii) the Annual Plan Threshold, but in no event more than the pool cap.
Annual Plan Threshold	The product of (i) net UAL revenues and (ii) the following percentages (which represent net pretax profit margins): <div style="margin-left: 40px;"> 2005 8% 2006 10% 2007 10% 2008 10% 2009 10% </div>
Pool Cap	8% of Wages of all participating employees.
Flight Attendants' Share	12.2% of the Profit Sharing Pool ⁵
Flight Attendant Allocation	As determined by the Association
Payment	May 1 st of the year following each program year.
Distribution Option	Cash, subject to 401(k) deferral.

⁵ Flight Attendants' share subject to further review upon completion of other labor group agreements.

Attachment F
AFA/UAL Distribution Agreement

UAL Corporation (“UAL”), United Airlines, Inc. (the “Company”) and the Association of Flight Attendants (“AFA”), hereby agree as follows (the “Distribution Agreement”):

1. UAL, the Company, and AFA are committed to the principle that the Flight Attendant group should receive equity, securities, and/or other consideration under a plan of reorganization in an amount that fairly reflects the value of the Flight Attendant contribution to the reorganization of UAL and the Company.

2. In consideration for the Flight Attendant contributions given in connection with the consensual Section 1113 Restructuring Agreement reached between UAL, the Company, and AFA effective May 1, 2003 (the “2003 Restructuring Agreement”), which modifies the parties’ 1996-2001/2001-2006 collective bargaining agreement (“1996-2001/2001-2006 Agreement”) and resolves numerous union grievances concerning the administration of the 1996-2001/2001-2006 Agreement, any plan of reorganization proposed or supported by UAL and the Company as proposed and/or amended from time to time (the “Plan”), shall provide that, upon the effective date of such Plan, the Flight Attendant group will receive a percentage distribution of the equity, securities and/or other consideration provided to general unsecured creditors under the Plan (the “Distribution”) calculated by the following formula:

A/A+B, where:

A is the dollar value of 30 months of average cost reductions under the 2003 Restructuring Agreement as reasonably measured under Labor Model 1.1a (the “AFA Amount”); and

B is the total amount of all other allowed prepetition general unsecured claims against the Debtors (UAL and its 27 debtor subsidiaries).

3. In addition, any Plan proposed or supported by UAL and/or the Company will provide the Flight Attendant group with at least 12.2%⁶ (subject to review of the Flight Attendant portion of the total agreed-upon labor cost savings from the 2003 Restructuring Agreement through April 30, 2009) of the common equity, securities and/or other consideration provided to all Company employees under the Plan in connection with employee cost reductions (the “Allocation”).

⁶ Flight Attendants’ share subject to further review upon completion of other labor group agreements.

4. If, for any reason, a confirmed plan of reorganization in UAL or the Company's Chapter 11 cases does not provide for both the Distribution and the Allocation, then AFA on behalf of the United Flight Attendants will be entitled to a stipulated and allowed nonpriority prepetition general unsecured claim equal to 110% of the AFA Amount (the "Alternative Distribution"). This Distribution Agreement in no way converts any such claim into an administrative claim or any other claim with priority superior to a prepetition general unsecured claim. AFA agrees that it will neither assert, support, nor solicit any assertion in any proceeding before the Bankruptcy Court or any other tribunal that any claims allegedly arising from this Distribution Agreement constitute administrative claims (or any other claims with priority superior to a prepetition general unsecured claim) under Sections 503, 507 or any other Section of the Bankruptcy Code.

5. Prior to the effective date of the Plan, AFA will provide the Company with a reasonable allocation of the Distribution or the Alternative Distribution as applicable (which allocation will distribute all of the Distribution or the Alternative Distribution to the United Flight Attendants).

6. The equities, securities and other consideration provided for, received and to be received under this Distribution Agreement and the other consideration provided for, received and to be received under this Restructuring Agreement, will be the sole and exclusive remedy for AFA for a claim arising under the bankruptcy code with respect to the modifications made to the 1996-2001/2001-2006 Agreement by this Restructuring Agreement.

Attachment G
Fees and Expenses

May 1, 2003

Gregory E. Davidowitch, President
UAL Master Executive Council
Association of Flight Attendants
6400 Shafer Court, Suite 250
Rosemont, IL 60018

Dear Mr. Davidowitch:

I write to confirm the following agreement among the Association of Flight Attendants (the “Association”), the United Master Executive Council (the “MEC”) and United Air Lines, Inc. (the “Company”), concerning the Company’s reimbursement of the Association and MEC’s legitimate, legally reimbursable collective bargaining related fees and expenses arising from and in connection with (i) the agreement concerning Flight Attendant participation in the Economic Recovery Program (“ERP”) and (ii) the agreement concerning Flight Attendant contribution to the bankruptcy reorganization of the Company (“Restructuring Agreement”).

1. Professional Fees and Expenses

The Company, subject to bankruptcy court approval (which the Company will promptly seek), will reimburse the Association for the reasonable fees and out-of-pocket expenses incurred by the Association including reasonable fees and expenses of outside legal and financial advisors (“Professional Fees and Expenses”) incurred by the Association in connection with the review, design, negotiation, approval and ratification of the ERP and the Restructuring Agreement.

- a. All such Professional Fees and Expenses will be calculated based upon normal hourly rates for actual time expended.
- b. The MEC will provide the Company with such documentation as is required by the bankruptcy court.
- c. Legal fees and expenses incurred by the Association related to Section 1113(c) litigation and/or preparation for Section 1113(c) litigation are not reimbursable.

2. Flight Pay Loss

The Company will not bill the Association for flight pay loss incurred by Company Flight Attendants who served on the Association's Committees who were preparing for and participating in negotiations with the Company and at the Company's behest regarding the ERP and/or the Restructuring Agreement:

- a. The MEC will advise the Company in writing of each Flight Attendant involved in such activity and the specific trip(s) dropped for work on the ERP and/or the Restructuring Agreement.
- b. In the event that special meetings of the MEC or Road Shows have been necessary to address issues associated with the ERP and/or the Restructuring Agreement, the Company will reimburse the Association for all flight pay loss and reasonable, actual expenses incurred by it which are reasonably related to the time allocated to either the ERP and/or the Restructuring Agreement at the meetings and Road Shows as applicable.

3. Aggregate Professional Fees and Expenses and Flight Pay Loss

The Company's obligation to pay Professional Fees and Expenses and Flight Pay Loss incurred pursuant to paragraph 1 and 2 of this Letter of Agreement shall be [\$X] in the aggregate.

It is recognized that this Agreement represents special collective bargaining circumstances created by the parties' desire to negotiate modifications to the Flight Attendant Agreement as part of the Company's bankruptcy reorganization. If this accurately reflects our understanding, please sign and return two (2) copies for our files.

Sincerely,

Peter B. Kain
Vice President, Labor Relations

Accepted and agreed to this ____ day of May, 2003

Gregory E. Davidowitch, President
Association of Flight Attendants

May 1, 2003

Mr. Gregory E. Davidowitch, President
UAL Master Executive Council
Association of Flight Attendants
6400 Shafer Court, Suite 250
Rosemont, IL 60018

Re: Vacation Overlap

Dear Mr. Davidowitch:

During the discussions leading to the Restructuring Agreement, dated May 1, 2003, the Company and the Association agreed that for vacations beginning June 1 through the end of 2003, Section 18.K.1. (Vacation Overlap) will not apply. A Flight Attendant's line guarantee will be reduced by the value of the time falling outside the vacation; however, the minimum 65 hour guarantee will apply.

Sincerely,

Frank Colosi
Director Labor Relations
Onboard Service

May 1, 2003

Mr. Gregory E. Davidowitch, President
UAL/AFA Master Executive Council
Association of Flight Attendants
6400 Shafer Court, Suite 250
Rosemont, IL 60018

Re: Wage Garnishments

Dear Mr. Davidowitch:

As a result of discussions between the Company and the Association leading to the Restructuring Agreement, dated May 1, 2003, the Parties have agreed that the Company will not issue discipline to Flight Attendants based on the Company's receipt of a wage garnishment(s) unless the Flight Attendant has repeatedly and after notice from the Company failed to take appropriate corrective action.

This Letter shall be effective upon signing and shall run concurrently with the Flight Attendant Agreement.

Sincerely,

Charles L. Ahmes
Managing Director
Onboard Service

May 1, 2003

Mr. Gregory E. Davidowitch, President
UAL/AFA Master Executive Council
Association of Flight Attendants
6400 Shafer Court, Suite 250
Rosemont, IL 60018

Re: Uniform Stripes

Dear Mr. Davidowitch,

This letter will confirm that, during the course of the negotiations leading to the Restructuring Agreement dated May 1, 2003, the Company and the Union discussed the Flight Attendant uniform. Within ninety (90) days from date of signing of the Restructuring Agreement, the Company and the Association will meet to determine a cost neutral method of phasing in a uniform jacket with stripes on the cuff of the sleeve through the normal replacement process in accordance with Section 16.D. of the Flight Attendant Agreement.

Sincerely,

Charles L. Ahmes
Managing Director
Onboard Service

May 1, 2003

Mr. Gregory E. Davidowitch, President
UAL/AFA Master Executive Council
Association of Flight Attendants
6400 Shafer Court, Suite 250
Rosemont, IL 60018

Re: Grievance MEC 7-02 AVOLAR

Dear Mr. Davidowitch:

As a result of discussions between the Company and the Association, the Parties have agreed to settle MEC 7-02 as follows:

1. The Company will provide the AFA \$13,350 as a result of the 369 block hours incurred by North American Jet cabin employees assigned to Avolar for the months of December 2001 through April 2002. The AFA will determine the distribution of such funds.
2. If, in the future the Company considers establishing another Avolar-type operation, the AFA will be notified early in the planning process. This will provide AFA the opportunity to identify issues applicable to the United/AFA Collective Bargaining Agreement. If any such issues are identified, the Company and the AFA will work together to attempt to resolve such issues prior to the time the Avolar-type operation conducts its first flight.
3. This Settlement Agreement is entered into on a non-precedent and non-prejudice basis and will not be referred to by either party in any future forum including, but not limited to grievance, arbitration, or litigation except to enforce the terms of this Settlement Agreement.

If this letter accurately reflects our understanding, please sign and return two (2) copies for our files.

Sincerely,

Charles L. Ahmes
Managing Director
Onboard Service

Accepted and agreed to
this ____ day of _____, 2003.

Gregory E. Davidowitch
AFA UAL MEC President
Association of Flight Attendants

May 1, 2003

Mr. Gregory E. Davidowitch, President
UAL/AFA Master Executive Council
Association of Flight Attendants
6400 Shafer Court, Suite 250
Rosemont, IL 60018

Dear Mr. Davidowitch,

During the negotiations between the Company and the Association leading to the Restructuring Agreement, dated May 1, 2003, the Company and the Union discussed the Company's policies regarding Flight Attendant dependability infractions. Please be advised that I have distributed to Onboard Service management personnel the following clarifications and guidelines to the Company's Prudent Commuter Policy and the Personal Emergency Policy.

The Personal Emergency Policy will be communicated to Flight Attendants system-wide.

Sincerely,

Charles L. Ahmes
Managing Director
Onboard Service

To Onboard Service Management Personnel

Prudent Commuter Policy Clarification

This letter provides clarification to the Prudent Commuter Sideletter in the AFA Agreement as follows:

Flight Attendants who encounter unexpected circumstances or conditions that cause them to miss a schedule obligation should immediately advise Onboard Scheduling. The Flight Attendant will then be contacted by a supervisor who will evaluate the situation based on:

1. The steps the Flight Attendant took to ensure schedule integrity.
2. How much control the Flight Attendant had over the circumstances or conditions.
3. Whether circumstances or conditions were unusual and extraordinary versus predictable situations.
4. How and when Onboard Scheduling was advised.

To Onboard Service Management Personnel

Personal Emergency Absences Policy Guidelines

A personal emergency is an unplanned event, which is impossible to anticipate and would reasonably prevent an employee from reporting to work. When discussing or investigating personal emergency absences to determine if they should be excused, the following should be considered:

- How much control did the Flight Attendant have over the circumstances which gave rise to the absence?
- Was the absence appropriate to the situation? (i.e., would you or any reasonable person have missed work under the same circumstances?)
- Could the Flight Attendant have made advance arrangements to avoid the absence? (e.g., back-up child care, schedule trade, ANP/PTO/DAT; alternative transportation, etc.)
- Is it likely that such absences will continue as a result of the Flight Attendant's personal situation? Would a leave of absence and/or a referral to EAP be appropriate?

If the absence has been determined to be an excused personal emergency:

- The absence and the reason for it are recorded in the Flight Attendant's Work History.
- The incident and any reference to it are not included in future counseling, initial discussions or any discipline.
- Emergency time off due to death in the immediate family (Section 4T of the Agreement and Series 15.7.5) is excused and without loss of pay for up to three consecutive days. Such absences are not included in counseling, initial discussions or discipline for dependability.

AFA Restructuring Wage Rates

Domestic Flying

Monthly

Year	4/1/2002	5/1/2003	5/1/2007	5/1/2008	4/30/2009
1	1,359	1,237	1,262	1,287	1,313
2	1,437	1,307	1,333	1,360	1,387
3	1,529	1,391	1,419	1,448	1,477
4	1,572	1,430	1,459	1,488	1,518
5	1,782	1,621	1,654	1,687	1,721
6	2,344	2,133	2,176	2,219	2,263
7	2,469	2,247	2,292	2,338	2,385
8	2,530	2,303	2,349	2,396	2,444
9	2,613	2,378	2,425	2,474	2,523
10	2,696	2,454	2,503	2,553	2,605
11	2,756	2,508	2,558	2,609	2,661
12	2,820	2,566	2,618	2,670	2,724
13	2,882	2,623	2,675	2,729	2,783
14	2,926	2,663	2,716	2,771	2,826

Hourly

Year	4/1/2002	5/1/2003	5/1/2007	5/1/2008	4/30/2009
1	20.91	19.03	19.41	19.80	20.20
2	22.10	20.11	20.51	20.92	21.34
3	23.52	21.40	21.83	22.27	22.72
4	24.18	22.00	22.44	22.89	23.35
5	27.41	24.94	25.44	25.95	26.47
6	36.06	32.81	33.47	34.14	34.82
7	37.99	34.57	35.26	35.97	36.69
8	38.93	35.43	36.14	36.86	37.60
9	40.20	36.58	37.31	38.06	38.82
10	41.48	37.75	38.51	39.28	40.07
11	42.40	38.58	39.35	40.14	40.94
12	43.39	39.48	40.27	41.08	41.90
13	44.34	40.35	41.16	41.98	42.82
14	45.02	40.97	41.79	42.63	43.48

International Flying

Monthly

Year	4/1/2002	5/1/2003	5/1/2007	5/1/2008	4/30/2009
1	1,399	1,273	1,299	1,325	1,351
2	1,477	1,344	1,371	1,398	1,426
3	1,569	1,428	1,457	1,486	1,516
4	1,612	1,467	1,496	1,526	1,557
5	1,821	1,658	1,691	1,724	1,759
6	2,608	2,373	2,421	2,469	2,518
7	2,733	2,487	2,537	2,588	2,640
8	2,789	2,538	2,588	2,640	2,693
9	2,880	2,621	2,673	2,727	2,781
10	2,936	2,672	2,725	2,779	2,835
11	3,003	2,733	2,787	2,843	2,900
12	3,076	2,800	2,855	2,913	2,971
13	3,136	2,854	2,911	2,969	3,028
14	3,177	2,891	2,948	3,008	3,068

Hourly

Year	4/1/2002	5/1/2003	5/1/2007	5/1/2008	4/30/2009
1	21.53	19.59	19.98	20.38	20.79
2	22.72	20.68	21.09	21.51	21.94
3	24.14	21.97	22.41	22.86	23.32
4	24.80	22.57	23.02	23.48	23.95
5	28.02	25.50	26.01	26.53	27.06
6	40.12	36.51	37.24	37.98	38.74
7	42.04	38.26	39.03	39.81	40.61
8	42.90	39.04	39.82	40.62	41.43
9	44.31	40.32	41.13	41.95	42.79
10	45.17	41.10	41.92	42.76	43.62
11	46.20	42.04	42.88	43.74	44.61
12	47.33	43.07	43.93	44.81	45.71
13	48.24	43.90	44.78	45.68	46.59
14	48.87	44.47	45.36	46.27	47.20

AFA Restructuring Premiums

Agreed Rates					
Purser (per hour)	8/1/2002	5/1/2003	5/1/2007	5/1/2008	4/30/2009
Domestic Purser					
Narrowbody	\$2.25	\$2.05	\$2.09	\$2.13	\$2.17
Widebody	\$4.50	\$4.10	\$4.18	\$4.26	\$4.35
B747 Aft	\$2.50	\$2.28	\$2.32	\$2.37	\$2.41
International Purser					
Narrowbody	\$4.50	\$4.10	\$4.18	\$4.26	\$4.35
Widebody	\$7.00	\$6.37	\$6.50	\$6.63	\$6.76
B747 Aft	\$3.00	\$2.73	\$2.78	\$2.84	\$2.90
Language Pay (per hour)	8/1/1999	5/1/2003	5/1/2007	5/1/2008	4/30/2009
Language Incentive	\$1.00	\$0.91	\$0.93	\$0.95	\$0.97
Language Qualified	\$1.75	\$1.59	\$1.62	\$1.66	\$1.69
(per hour)	Current	5/1/2003	5/1/2007	5/1/2008	4/30/2009
Reserve Override	\$2.00	\$1.82	\$1.86	\$1.89	\$1.93
B747 Lower Galley	\$1.00	\$0.91	\$0.93	\$0.95	\$0.97

No COLA
 No HNL COLA
 No Ground
 Everything else book