

Partnership Program

FOR FLIGHT ATTENDANTS

August 27, 2008

Partnership Progr	am Bidding
Sep. 8, 2008	Bids open at 0800 Central Time
Sep. 26, 2008	Bids close at 0800 Central Time
Sep. 29, 2008	Partnership flying awarded by 1700 Central Time, based on domicile need & cost effectiveness
Oct. 31, 2008	Six-month partnership period commences

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General Information

The Association of Flight Attendants (AFA) and the Company have agreed to a Partnership Program. The Partnership Program was established solely for the protection of United flight attendant jobs and will be implemented only when the need for involuntary furlough exists. In this program, a single line of flying will be shared by two flight attendants. This program will be implemented following voluntary furloughs and when a domicile overage situation still exists. Each partnership period will consist of six (6) schedule months. The Partnership Program is available to all active flight attendants within a domicile. *Partnership awards will be awarded based on domicile need and cost effectiveness of the partnership program in the aggregate.*

Refer to the Letter of Agreement on page 10 for complete Partnership Program details.

Eligibility

- Active flight attendants (line holders, reserves, language or purser qualified) may bid for partnership flying. Flight attendants on furlough status, leave of absence, maternity, or occupational status cannot bid for partnership flying.
- Flight attendants in a partnership must have these same qualifications: aircraft, services (domestic and/or international) over-water and passport, and be based at the same domicile. If one of the partners is internationally qualified and the other is not, they can bid for partnership. However, they can only share domestic lines.
- Partnerships may be formed between two flight attendants who do not share purser, language, and visa qualifications, provided the partnership does not bid a position requiring any of these qualifications.
- Partnerships will be awarded based on the seniority of the senior partner. Line awards are based on the seniority of the junior partner.

Compensation

- Partners will be compensated at their own rate of pay.
- Monies from holding time, understaffing, premium position, language qualification, per diem, etc., will be paid to the partner who earns the compensation.

Benefits

- Sick leave will accrue at one half the normal rate of accrual per month, per partner, as outlined in the Flight Attendant Agreement.
- Vacation days will accrue at one half of the vacation accrual schedule, per partner, as outlined in the Flight Attendant Agreement
- Each partner retains full medical, dental and life insurance benefits and all other benefits (i.e., travel privileges).

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Scheduling

- Line awards will be based on the seniority of the junior partner.
- If the junior partner falls into reserve rotation (A/B), the partnership may be awarded a reserve line for the month based on the junior partner's seniority.
- Partners will be permitted to trip trade with other flight attendants or each other.
- Partners determine which trip(s)/reserve days each partner will fly. All trips contained in their awarded line of flying will be covered by the partnership unless one or both partners exceed the flight time maximum.
- Each partner's line of flying must contain flight assignments, either trips or reserve days.
- Partnerships are eligible for relief lines and for reserve move up.
- The quarterly system of hours of service will not apply to partnerships.
- The maximum monthly flight time for each partner will be 46:00 hours, with the option to increase to 48:30 (Opt 1), or 50:00 (Opt 2).
- Reserve lines must be distributed so that each partner has at least two blocks of reserve days on. A single block of days on may not be split between the partners.

Bidding

The duration of the partnership is six months (November 2008 through April 2009). Flight attendants who wish to bid for partnership flying must submit a Partnership Bid request via SkyNet.

The Partnership Program goes into effect October 31, 2008 (November schedule month). Partnership bidding opens Sep 8 and closes Sep 26 at 0800, Central Time. Partnerships will be awarded Sep 29. Flight attendants must bid for the Partnership Program and enter a partnership agreement. Bids placed on file after the closing of bids will be maintained on a waitlist for a possible future award if the waitlist box was checked. The award process follows the voluntary furlough award and prior to a further reduction in force, the Company will make the provisions of this Partnership Program available to flight attendants at domiciles where a surplus still exists. The only way to bid for a partnership is via Skynet.

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Partnership Bidding via SkyNet

- Access SkyNet (<u>http://united.intranet.ual.com</u>).
- On the Onboard Service Home page, click on '2008 Furlough/Partnership' under the 'What's Happening' section.
- Only one of the partners must enter both partners' information, including last name, first initial, domicile, and file number.
- If the partnership would like to be added to the partnership waiting list, select YES next to 'Waitlist if not awarded.'
- If you would like to remove a request for partnership already submitted, check the box to rescind your partnership request.
- If you would like to remove a request to be put on the waitlist already submitted, check the box to rescind your waitlist request.
- Read the Partnership Program Agreement text.
- Once both partners agree to the terms of the Partnership Program Agreement, click the SUBMIT button.
- A confirmation screen will appear, confirming your partnership bids screen has been submitted.
- Partnership Bid requests will be accepted until Sep 26, at 0800,
 Central Time. Flight attendants can make changes until that time. Only the last bid entry will be considered.

	pleted or this r	eport will not be processed.	
Senior Partner Last Name	First Initial	Junior Parner Last Name	First Initial
Senior Partner Domicile	and the second	or Partner Domicile	
Senior Employee File #	Junio	or Employee File #	
Aug Waitlist if not awarded? Check the box to rescind your pa	rtnership requist:	iest: 🗌	
We have read the information expl Letter of Agreement and desire to	aining the tern form a partner	ns and conditions of the Partners	duration
responsible for the IDs or reserve flying and that we are responsible		하실하는 15명 시간 경우 경우를 하게 되었다면 되었다면 모든 중에 되었다면 하다면 되었다면 다른	nes of
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Award Notification

Partnership Program bids will be awarded on Sep 29 based on domicile need and cost effectiveness. Flight attendants who are awarded partnerships will be called at their primary/permanent telephone number in FDUG and contacted via e-note. Flight attendants who do not receive a partnership award may be placed on a waiting list, if requested, should additional partnerships become available. A partnership waitlist screen will be available after Sep 29, for additions and changes to the waitlist.

All awarded partnerships and waitlists will be available on SkyNet after Sep 29. The lists will be ordered by domicile and by the most senior partner's seniority date.

Distribution of Flying

Monthly Notification of Flying/Reserve Availability Distribution

Monthly schedule lines will be awarded at the seniority of the *junior* partner. A separate line of flying will be constructed for the senior partner. Partnerships must advise Advance Schedule Planning which trips/reserve days each will be responsible for by 1700, Central Time, *no later than three days* after primary lines have been awarded. If notification is not received in the time allotted, 50 percent of the flying will be assigned to each partner. If the line cannot be evenly split, the greater amount will be assigned to the senior partner.

- Lineholders complete a Notification of Distribution of Flying form.
- Reserves complete Notification of Distribution of Reserve Availability Days form.

If awarded a relief line, a distribution form must be sent to Advance Schedule Planning no later than one day after the relief award.

FAX notification of distribution forms to Advance Schedule Planning at 847.700.7437 (Unitel 700.7437).

Advance Notification of Flying/Reserve Availability Distribution

Partnerships may also advise Advance Schedule Planning of their desired line distribution in advance of bid awards. This may be done by completing the Advance Notification Distribution of Flying or Reserve Availability Days Form. Forms must be faxed to Advance Schedule Planning at 847.700.7437 (Unitel 700.7437).

Advance notification may be done before the bid period for each month or for the duration of the partnership (November 2008 through April 2009). If on file, advance notification will take precedence in the absence of any other distribution notification.

Notification Forms

See the following three pages for all distribution of flying/days forms.

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Notification of Distribution of Flying Form

Copy, complete form and FAX to Advance Schedule Planning (847.700.7437 or Unitel 700.7437) no later than three days after primary line awards or one day after the relief line awards (by 1700, Central Time). Any associated costs for FAX transmissions will not be reimbursed.

Junior partner's name	File number	Line award D	omicile
Senior partner's name	File number	Schedule Month	Month
Senior partner will fly:		Junior partner will fly:	
ID#/DDMMM HOURS	6	ID#/DDMMM	HOURS
		/	
/		/	
/		/	
		/	
/		/	
/			
/			
/			
/			
TOTAL FLIGHT TIME:		TOTAL FLIGHT T	IME:
OVERLAP HOURS FROM PREVIOUS MO		OVERLAP HOUR FROM PREVIOUS	-
TOTAL PROJECTION NOT TO EXCEED 50:00		= TOTAL PROJECT NOT TO EXCEED 50:00	

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Notification of Reserve Availability Days Form

Copy, complete form and FAX to Advance Schedule Planning (847.700.7437 or Unitel 700.7437) no later than three days after primary line awards (by 1700, Central Time). Any associated costs for FAX transmissions will not be reimbursed.

lunior partner's name	File number	Line award Domicile
Senior partner's name	File number	Schedule Month
Senior partner will be available:	Junior partne	er will be available:
through DDMMM) (DDMMM)	(DDMMM)	through (DDMMM)
e lines must be distributed so tha		

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Advance Notification of Distribution of Flying or Reserve Availability Form

Copy, complete form and FAX to Advance Schedule Planning (847.700.7437) before the bid period for each month or for the entire length of the partnership (November 2008 through April 2009). If on file, advance notification, will take precedence in the absence of any other distribution notification. Any associated costs for FAX transmissions will not be reimbursed.

	Domicile	File number	er's name	Junior partn
	Schedule Month(s)	File number	ner's name	Senior partr
will !	file number	he senior partner, f		
following da	s of availability of the fo	nt(s) or reserve days	e for flight assignmer	responsible
			_ through (DDMMM)	(DDMMM)
			_ through (DDMMM)	(DDMMM)
			_ through (DDMMM)	(DDMMM)
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			_ through (DDMMM)	(DDMMM)
			_ through (DDMMM)	(DDMMM)

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Letter of Agreement

Prior to a further reduction in force, the Company will make the provisions of this Partnership Program available to flight attendants at domiciles where a surplus still exists after awarding Voluntary Furloughs, as provided in Section 21.A.

A. Definition

- 1. This Partnership Program exists solely for the protection of United flight attendant jobs and will be implemented only when the need for involuntary furlough exists. The program must be cost neutral in the aggregate.
- 2. Partnership flying assignments may be awarded at individual domiciles at which surpluses exist. Partnership flying will be for a period of six (6) schedule months and will be extended for periods of six (6) schedule months as agreed by the parties or may be cancelled as provided for in this agreement.
- 3. The number of partnerships offered will not exceed the number of flight attendants currently on or subject to furlough.
- 4. The Company will provide the Union with a full accounting of the partnerships awarded at the conclusion of each awarding process.
- 5. Should circumstances beyond the control of the Company require an additional reduction in flight attendants, which cannot be alleviated by thirty (30) day or daily ANP, additional partnerships of less than six (6) months may be awarded from names maintained on a partnership flying 'waiting list'. The list shall contain the names of eligible flight attendant partners who bid, but were not awarded partnership positions, as well as those flight attendants who submit bids after the initial award. Flight attendants may remove their bids at any time.
- 6. Except as provided in this Letter of Agreement, all provisions of the Agreement will remain in full force and effect.

B. Eligibility

- 1. The partnerships will be awarded based on the seniority of the senior partner.
- 2. Flight attendants who elect to participate in partnership flying must have the same aircraft, services (International or Domestic) and overwater qualifications and be assigned to the same domicile.
- 3. A partnership may be formed between two (2) flight attendants who do not have the same visa qualifications. However, in order to be awarded a line of flying requiring a specific visa qualification, both partners must be so qualified.
- 4. A partnership may be formed between a purser-qualified flight attendant and a nonpurser qualified flight attendant provided the partnership does not bid the purser position.

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- 5. A partnership may be formed between a language-qualified flight attendant and a non-language qualified flight attendant or a flight attendant qualified in a different language provided the partnership does not bid a language line of flying.
- 6. A partnership may be formed between two (2) flight attendants qualified in the same language.
- 7. If, in a given month, there is an operational need for additional purser-qualified or specific language-qualified flight attendants, partnerships involving purser-qualified or specific language-qualified flight attendants will be suspended in inverse order of seniority based on the seniority of the junior purser-qualified or specific language-qualified flight attendant.

C. Compensation

- 1. The partners will be compensated at their own rate of pay.
- 2. The line guarantee provisions of Sections 8.J. and 12.I.2. will apply after the awarded line of flying has been divided between the partners. The sixty-five hour (65:00) minimum monthly guarantee will not apply to flight attendants participating in partnerships, except as provided in paragraphs L. or M., below.
- 3. Any monies resulting from holding time, understaffing pay, night pay, premium pay, language qualified pay, per diem expenses or any other compensation or expenses under the Agreement shall be paid to the partner incurring such compensation or expenses.
- 4. The first (1st) of the month flight advance will be paid according to established 'first check procedure'.

Adjusted Flight Time Credit Hours First of the Month Check Amount

50 hours or more Full Advance

30 hours – 49:59 hours Partial Advance

Less than 30 hours None

D. Benefits

- 1. Sick leave will be accrued at the rate of two hours (2:00) per month per partner or one half (1/2) the accrual outlined in Section 19.A.
- 2. Vacation will be accrued at one half (1/2) of the vacation accrual schedule outlined in Section 18.B. for each partner during the period of partnership.
- 3. Full medical, dental and life insurance benefits will be retained by each partner. Each partner will continue to be responsible for additional insurance premium obligations.

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4. "Vesting service," as defined in the Flight Attendant 401(k) Plan, is calculated using the elapsed time method (employment commencement date through last date of employment), meaning that each partner will earn years of service under the Flight Attendant 401(k) Plan without regard to the number of hours worked. Eligible "earnings," as defined in the Flight Attendant 401(k) Plan, of each partner will be used for the purposes of calculating Company contributions and employee deferral contributions under the Flight Attendant 401(k) Plan.

E. Line of Flying

- 1. Lines of flying will be awarded at the seniority of the junior partner.
- 2. Following the award of the line of flying the partners will determine which trip(s) each partner will fly. The flight time maximum(s) of paragraph F.2., below, will apply to each partner's line of flying. All trips contained in an awarded line of flying will be covered by the partnership unless their inclusion causes one (1) or both of the partners to exceed the flight time maximum of fifty hours (50:00), including any month end overlap flight time. In this instance, the remaining trip(s) of lowest value will be placed in open flying.
- 3. Each partner's line must contain some flying except in the circumstance outlined in paragraph I.5., below.
- 4. Transitioning into the first month of the partnership, both partners will be expected to fly out their prior month schedule.
- 5. In the event of a month end conflict during the partnership, if only one (1) partner is legal to fly the first trip of the month she/he will be required to do so.
- 6. Once individual lines of flying have been established, each partner will assume her/his own seniority for all competitive purposes.
- 7. Partners will be permitted to trip trade with other flight attendants, or each other, and with open flying after separate lines of flying have been created.
- 8. Open flying will be awarded under Sections 9.I.4.d. and 12.Q.4.d. after flight attendant requests to 'increase time for any reason' and 'make up AFA flight pay loss'. These open flying requests will be ranked based on 'greatest time under maximum'.

F. Flight Time Limitations

- 1. The quarterly system of hours of service will not apply to partnerships.
- 2. Each partner's maximum flight time for the month will be forty-six hours (46:00), with the option to increase her/his maximum to forty-eight and one-half hours (48:30) Opt 1, or fifty hours (50:00) Opt 2.
- 3. In the event operational irregularities cause a flight attendant to exceed forty-six hours (46:00), forty-eight and one-half hours (48:30), or fifty hours (50:00), the flight attendant shall fly the ID(s) scheduled in her/his individual line of flying provided she/he does not

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exceed forty-six hours (46:00), forty-eight and one-half hours (48:30), or fifty hours (50:00) actual flight time.

G. Reserves

- 1. If the junior partner falls into reserve rotation, the partnership may be awarded a reserve line for the month based on the junior partner's seniority.
- 2. The distribution of reserve availability days between the partners must include a minimum of two (2) blocks of reserve 'days on', totaling eight (8) days or more, in each partner's line of flying.
- 3. If a reserve line contains fewer than four (4) blocks of reserve days on, the flight attendant allocated the single block of 'days on' must select, or will be assigned, the longest block of 'days on'. Should one (1) of the partners be available for twelve (12) days under this provision, the opted maximum of fifty hours (50:00) will apply.
- 4. Reserve blocks of 'days on' may not be split between the partners.
- 5. Each partner sharing a reserve line will be guaranteed three hours and fifty-seven minutes (3:57) per availability day in a thirty (30) day month and three hours and forty-five minutes (3:45) in a thirty-one (31) day month. Reserves will be paid the value of the trip(s) worked in their individual lines of flying or the minimum guarantee, whichever is greater. If the total of both lines is less than seventy-five hours (75:00), the additional reserve guarantee hours will be divided equally between the partners.
- 6. Beginning of the month 'FIFO' will be determined by the arrival of the partner responsible for the first block of availability in the new month.

H. Notification of Flying/Availability Distribution

- 1. A separate line of flying will be constructed for the senior partner. No later than three (3) days after primary lines have been awarded, the partners will notify Advance Schedule Planning which trip(s) each will fly and whether the partnership desires to opt to maximum hours for the month.
- 2. In the event the notification of the distribution of flying/availability does not meet the parameters outlined in this agreement, the Company will assign flying/availability utilizing the partners' requests to the degree possible. The senior partner's request will be processed first.
- 3. In the event notification has not been received by Advance Schedule Planning three (3) days after primary lines have been awarded, the Company will assign fifty percent (50%) of the flying to each partner. In the event, the line cannot be split equally, the greater amount of flying will be distributed to the senior partner.
- 4. A partnership awarded a relief line will notify the Company the day after relief lines have been awarded which trip(s) each partner will fly.

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- 5. If notification of the distribution of flying is not received from the partnership by the second (2nd) day following relief line awards, the Company will allocate the flying as outlined in paragraph 2., above.
- 6. A partnership awarded a reserve line will designate, no later than three (3) days after primary lines have been awarded, which blocks of 'days on' each partner will fly.
- 7. If no notification is received from the partners, allocation of blocks of reserve 'days on' will be based on the criteria of paragraph 2., above.
- 8. A partnership awarded a reserve move-up line will advise the Company at the time of notification which trip(s) each partner will fly, in accordance with paragraph E.2.
- 9. Any partnership may advise the Company in advance of primary line awards or award of relief or reserve move-up lines, how the partners desire the trip(s) or reserve blocks of 'days on' to be distributed. Such notification will be based on preferred dates of the partners. In the event the dates provided do not fully encompass trips in the awarded line of flying, the senior partner's preferences will prevail.

I. Vacation

- 1. The partnership will take all vacations as scheduled and be paid at each partner's rate, per section 18.K of the Agreement. For lineholders, each vacation day will be paid at 2.6 hours. For reserves, each reserve day dropped by vacation will be paid at three hours fifty-seven minutes (3:57) in a 30-day month, or three hours forty-five minutes (3:45) in a 31-day month. Vacation pay will not be subject to the restriction of the flight time maximum(s) of paragraph F.2.
- 2. If awarded vacations overlap, the partners have the option to either move one (1) of the vacations, or both if required due to the lengths of such vacations, within the same month or interim bid one (1) of the vacations for another vacation period, per Section 18 of the Agreement.
- 3. If two (2) vacations overlap and exceed the number of days in the schedule month, the vacations will be consecutive within the schedule month and one (1) of the vacations will be permitted to flow into the following schedule month. In this instance, there will be no restriction on the number of days overlapping into the following month.
- 4. The senior partner will choose the days of vacation in the event overlapping vacations must be moved.
- 5. If one (1) partner has a vacation which encompasses all flying included in the awarded line of flying, the other partner will be restricted to forty six hours (46:00) flight time maximum with the option of forty-eight and one-half hours (48:30), or fifty hours (50:00) flight time maximum and no trips will be assigned to her/his line of flying.

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J. Disputes

The Company will be responsible for correctly administering the program. Neither the Company nor the Union will be responsible for resolving disputes between the partners.

K. Termination of the Partnership

- The partnership is considered irrevocable except it shall be terminated in the case of:

 (1) resignation;
 (2) medical leave of absence or extended occupational illness or injury;
 (3) maternity leave of absence;
 (4) transfer;
 (5) TDY assignment;
 (6) personal hardship, with the approval of the Company. The effective date of the termination is the first (1st) day of the following schedule month.
- 2. The remaining partner shall have the option to select a new partner. If she/he is unable to form a new partnership, a partnership will be offered to the most senior bid on file on the waiting list at that domicile.

L. Temporary Suspension of Partnerships

Should a domicile(s) require additional flight attendant availability, due to unforeseen circumstances, at any time during the second (2nd) through sixth (6th) month of partnership the following alternatives will be offered prior to termination of the partnership program.

- 1. Flight attendants involved in partnerships will first be offered the option of picking up open flying to individual maximums of one hundred hours (100:00) for that month.
- 2. Partnerships will be offered the option of dissolving the partnership for that month. Such dissolution will be offered in seniority order of the senior partner among the partnerships.
- 3. If the application of paragraphs 1. and 2. above do not provide the necessary flight attendant availability in a given domicile, up to twenty-five percent (25%) of the partnerships for a specific month may be dissolved in inverse seniority order of the senior flight attendant. The Company and the Union will meet prior to the implementation of this paragraph to discuss potential alternative solutions.
- 4. In the event of dissolution or suspension of partnerships the following procedures will apply:
 - A. Prior to the primary line award process each flight attendant will bid and be awarded as normal:
 - B. After the primary line award process but before the awarded line of flying has been divided between the partners, paragraph M.1. below, will apply;
 - C. After each partner has been assigned a line and trip(s) have been distributed, each partner may be assigned under the provisions of Section 8.J. or 12.I.2. to additional trip(s) on those available day(s) as scheduled in the originally awarded line of flying.

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5. In the event of the dissolution or suspension of a partnership, each flight attendant will be guaranteed the value of the originally awarded line of flying or as prorated based on additional availability if suspension occurs after the beginning of the month. Minimum monthly guarantee, prorated if appropriate, will be applicable in these circumstances.

M. Termination of the Program

The Company and/or the Union have the right to terminate the program with fourteen (14) days' written notice.

In the event a fourteen (14) day cancellation notice is served such that it is not effective until after lines of flying have been awarded for a given schedule month, the transition from partnership to non-partnership will be as follows:

- 1. One (1) partner will be responsible for the awarded line; and the other partner will be subject to reassignment under Section 8.J. or 12.I.2. based upon the awarded line of flying. If the partnership cannot come to agreement, the senior partner's choice will prevail.
- 2. Any flight attendant transitioning from partnership to non-partnership after the beginning of the month will have her/his line guarantee adjusted as described in L.5. above.