



ASSOCIATION OF FLIGHT ATTENDANTS - CWA, AFL-CIO
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Ladies and Gentlemen:

The System Board of Adjustment denied our grievance in MEC 6-05 pertaining to the Salaried and Management (SAM) concessions. While the arbitrator's decision is disappointing, we continue to believe current management requires constant vigilance to ensure fair and equitable treatment of Flight Attendants.

As you recall, on April 8, 2005 we provided United Airlines management with a 20-day notice that AFA intended to invoke our rights to terminate our 2005-2010 Agreement. The justification for our notice was the failure of management to provide reasonable documentation to show that they have completed the cost savings of \$112M annually from the SAM group.

On April 22, 2005, Bankruptcy Court Judge Wedoff, ordered that the dispute will be arbitrated before the System Board of Adjustment. An arbitrator would determine whether the company violated the "Termination Rights" provision of the "Modifications to the 2003-2009 Flight Attendant Agreement Pursuant to the Bankruptcy Code as it relates to AFA's April 8, 2005 termination notice and, if so, what is the remedy? Pending the arbitrator's decision, our Agreement remained in full force and effect, with the court retaining jurisdiction over the matter to insure expediting of the arbitration and resolving and procedural disputes.

While the grievance was denied, we now know that as part of United's pending Plan of Reorganization, a select group of management employees are set to receive a huge bonus after exiting bankruptcy.

We continue to advocate for fair and equitable treatment of Flight Attendants, as well as shared sacrifice as we oppose the precepts laid out in the Management Equity Incentive Program (MEIP). While Flight Attendants and other employees have committed to enormous sacrifices through 2009, United's officers have received generous increases in compensation, even before United exits from bankruptcy. Against the backdrop of extreme employee sacrifices and increasing executive compensation levels, the MEIP constitutes an extraordinarily generous plan further exacerbating the gulf between employee concessions and management greed.

Clearly, we are responsible for the effort of ensuring that Flight Attendants are treated fairly and equitably and that includes scrutinizing any and all management decisions. We have remained vigilant in our oversight of management and will continue to do so throughout the bankruptcy and beyond.

In Solidarity,


Greg Davidowitch, President
United Master Executive Council

INFLIGHT SAFETY PROFESSIONALS

