



Negotiations & You

Negotiations: Building Momentum



Winter 2010

February 12, 2010

Ladies and Gentlemen:

No one expected our Negotiations to be without disagreement and difficulty. We seek measured improvements that are good for our community and our Company. Management seeks concessions to make us work harder for less. Management negotiators continue their stall tactics at the negotiating table.

Our January 7, 2010 Contract amendable date arrived with the same disrespect shown by management for our proposals. Their outright refusal to reach agreement on our proposals and failure to reach an Industry Leading On-Time Agreement by our amendable date resulted in a unified and unprecedented force of Flight Attendants taking to the streets in front of terminals all over the globe. Close to 2,000 voices publicly demanded not just management's attention, but the Contract we have earned. Did management capitulate on the spot? Of course not. But they took notice, you can count on that.

We've got their attention but they hope with a little Union-busting they can regain control of the situation and tear us apart. That's why we have to work every day to get the facts and stick together. Our community of Flight Attendants is just beginning to flex our collective muscles and our negotiations are heating up... away from the negotiating table. Remaining focused on the priorities we have identified in our Opening Proposal backed by the support of you and your flying partners is our path to success in these negotiations.

Management has been proposing outright concessions. They also seek to engage us in discussions about minimal improvements in one area paid for by the wholesale destruction of another part of our Contract. We've rejected that tactic at the negotiating table and encourage you to do the same. Don't play the 'I-would-be-willing-to-accept-that' game.

Their Union-busting tactics are employed to isolate you or divided us into small groups; management knows that collectively we will achieve an Industry-Leading Contract – divided we will achieve little to nothing. Management tactics start by distracting and misleading individuals or small groups to work against our collective priorities. Management attempts to create fear, paint a bleak picture and lower expectations, hoping to demoralize us and condition us to accept less. Don't fall for it. We're all in this together, and we support each others' issues. Focus on our proposals, not their rhetoric.

We know management is worried its strategy isn't working; you can tell by the other predictable tactics they employ. You may have already noticed that they have started a whispering campaign to sow seeds of doubt: about our demands, about our tactics, about our ability to win a good Contract. Their little whispering campaign is a dead giveaway that your efforts to take a public stance in support of our Negotiating Committee are making them nervous.

With a strong unified Union mobilized in support of our collective goals management will be forced to abandon their tactics and negotiate. But, this will not be easy and they will not do so without a fight. They will do everything possible to avoid our proposals and gain control of the negotiations.

The most important part of any negotiations is what happens away from the negotiating table. Our Negotiating Committee makes great arguments at the negotiating table. But management never simply says "Gee, I never thought of it that way. You're so right, we need to give a big pay raise." No, it is what happens away from the negotiating table – what we all do in support of our negotiations – that really matters. Management constantly evaluates our strength and our Solidarity as they try to gauge what it will really take to settle the Contract. If we are perceived as weak and divided, management will view that as an opportunity for a cheap deal. As our group demonstrates our resolve and our Solidarity, management will be forced to recalculate.

As we spring forward in our Contract Campaign look for further emphasis on sharing of factual information and continuing our Strike Preparedness. In addition to our more traditional methods of sharing information, our Local Councils and our Flight Attendant Negotiations Network (FANN) will be sponsoring a new series of informal gatherings to gather feedback and continue to escalate our actions in support of our proposals. It's the next step: utilizing both tough negotiators and building momentum with collective action to change the dynamics at the negotiating table.

Put April 6, 2010 on your calendar now. On that day it will be one year since our negotiations started, and absent an Agreement we will stand together to show management we are only getting more unified, more determined and more committed to an Industry Leading Contract. So remember, they're watching. We need to show them that we stand by our Negotiating Committee and our proposals, Whatever It Takes!

In Solidarity,

Greg Davidowitch, President
United Master Executive Council

Association of Flight Attendants-CWA, AFL-CIO
United Master Executive Council

 www.unitedafa.org

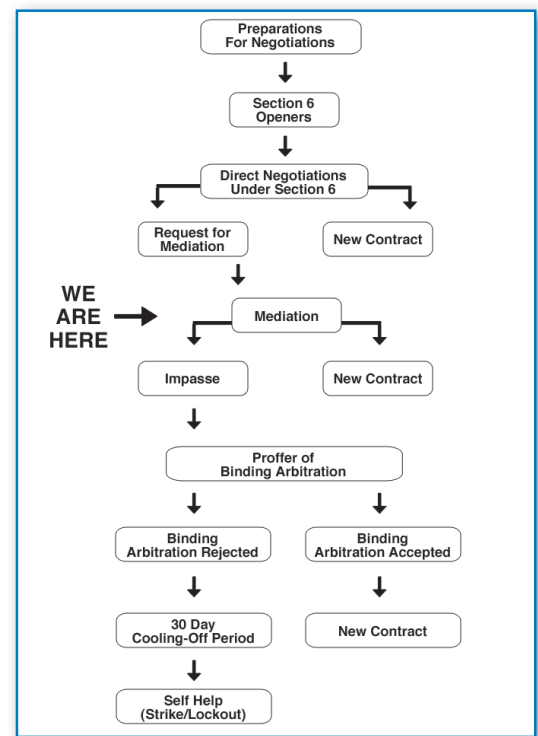


Status of Negotiations

AFA and United are in Mediation. This means the National Mediation Board (NMB) is overseeing our negotiations. The mediator assigned by the NMB, Mr. John Livingood (Mr. Livingood's bio is posted on www.unitedafa.org), may determine when and where we meet for mediation sessions along with the agenda for the mediation session. While in mediation the parties may continue to negotiate outside of mediation in an effort to reach a new agreement. But to date management has refused to accept AFA's offer to meet any time – 7 days a week, 24 hours a day – to discuss the issues Flight Attendants have determined are important.

A second mediator has been assigned to take part in our negotiations on occasion. Mr. Iannone joined the National Mediation Board in September of 2009 with 23 years of labor relations experience in the railroad industry as a labor advocate. Prior to joining the NMB, he served in elected local, general and international positions with the United Transportation Union.

We will take part in our fifth mediation session the week of February 22nd. In addition to discussing new Sections of the Contract the mediator has requested a review of all of the Sections already introduced at the negotiating table in order to have a full understanding of each party's position.



Management continues to present concessionary proposals in an effort to get Flight Attendants to work harder for less and as a means to delay negotiations for a new Contract. Our Negotiating Committee remains focused on achieving the pay, healthcare, work rules and retirement security improvements you determined were necessary and a priority when we created our Opening Proposal.

Negotiations-to-Date

Exchange of Openers	April 6, 2009
Joint Petition for Mediation	August 7, 2009
Total Direct Negotiations Sessions Held (including joint mediation)	20
Joint Mediation Negotiation Sessions Held	4
Closed Sections (T.A. Reached)	7
Open Sections (No T.A. Reached)	28
Months in Section 6 Negotiations	11
Total Days of Face to Face Negotiations	54

Closed Sections (Tentative Agreement Reached)

Each Section of the Contract will achieve a "T.A." or "tentative agreement" between the parties prior to a final agreement. Sections tentatively agreed (T.A.) upon are not final until a final agreement has been reached.

Section 14	Temporary Duty Assignment	Section 28	Missing, Internment, Prisoner of War Benefits
Section 20	Physical Examinations	Section 29	Worker's Compensation Benefits
Section 25	Personnel File	Section 32	Savings Clause
Section 27	System Board of Adjustment		

Open Sections (No Tentative Agreement Reached)

Section 1	Recognition	Section 16	Uniforms
Section 2	Definitions	Section 17	Seniority
Section 3	Union Activity	Section 18	Vacations
Section 4	General	Section 19	Sick Leave
Section 5	Compensation	Section 21	Reduction in Personnel
Section 6	Expenses, Transportation & Lodging	Section 22	Filling of Vacancies
Section 7	Hours of Service & Contractual Legalities	Section 23	Leaves of Absence
Section 8	Minimum Pay and Credit	Section 24	Moving Expenses
Section 9	Flight Assignments & Scheduling Procedures	Section 26	Grievance Procedures
Section 10	Reserve Scheduling Procedures	Section 30	Union Security
Section 11	Deadheading	Section 31	Safety and Health and Security
Section 12	International	Section 33	Benefits
Section 13	Military Airlift Command	Section 34	Retirement
Section 15	Training and Meetings	Section 35	Duration & Letters of Agreement

Status of Negotiations - in Mediation Filing

February 12, 2010

On April 6, 2009 we presented a 148-page Opening Proposal of the Contractual improvements you determined were our priorities through Member negotiations surveys, discussions at the Roadshow in the fall of 2008, feedback to your Local Council and direct interaction with our Negotiating Committee. On the same day management presented a 4-page letter of generalities with concessionary verbiage in reference to pay, healthcare, work rules, job security and quality of work life.

After 41 weeks of negotiations management continues to present proposals in bits and pieces. We have completed a review of 34 of 35 Sections of our Collective Bargaining Agreement. The following is a summary reminder of our proposal set in contrast to the proposals made by management. This is just a summary, and may not include a full review of our collective goals as contained in our 148-page Opening Proposal. View our Opening Proposal document and video anytime at www.unitedafa.org/contract/negotiations.

Each Section of the Contract will achieve a "T.A." or "tentative agreement" between the parties prior to a final agreement. Sections tentatively agreed (T.A.) upon are not final until a final agreement has been reached.

Red = Updated changes from November 20, 2009

Book = Current Contract

Section 1 – Recognition		Section 2 – Definitions	
AFA <ul style="list-style-type: none"> • Book 	United Management <ul style="list-style-type: none"> • Other employees or vendors to perform Flight Attendants' work 	AFA <ul style="list-style-type: none"> • Increase holidays • Same day reassignment ("fake 3-day" fix) • EWR/JFK/LGA Co Terminals (Agreed) 	United Management <ul style="list-style-type: none"> • Decrease holidays • CRAF, MAC, Hawaii, Caribbean, Canada, Mexico, Central and some South America domestic flying with domestic pay & work rules. • HNL domestic domicile • EWR/JFK/LGA Co Terminals (Agreed)
Section 3 - Union Activity		Section 4 – General	
AFA <ul style="list-style-type: none"> • Increase FPL • Union office space • No use of disapproved hotels 	United Management <ul style="list-style-type: none"> • Reduce FPL • Restrict Union Travel • Eliminate requirement for eating facilities to be on site at layover hotels (3.K. Layover Hotels) 	AFA <ul style="list-style-type: none"> • Increase PTO • No fee for CJA • Reciprocal Cabin Seat Agreements • Recording of Crew Desk • International domiciles direct deposit • International On-Board rest facilities improvement • Signature required mail • Current book for \$50 minimum reimbursement check (Agreed) 	United Management <ul style="list-style-type: none"> • Eliminate PTO • Deny CJA on weight restricted flights • Eliminate flight crew lounges for sits over 3 hours • Intentional selective deviation from staffing standards • Current book for \$50 minimum reimbursement check (Agreed)
Section 5 – Compensation		Section 6 - Expenses, Transportation & Lodging	
AFA <ul style="list-style-type: none"> • Increase pay • Increase reserve guarantee and override • Merged pay scale • Longevity • Drafting pay • Penalty pay • New "ground pay" 	United Management <ul style="list-style-type: none"> • No proposal 	AFA <ul style="list-style-type: none"> • Increase expenses • Greater of \$50 or 50% of cost of room for not using layover hotel (counter-proposal) • Downtown for layovers over 15 hours • Increase crew meals • Actual reimbursement for cab or transportation • Increase parking reimbursements 	United Management <ul style="list-style-type: none"> • 32 hours – Downtown • \$20 payment for not using layover hotel (contingent on other concessions) • Intl layover hotel room – wait 2 hours before self help • No hotel for sits under 5 hrs • Eliminate crew meals • \$1.60 per diem contingent upon agreeing to all other concessions

Section 7 - Hours of Service & Contractual Legalities		Section 8 - Minimum Pay and Credit	
AFA <ul style="list-style-type: none"> • Increase RSV # of days off • Shorten duty day • Increase legal rest • Improve crew rest • Key-in-hand 	United Management <ul style="list-style-type: none"> • Eliminate Quarter System • Eliminate rest provisions: <ul style="list-style-type: none"> • 8-in-24 • 30-in-7 • 1-in-7 • Extend Maximum Duty Time to 17 hours, or more when last segment is Deadhead • Reduce Legal Rest to 8 hrs • Expand Field Layovers to a hotel within approximately 30 minutes of airport • Weaken the limitations on Night-Into-Day Flying 	AFA <ul style="list-style-type: none"> • Increased duty rigs • 8.J. reassignments • Drafting pay • Increase call out pay • Full pay for holding 	United Management <ul style="list-style-type: none"> • Eliminate minimum duty rigs (5/10/15/20) • Reduce trip rig – time away from home (1 for 4) • No longer pay the greater of actual or scheduled • Holding time paid after 1 hr
Section 9 - Flight Assignments & Scheduling Procedures		Section 10 – Reserve Scheduling Procedures	
AFA <ul style="list-style-type: none"> • Increase staffing • Reassignment pay • Trip trading improvements • Lower line averages • No conversion from DHD for service enhancement • Eliminate required purser qualification for domestic 	United Management <ul style="list-style-type: none"> • Increase line of flying average • Eliminate the printing of all bid materials • Expand language qualified positions to domestic and double the number • Restrict # of buddy bids • Prevent trades that lower lines below 50 hours • Mix Intl and Dom IDs 	AFA <ul style="list-style-type: none"> • Improve Reserve Scheduling procedures - preferencing • Improve Reserve trading procedures • No more than 3 conversions to Ready per month • No more than 3 STBY assignments per month • Increase Reserve days off 	United Management <ul style="list-style-type: none"> • Eliminate Ready Reserve 4 hrs notice prior to departure • Standby Reserves to be assigned to board/deplane flights and perform pre-departure duties when not assigned as a working crewmember
Section 11 - Deadheading		Section 12 – International	
AFA <ul style="list-style-type: none"> • Seating assignments and upgrade procedures • Economy Plus and exit row seat booking for Economy 	United Management <ul style="list-style-type: none"> • ½ credit for DHD • Booked in Economy for all DHD, including international • .05 per diem increase if we agree to all other concessionary proposals in this section 	AFA <ul style="list-style-type: none"> • Reassignment & drafting pay • Reduce duty day • Increase legal rest • West Coast and Hawaiian turn restrictions • Eliminate selection and increase Purser Training • Purser discretion for Onboard rest 	United Management <ul style="list-style-type: none"> • Reduce legal rest minimum to FAR • Eliminate place of lodging minimum • Reduce restrictions to mix Domestic and International • Crew meals for flights over 8 hours, downgrade quality • Use of crew rest facilities by other employees • Max 4 Language Qualified per flight • Eliminate RSV guarantee
Section 13 - Military Airlift Command		Section 14 - Temporary Duty Assignment (T.A.)	
AFA <ul style="list-style-type: none"> • Book 	United Management <ul style="list-style-type: none"> • MAC as domestic flying • Company agrees to language in current book for MAC flying death, disability, workers' comp and missing, internment and prisoner of war benefits 	<ul style="list-style-type: none"> • Book 	
Section 15 - Training and Meetings		Section 16 – Uniforms	
AFA <ul style="list-style-type: none"> • Full pay for training and travel • AFA approved hotel • Increase IST Training 	United Management <ul style="list-style-type: none"> • Eliminate 3-hour min pay guarantee • Flight Attendants removed from schedule subject to 8.J. reassignments. • Eliminate 1-in-7 protection 	AFA <ul style="list-style-type: none"> • No advertising on uniforms • Clarify uniform points • Clarify for replacement due to wool allergies (Agreed) 	United Management <ul style="list-style-type: none"> • Eliminate restriction on other employee groups wearing Flight Attendant uniforms • Clarify for replacement due to wool allergies (Agreed)

Section 17 - Seniority		Section 18 – Vacations	
AFA • 7 year accrual while on Medical Leave of Absence	United Management • Increase number of yrs of seniority accrual & decrease number of yrs with access to benefits while on MLOA • Flight Attendants who transfer to Onboard Management to retain and accrue seniority indefinitely	AFA • Increase vacation days • Increase vacation pay • Increase allocation for interim bids	United Management • Decrease vacation days to max 28 • Withhold 25% of allocation during annual vacation bid process • Eliminate vacation pay advance
Section 19 - Sick Leave		Section 20 - Physical Examinations (T.A.)	
AFA • Increase monthly sick leave accrual to 5 hours • Occupational continuance • Direct deposit for Occupational reimbursement • Cash out of sick leave bank at retirement or resignation • Use of sick leave for family member	United Management • Reduce monthly sick leave accrual to 3 hours • Sick leave paid at 75% of hourly rate of pay • No sick leave accrual on sick leave status • Eliminate sick leave make up • Reduce use of sick leave pay to supplement Occupational benefits	• Book	
Section 21 - Reduction in Personnel		Section 22 - Filling of Vacancies	
AFA • Clarify Probationaries' ability to participate in Voluntary Furlough	United Management • Limited furlough rebid • Probationaries excluded from voluntary furlough • Probationaries included in involuntary furlough	AFA • Increase COMAT • Right of return to closed domiciles • Right of return for surplus • Ability to transfer while on leave • Secure visas for Intl Domicile closure	United Management • Eliminate settling time for all voluntary transfers including new domiciles • Eliminate hotel for new hires or for newly established domiciles • Eliminate annual BP-3 for Intl Domiciles
Section 23 - Leaves of Absence		Section 24 - Moving Expenses	
AFA • Medical Leave of Absence increase to 7 years • Increase maternity, paternity, adoption leave to 180 days • FMLA improvements • Ability to be awarded new leave from leave status	United Management • Elimination of 12 month minimum on LOA before Flight Attendant kept off pay status until re-qualified	AFA • Book	United Management • Eliminate moving expenses for new domiciles
Section 25 - Personnel File (T.A.)		Section 26 - Grievance Procedures	
• All complaint letters/inflight observations removed after 12 months • Extend time to place reports in Flight Attendants' Personnel File by 6 days after receipt at domicile		AFA • Book	United Management • MEC grievance to be filed within 60 days (26.D.) • LEC grievance to be filed within 60 days (26.E.)
Section 27 - System Board of Adjustment (T.A.)		Section 28 - Missing, Internment, Prisoner of War Benefits (T.A.)	
• Provision to ensure 80 days of System Board are used		• Book	
Section 29 - Worker's Compensation Benefits (T.A.)		Section 30- Union Security	
• Book		AFA • Clarify dues collection	United Management • Modify Union Security and the processing of dues
Section 31 - Safety and Health and Security		Section 32 - Savings Clause (T.A.)	
AFA • Request for information • Access to secure areas • Fatigue protection • Air quality protection • Pesticide protection • Communicable Disease Policy (Agreed)	United Management • Communicable Disease Policy (Agreed)	• Book	



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Negotiations: Building Momentum

Section 33 - Benefits		Section 34 - Retirement	
AFA <ul style="list-style-type: none"> • Premiums lowered & capped • Coordination of benefits • Improve prescription drug program • Modernize health and wellness charts • Short term disability • Lower retirement age to 50 	United Management <ul style="list-style-type: none"> • Decrease medical, dental and prescription drug benefits • Increase premium contribution & eliminate cap • Increase prescription drug costs • Restrict access to benefits • Eliminate company paid retiree healthcare for future retirees • "Lifestyle" wellness program • Medical/dental benefits limited to 1 year while on medical LOA • Eliminate HMOs 	AFA <ul style="list-style-type: none"> • Increase direct contribution and match to 401(k) or equivalent • Roth IRA • Annuity feature 	United Management <ul style="list-style-type: none"> • Eliminate company paid direct contribution to 401(k) • Eliminate UK stakeholder plan and other similar international plan • Eliminate Union oversight
Section 35 - Duration (and Letters of Agreement)		Hotel Standards	
Letters on which we have reached Tentative Agreement=Current Book			
<ul style="list-style-type: none"> • AFA Staff Travel • Commuter Policy/Personal Emergency • Donation Check-Off Procedures • Extended Duty Time International • Low Cost Operation • Non-U.S. Tax Deferral • Recognition of International Domicile Issues • Safe Airlines • 747 Dumbwaiter • Taking Tickets Off Aircraft • Wage Garnishment 	<ul style="list-style-type: none"> • Commuter Policy • Distribution Agreement (Equity) • Duty Free Commission • Duty Free Employee Discount • International Flying Distribution • Onboard Research • Reserve Pagers • Resignation Special Pass Benefit • Special Assignment Calculation • Training Jumbo Qualification 	AFA <ul style="list-style-type: none"> • Incorporate into Agreement 	United Management <ul style="list-style-type: none"> • Lower overall standards • Decrease in hotel safety requirements • Eliminate requirement for eating facilities to be on site at layover hotels
Qualified Purser Program (Sections 9 & 12)		Satellite Domiciles	
AFA <ul style="list-style-type: none"> • Eliminate qualified Domestic Purser • Purser training in system seniority 6 times per year • Eliminate selection process 	United Management <ul style="list-style-type: none"> • Restrict Purser schedule flexibility • Increased requirements to maintain qualifications • New Purser program with restricted access, no grandfathering of existing Purses • Training at company discretion • Company can disqualify at will – no grievance process 	AFA <ul style="list-style-type: none"> • No proposal 	United Management <ul style="list-style-type: none"> • Must live within 75 miles of satellite airport and be based at domicile associated with satellite • Flight Attendants expected to "maintain discipline-free record" • Prudent Commuter Letter does not apply • Company determines when and where to open and close • Flight Attendant must make 12-month commitment to Satellite Location • Company will give 45-day notice if no flying assigned to Satellite • No Trip Trade with Open Flying • No PTO/WOP • Flight Attendants expected to have trip covered if unavailable/sick • Vacation month scheduled at Home Domicile • No scheduling interaction with Home Domicile (no trades, open flying, etc.)
"Preferential" Bidding System			
AFA <ul style="list-style-type: none"> • No proposal (keep provisions in the Flight Attendant Bidding System Letter of Agreement) 	United Management <ul style="list-style-type: none"> • Conditional bid model - must bid within specific category: International/Domestic/Reserve/Purser/LQ • Buddy bids not guaranteed • Mixed qualified Purser F and B lines • Eliminate provision for least desirable flying to be left in Open Flying 	<ul style="list-style-type: none"> • Eliminate printed bid materials • Eliminate minimum number of bid preferences • Eliminate sliding vacation to fly overlap • Eliminate minimizing flying from different co-terminals • Eliminate minimum of reserves with weekend off • Eliminate Aggressive Pick-up Program 	