

Tentative Agreement for the United Pilot Agreement

The goal of the UAL and CAL MECs for the United Pilot Agreement, and the direction provided to the Joint Negotiating Committee (JNC) as the agreement was negotiated, was to achieve a contract that in its entirety is industry leading and that meets the needs of our pilot groups. As you read through this overview, it is important that you consider the provisions of the TA collectively. Examine the individual sections and provisions, but do not forget that just as the contract functions as a whole, you should evaluate it as a whole.

The United Pilot Agreement draws from provisions and concepts contained in both legacy United and Continental contracts, and as such, the TA is a complex document. Many provisions will be entirely foreign, some will seem familiar but will have different aspects to them, and others will be for the most part unchanged. This is a high level introduction of some of the provisions in the TA. You will find a wealth of information at www.unitedpilotagreement.com.

COMPENSATION

- Pay rate increases: 12-22 percent at 12-year rates on DOS, then 8.5 percent increase 1/1/2014; 3 percent increases Jan. 2015, 2016 and 2017
- Implementation Schedule and Process LOA provides for pay rates, per diem, etc. to begin on Dec. 1, 2012 if ratified. Equivalent to an approximate one (1) percent pay rate increase for year 2013

Legacy United	DOS	1/1/2014	1/1/2017
B-747/777	24%	34%	47%
B-767	23%	34%	46%
B-757	19%	29%	41%
A320	38%	50%	63%
A319	32%	43%	57%

Legacy Continental	DOS	1/1/2014	1/1/2017
B-777/787/767-400	22%	32%	44%
B-767-200	1%	---	---
B-757-300	16%	25%	37%
B-757-200, 737 800/900	12%	21%	32%
B-737-500/700	21%	31%	43%

- International override (except CONUS, Canada, Alaska) - \$6.50 CA/\$4.50 FO/hr
- 16 percent defined contribution (DC)
- 92-hour cap with required repair, unless pilot consent
- No pay cap, waiver required
- Lineholder premium trips 50, 75, 100 percent additional add pay
- Senior manning 100 percent additional add pay
- Inverse reassignment additional 125 percent add pay
- Numerous reassignment/day off additional add pay
- Profit sharing for 2012 and beyond, no sunset
- Rig - minimum five hours average per calendar day (M5D)
- Duty rig - Minimum one (1) hour pay per two hours of duty
- Trip rig - Minimum one (1) hour pay per 3.5 hours of TAFB
- Lineholder protected time credit (PTC - awarded line is minimum pay) including deadhead and rig
- Pre-assigned sick leave 3.0 hours per day pay and credit
- CQP and training less than five days = 3.75 hours per day pay and credit
- All other training five or more days = 3.0 hours per day pay and credit
- Minimum reserve guarantee 73 hours
- Rigs apply to reserves
- No reserve leveling
- Numerous reserve increased guarantee/add pay opportunities
- No B scale

SCOPE

- UAX (Express flying) block hour ratio restriction based on narrowbody single-aisle block hours at DOS
- No 76-seat aircraft until Jan. 1, 2014; current legacy United 70-seat and turboprop limits until then
 - After Jan 1, 2014: Cap 70-/76-seat aircraft at 255 hulls; no more than 130 76-seat aircraft
 - Q400 included in 76-seat aircraft count limits (currently no limit in legacy Continental contract)
 - UAL currently has 148 70-seat aircraft and 35 Q400s
 - Under United Pilot Agreement definitions, UAL currently has 183 of the 255 70/76-seat aircraft
- After Jan. 1, 2016: Cap 76-seat aircraft at 153
- Can only go above 153 76-seat aircraft if new small narrowbody aircraft added to UAL fleet and forces reduction of 70-seat aircraft from 148 to 102 cap
- Must park 50-seat aircraft if going above 153 76-seat aircraft
- Maximum UAX hard cap of 450 total hulls, from current 588

- All 76-seat aircraft downgraded to 70-seats (remove seats) if furlough
- New small narrowbody aircraft - we fly it, forces reduction in UAX block hour ratio limit and number of 50- seat aircraft
- 90 percent of feeder flying must be to/from specific airports
- 80 percent of feeder flying must be less than 900 statute miles
- Maximum 5 percent feeder hub-to-hub
- Must maintain 90 percent of Company block hours to JV countries
- International joint venture rules require UA “metal in the market” (no Aer Lingus type agreements)
- Successorship protections similar to TPA
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SCHEDULING AND WORK RULES

- Duty rig 2:1, minimum 5.0/calendar day average, trip rig 1:4 then 1:3.5 at OMD+1
- Maximum line production average 84.0, reduced with furlough
- Pay = credit for activities and absences
- Day off restoration
- PBS open time allowed
- 92-hour cap with required repair, unless pilot consent
- Lineholder premium trips 50, 75, 100 percent additional add pay
- Senior manning 100 percent additional add pay
- Inverse reassignment additional 125 percent add pay
- Numerous reassignment/day off additional add pay
- Must use volunteers with 100 percent add pay, even if need to drop conflicting trips, before inverse reassignment
- Two captains and two F/Os scheduled for flights greater than 16 hours
- Minimum days off = 12. Lineholder may reduce to ten (if no furlough)
- Seniority-based automated trip pick-up/trade system
- Deadheading in Economy Plus minimum; Business or First guaranteed if global flight
- Deadhead deviation, positive space (PS) passes
- Premium pay for middle seat deadhead
- Captains may not fly as F/O, unless LCA or both pilots consent
- Layovers: nine hours behind the door
- 14 hours = downtown layover

SCHEDULING - RESERVES

- All reserves begin as long call
- Reserve long call released to trip 13 hours prior to departure or to minimum ten hours rest prior to short call at pick up/assignment
- Reserve 13 days off in 31-day bid periods
- Minimum reserve guarantee 73 hours
- Reserve Minimum Pay Guarantee increases for short call/airport standby
- Numerous reserve increased guarantee/add pay opportunities
- Rigs apply to reserves
- Aggressive pick-up with no reserve leveling
- Basic reserve pilots have one (1) moveable day off with limited assignment rights
- Global reserve pilots have six (6) golden (immovable) days off
- No long or short call on movable days off
- Short call reserve call-out time of 3:00 to report time, 2:30 using short-term parking lot (Company-paid)
- Incentive pay to voluntarily accept and fulfill shorter call-out time

STAFFING/VACANCY BIDDING

- United type system by category vacancy/displacement bidding
- Training freezes/bidding freezes
- Release from training freeze to bid up in pay category
- Lateral and down-bid allowed, but with a bidding freeze
- Pay protection for 24 months for cancelled bid positions
- Base trade system with a “senior objector may take the trade” remedy

RETIREMENT AND INSURANCE

- 16 percent Company contribution to pilots’ defined contribution plan
- No changes to the CPRP or distribution options/lump sum (Continental pilot frozen defined benefit plan – A-Plan)
- Pilots and their dependents eligible for medical benefits on date of employment
- Medical plan cost share of 80% Company/20% pilot
- Dental plan cost share of 80% Company/20% pilot
- Locked-in medical/dental/vision plans
- Pilots eligible to participate in any Company medical plans offered to other employee groups
- Pre-65 and post-65 retiree medical plan patterned after current legacy United plans (one-year transition option for Continental pilots to use legacy Continental bridge medical option)

- Special enrollment period with new health plans after ratification
- New Reimbursement Health Arrangement account (RHA) to accumulate tax-advantaged funds to pay for retiree healthcare
- Tax-efficient treatment of excess retirement contributions into RHA VEBA
- Long Term Disability plan patterned after Continental plan; cost share improved from 55% Company /45% pilot to 65% Company/35% pilot
- Maximum monthly benefit \$8000 tax-free (\$96K annual)
- Pilot option to preserve 120 hours of sick time when going to LTD
- Unlimited coverage in the case of cognitive/psychological disorders (subject to automatic medical review)
- New 12-month substance abuse benefit usable over pilot career
- Easier re-entry into plan upon return from leave of absence and continued LTD payments until training commences
- All pilots who hold a first class medical will be allowed back in LTD plan at DOS
- Company to offer Guam-based pilots a global medical plan
- Voluntary spousal term life insurance coverage up to \$500,000

EXPENSES/LODGING

- Per diem improvements (2013 \$2.15 CONUS-Canada/\$2.60 international)
- Per diem increases \$0.05/year, no end date (2017 \$2.35/\$2.80)
- No-limit uniform laundry expense reimbursement
- Extensive domestic and international crew meals including special meals
- Onboard supply of energy food (e.g. granola bars)
- Buy-on-Board food reimbursed for deadhead pilots
- On-board entertainment (movies, wi-fi when available) reimbursed for deadhead pilots
- New joint hotel sourcing/selection/de-selection process based on agreed-upon guidelines with expedited arbitration process
- Ability to 'walk' a hotel if not suitable
- Downtown hotel at 14:00 hours block to block layover or greater
- TDY per diem additional \$25 per day as well as laundry expenses after five days
- Company pays for new-hire uniform and uniform changes
- Company pays Global Entry, CDC vaccinations, and reimburses unusual expenses otherwise usually not reimbursable
- Company commits to financially support CrewPASS as it is today

TRAINING

- Increase training pay and credit to 3.75 hours per day for training of less than five days and CQP of any length
- First Class travel to/from recurrent training

- Increase training pay to three (3) hours for training of five days or greater
- Paid on the basis of training days blocked, not on class days attended if less
- Distance learning paid at 1:4 ratio, including Global Contrails
- Dual qualification only allowed by management pilots (not line or instructor), if landing currency is maintained in the actual aircraft
- Pilots who lose days off when given a training assignment after monthly schedule preferencing (bidding) receive additional vacation days

MOVING

- Merger move: paid move for all vacancies awarded within 24 months of operational merger date regardless of bid award
- Career move: one additional paid move for pilots during their career, regardless of vacancy award
- Paid moves for new equipment bases
- Move expenses paid from any location within CONUS (not restricted to distance from old to new domicile)
- Pay five (5) hours pay per travel day
- Must move within 200 miles of the primary airport and 50 miles closer

VACATION

- Vacation pay and credit at 3.25 per day
- Additional vacation days earned in numerous situations
- Vacation year starts with May bid period (annual bid in Feb/March)
- Monthly vacation pick up and trade
- Paid trip drops using next year's vacation accrual
- Do not keep vacation when changing categories, unless displaced
- Now allow vacation payout to 401(k) or RHA VEBA
- "Golden days" – pre-assigned days off for personal use

SICK LEAVE AND WORKER'S COMPENSATION

- Protect value of soft-time within a pairing
- Dial-able sick leave to extend bank over a longer time period
- Convert OI bank to sick bank at a 1.5:1 ratio
- Advance new hires 60 hours sick bank, begin additional accrual at one year
- Sick bank paid out above line cap for lineholders and above MPG for reserves
- Worker's Compensation payments turned over to the Company are returned to the pilot's sick bank in hours

SAFETY

- New section in the contract
- Umbrella agreement allows for common components of safety programs
- Individual LOAs and MOUs detail individual programs that involve the FAA, like FSAP, etc.

SENIORITY

- Pilots must hold a line captain bid to fly as a line captain

REDUCTION IN FORCE

- Furloughs continue to accrue longevity
- Scope and Line Projection Average restrictions when pilots are on furlough

MISCELLANEOUS

- Pilot right to know any information being kept by the Company on him/her regardless of form or location
- \$35/month reimbursement for parking costs if parking not utilized in pilot's base
- FFDO use of vacation to cover initial and five-year recurrent training
- FFDO PS passes to and from FFDO training
- Bottled water language
- Order-to-fly language
- Prudent commuter policy
- Jumpseat protected on weight-restricted flights for United pilots
- Jury duty policy codified