



November 11, 2013

Full Implementation of the JCBA's is Underway

United is working together with the IAM to implement and transition to the new joint collective bargaining agreements (JCBA's) as soon as we can reasonably do so. United and the IAM recognize that there will be technical and logistical challenges to the immediate implementation of all of the terms of the JCBA's. We recognize certain topics are more important to employees than others, and we will prioritize those items and provide updates on our progress.

Next Steps to Successfully Implement the Agreements

As part of our effort to implement the new agreements, we have established more than 15 separate teams to review provisions of the agreements and determine the steps to implement their terms. The teams will provide on-going communication and appropriate training to ensure smooth implementation of new processes.

Seniority List Integration

The IAM has announced initial seniority lists will be available for review on the IAM's website (www.iam141.org) beginning early next week. The report of findings and recommendations by Neutral Joshua Javits and the process for co-workers to protest their placement on the lists are also available on the website.

Implementation of New Pay Rates, Retro Pay & Signing Bonus

Pay Scale Implementation

We are focusing on implementing updated pay rates; however, due to technology constraints (primarily the HRIS PeopleSoft migration), the new rates of pay will not be reflected in November paychecks. The current target is to have the new pay rates implemented with January paychecks at the latest. The new pay rates will be retroactively applied and paid. It's better to do this in a disciplined manner and get it right, than to go too fast and get it wrong.

Retro Pay/Signing Bonus

We're also working with the IAM to make Retro Pay/Signing Bonus payments as soon as we reasonably can. We realize folks are anxious to know when they'll receive these checks, and we're working together with the IAM to make sure we get them out and that they are correct. We're also working on a mechanism by which employees can elect to contribute a portion of the payments to their 401(k) accounts, if they want to do so. Additional details will follow in a separate communication.

2014 Vacation Bidding

Airport Operations, Reservations, Stores

United and the IAM continue to discuss the plan for this year's vacation-bidding process. Depending on location, vacation bidding may be complete, still in process, or about to begin. Therefore, United and the IAM have agreed that the contractual deadlines for having vacation bidding completed may be extended to the extent necessary. Bidding will generally follow the processes called for in the new agreements, including the option for former s-UA employees to purchase an extra week of vacation. We are preparing a comprehensive vacation-bidding process document and will send it to operating divisions to ensure a common system-wide application.

Transitioned Station Negotiations

As provided in Article 2 (Job Security) of the new agreements, the Company and the IAM have begun discussions concerning the sourcing of work at the six stations currently transitioning to third-party ground handling. The discussions focus on whether there are opportunities for adjustments that would allow the work to be performed by IAM-represented employees. We have also assigned permanent members to these discussions and are establishing protocols and processes to facilitate future discussions.

Transfers to Reservations Remote Agent Position

Co-workers from the Customer Contact Centers in Chicago, Detroit, Honolulu and Rapid City have expressed an interest in the ResAnywhere program. The Company is currently operating on two separate technology platforms for call routing (Cisco and Genesys), which limits the opportunities to transfer to the ResAnywhere program at this time. In the first quarter of 2014, we expect that approximately 50-100 employees will have the opportunity to transfer to Reservations Remote Agent (RRA). Once the migration to the new Cisco platform is complete, we expect to have more opportunities for ResAnywhere transfers.

Meanwhile, we are creating and will distribute a survey to gauge the interest in this program and ensure we are designing our systems and processes to support the needs of interested employees. Participating in the survey will not obligate participation in the ResAnywhere program. Your feedback is important, so please complete the survey.

For additional information on the job classification for Reservations Remote Agent, including hourly pay rates, please see the Passenger Service Employees agreement.