

MEMORANDUM

To: All United-Continental Holdings, Inc. Employees Represented by the IAM

From: Joshua M. Javits, Neutral *Joshua M. Javits*

Date: November 26, 2013

Subject: Seniority Integration Process: Corrections

As you know, pursuant to an agreement between your employer, United-Continental Holdings, Inc. and your union, the International Association of Machinists and Aerospace Workers (“IAM”), I was appointed as a Neutral to assist the parties in the seniority integration process resulting from the merger between United and Continental Airlines. As part of this process, on November 6, 2013, I issued to the IAM my Report and Recommendations regarding the integration of seniority lists for Fleet Service, Passenger Service and Storekeeper employees of pre-merger United Airlines, Mileage Plus, Continental Airlines, and Continental Micronesia. *See* Report and Recommendations. Accompanying my Report were proposed Seniority and Juniority lists created based on information provided to me by the company and applied according to the principles embodied in my Report and Recommendations. On November 12, 2013, the IAM published these lists to the membership. In accordance with the agreed-upon process, employees have until December 11, 2013 to file protests contesting their individual placement on the lists.

Since publication, however, a few issues have come to my attention affecting a small number of employees which should be corrected immediately. These issues are independent of the protest process. First, certain groups of employees were incorrectly classified in the information provided by the company, resulting in them being placed on one list, when they should have been placed on another. For Passenger Service, these changes impact the Customer Service, Reservations, Baggage Resolution Center and Airport Support Services lists. For Fleet Service, these changes impact the Basic and Lead Ramp Service lists. Specifically, the changes to the revised list are as follows:

- Certain employees were removed from the Passenger Service - Baggage Resolution Center lists and placed on the Passenger Service - Customer Service lists, including 127 Support Desk Agents (NHC) and one Trainee - Airport Sales Agent (ELP).
- 13 Alliance Desk Employees (SLC) were removed from the Passenger Service - Customer Service lists and added to the Passenger Service - Reservations lists.
- 31 Cargo Sales Agents were removed from Passenger Service - Airport Support Services lists and added to the Fleet Service - Basic Ramp Service lists. This change impacts the Chicago and New York Points, BOS, DEN, MCO, SEA, SJC and TPA. Additionally, four of these employees were also added to the Lead Ramp Service lists for the New York Point as well as BOS and DEN. Prior to this change, only pre-merger United Lead Ramp Service employees were present at DEN. As a result of this change, however, two pre-merger Continental employees were added to the list. Accordingly, these employees were integrated according to the principles and procedures outlined in pages 43-50 of my Report and Recommendation.

Additionally, I have been advised that there is no seniority relationship between part-time and full-time Lead Ramp Service employees. Accordingly, part-time Lead Ramp Service employees were removed from the full-time Lead Ramp Service lists and placed on their own separate lists. These changes impact the Miami and New York Points, GUM, IAH, BUF, CLE and JAX.

In reviewing the Lead Ramp Service lists, I also realized that the tie-breaking for Hub CSA Team Leaders was incorrectly applied, resulting in a number of Hub CSA Team Leaders with the same pre-merger "Bid Date" appearing out of order on the final lists. When the lists were corrected to reflect their pre-merger order, 113 Hub CSA Team Leaders in the New York Point and 51 Hub CSA Team Leaders at IAH moved one or two places on the revised lists. Again, these changes only impacted Hub CSA Team Leaders at the New York Point and at IAH with the same pre-merger Bid Date.

Finally, due to a clerical error, approximately 20 Lead Ramp Service employees, all from pre-merger Continental, had the incorrect Company Seniority Date listed on the Seniority Lists, although importantly this information was correct on the Juniority Lists. This information was also correct when the lists were initially sorted accordingly to the employees' pre-merger orders. Accordingly, this minor correction did not result in the re-ordering of any employees on either the Seniority or Juniority lists.

The lists published along with this Memorandum reflect the changes described above. Again, these revisions are separate from the formal protest process and employees have until December 11, 2013 to file written protests contesting their placement on the

published lists. Any protests must be submitted in writing by mail or fax, as follows: Joshua Javits, Neutral, c/o Guerrieri, Clayman, Bartos & Parcelli, P.C., 1900 M Street, NW, Suite 700, Washington, D.C. 20036 or Facsimile: 202-624-7420. In accordance with the process agreed to by the company and the union, any protests received by the December 11, 2013 deadline, including protests submitted to date, will be resolved by January 15, 2014.