



September 22, 2020

Pandemic Recovery LOA



Today's Headlines

- MEC Livestream Question and Answer Sessions
- Clarifying Common Concerns

MEC Livestream Question and Answer Sessions

Balloting for the Pandemic Recovery LOA is open, and instructions for [voting](#) have been sent from ALPA National to each pilot. This week, we continue our commitment to answer questions and clarify misconceptions via official MEC sources so pilots can make an informed decision when voting. Please take the time to join a livestream MEC Q&A session this week, or watch a recorded session found on the [TA website](#) to get the facts.

To watch an MEC Q&A Sessions, use this [link](#) and join at these times:

- Thursday, September 24 - 1:00 p.m. - 2:30 p.m. EDT
- Friday, September 25 - 4:00 p.m. - 5:30 p.m. EDT
- Sunday, September 27 - 1:00 p.m. - 2:30 p.m. EDT

Clarifying Common Concerns

In this update, we will cover three topics which have come up in the MEC and LEC town halls over the last few days, and one fresh story from tonight.

1. Is the MEC planning on instituting a pay cap, or is a pay cap part of this TA?

No. This concern addresses the rumor that a pay cap is being negotiated to prevent pilots from picking up open time or premium trips. The MEC has not

moved to implement any limits on pilot choices with respect to picking up open time or trip trading. The issue of pay caps was raised as a separate discussion at the meeting last week, and it was deferred until after the LEC representatives could obtain council direction, if any, on caps. Stay engaged and let your LEC officers know directly if you have input. Any such move would require both MEC direction and membership ratification.

2. Should we wait to see what happens with the CARES Act discussions in Congress before we approve this LOA?

The importance of an extension cannot be understated, and the CARES Act has kept furloughs at bay until now. Our industry needs this lifeline to help maintain the essential services we provide to our country. Without it, many thousands of airline employees will be furloughed. The LOA was negotiated with this in mind and has protections for us if there is an extension. ALPA was able to ensure that if CARES Act payroll support extension is approved, or the company accepts a different CARES grant program, the work and MPG reductions will be suspended during the period of payroll support. And despite putting those items on hold, the UPA improvements in the LOA will still be in effect. An extension or similar payroll protection program would further delay furloughs while allowing us to improve the UPA under this agreement, which would be an excellent outcome for United pilots.

3. Was this deal rushed, and why is the vote closing Monday now that the furloughs have been postponed until October 30?

Being rushed is a valid concern, and something we must always guard against. In this case, the MEC was not rushed and has been working on worst-case scenarios and vigorously debating various options throughout the spring and summer. The Negotiating Committee looked at dozens of permutations of the various provisions prior to reaching the final agreement. The MEC debate and stress-testing helped lead to this LOA and the process followed existing MEC policy manual guidance.

The postponement of the United pilot furloughs does not remove the importance of securing this deal now. They have been kept on active status for October with full benefits, however they are on empty lines for October unless the LOA is voted IN FAVOR and approved. The 1747 furloughs deserve a decision so they can plan their lives based on zero income, or a reserve line, in October.

4. Are the reports true that United is giving money to Avianca when they are asking us for work and MPG reductions?

This would be concerning if it were true; however, the press stories did not accurately reflect the facts. United **is not giving Avianca any new money**, they already have a large investment including the \$150 million loaned last year that is backed by Avianca's loyalty program. Avianca has filed bankruptcy and today's announcement was about an agreement to let them refinance the \$150 million of United debt so they can obtain bankruptcy exit financing. If they are not able to successfully exit bankruptcy it would put United's ability to recoup their

investment at risk due to the loss of value in the collateral (the Avianca mileage program). The move today was about protecting United's existing investment.

[Chairman's Sept. 16 Message](#)[TA Full Language](#)[TA Executive Summary](#)[TA Website](#)[Pro Statement](#)[Con Statement](#)

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