



The Update Message from the International Association of Machinists and Aerospace Workers representing Flight Attendants in the 2339 Local Lodges

Friday, May 7, 2010

GVP Robert Roach, Jr. Featured Guest on Houston Labor Radio Show

IAM Transportation General Vice President Robert Roach, Jr. will be the featured guest on the Houston Labor radio show, Voices at Work, Friday, May 7, 2010 from 8 to 9 pm CDT on radio station KPFT, 90.1 FM. He will speak on the recently announced potential merger between Houston-based Continental and Chicago-based United airlines.

Voices at Work airs weekly on Friday evenings from 8 to 9 pm (central time) on the community sponsored, commercial free Pacifica network and is produced at radio station KPFT 90.1 FM in Houston, Texas by union members. To learn more, visit www.voicesatwork.net. Those who reside outside the Houston area can listen live and access past shows at www.kpft.org.

The IAM represents 16,000 United Airlines employees in Ramp, Stores, Public Contact, Fleet Technical Instructor, Maintenance Instructor, Security Guard and Food Service classifications and as well as employees at Mileage Plus, Inc. The IAM also represents Continental Airlines' 9,500 Flight Attendants as well as 250 Flight Attendants at Continental's wholly owned subsidiary Continental Micronesia and 1,200 Flight Attendants at Continental and United's regional partner, ExpressJet Airlines.

Currently there are many rumors, emails, websites and social pages purporting to have factual information on seniority integration, pensions and contract activities. There is only one entity that supports, protects and has the best interests of the Continental Flight Attendants in mind and that is the International Association of Machinists and Aerospace Workers (**IAM**).

The IAM will continue to provide members with facts and will not participate in the current speculation of this merger. Both Continental and United are still wholly owned and separate entities until a merger is approved by the Department of Transportation (**DOT**), and the Department of Justice (**DOJ**). Until then, the IAM, its' officers, attorneys, accountants and staff members are working very hard to make sure our members have the best contracts, pensions and seniority integrations allowed by law.

District Lodge 142 provides up-to-date merger information on its website, www.go142.org. Stay informed by visiting the website often and spread the word to your fellow crewmembers. This is an era of instant communication and quick responses, but the bottom line is that the information that you receive and then relay to others must be accurate and timely.

UAL-Continental merger triggers multi-million exec bonuses

Continental Airlines' move to Chicago could create windfalls in Houston and Chicago, depending on which executives lose a game of musical chairs in the shuffle that will follow the merger with United Airlines.

A new management team will be selected by Jeffery Smisek, Continental's CEO, who will be CEO of the combined airline, and United CEO Glenn Tilton, who becomes chairman.

Executives who find themselves out of a job, or who choose not to make the move from Houston, will be entitled to lucrative payouts under their contracts.

For Continental, Chief Marketing Officer James Compton would receive a payout worth \$9.3 million, according to formulas found in the company's proxy statement. Chief Operations Officer Mark Moran would receive a package worth \$9.2 million. Chief Financial Officer Zane Rowe's would be worth \$8.4 million. The payouts include "gross-ups" of more than \$2 million each to cover tax payments related to their severance packages.

"The payments to the Continental executives are consistent with what we see elsewhere," said Derrick Neuhauser, chair of BDO Seidman LLC's compensation practice in Chicago. "Their contracts are built to protect them in a change in control."

The payouts will be richer on the Continental side because its merger is a change in control. Any move of the headquarters more than 50 miles from Houston allows executives to resign "for good reason," which adds to their payouts.

Read Full Article: <http://www.chicagobusiness.com/cgi-bin/news.pl?id=38100>

We **would like to encourage all members to attend your Local Lodge business meeting.** Each Local Lodge must have a quorum to conduct business. The following is a schedule for upcoming meetings:

Newark: Tuesday, May 11, 2010, 3:00 p.m. at the Renaissance Newark Airport Hotel

Houston: Tuesday, May 18, 2010, 1:00 p.m. at Houston Airport Marriott Hotel

Guam: Wednesday, May 19, 2010, 4:00 p.m. at the Airport Conference Room

Cleveland: Thursday, June 10, 2010, 1:00 p.m. at 669 North Rocky River Drive