



AIR TRANSPORT



DISTRICT LODGE 142

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March 20, 2020

File: 3-26

2020-32

Mr. Subodh Karnik
Chairman and CEO
Express Jet Airline
1745 Phoenix Blvd.
College Park, GA 30349

Re: Contractual Payments to Flight Attendants

Dear Subodh:

We are in receipt of your letter of March 19, 2020 wherein you advise of the need of United Airlines and United Express carriers to preserve cash during the corona virus pandemic which, as you know, has had an unprecedented impact on our nation's entire air transport system and the safety and livelihoods of the nearly 100,000 airline employees whom we represent. Your letter requests the IAM's agreement to defer an \$850,00 one-time supplemental payment to our flight attendants that was ordered in the interest arbitration Award of Neutral Charlotte Gold issued on March 9, 2020, only eleven days ago and which you advised flight attendants would be paid today. As you will recall, Neutral Gold specifically ordered the following:

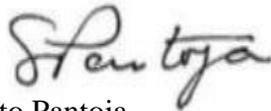
The parties' tentative agreement of March 18, 2019, plus an \$850,000 supplemental payment specified in the parties' Interest Arbitration Agreement, is to be implemented. The Award represents the beginning of the duration period of the CBA resulting from the Award.

As you know, it took nearly eight months to obtain Express Jet's agreement to submit our major dispute to interest arbitration and while no one could have foreseen this corona virus crisis, it is not lost on us that the supplemental payments due our members could have been made months ago. More importantly, it is simply not fair to our flight attendant members to ask them to disproportionately bear the company's current financial burden. We also believe that because the Arbitration Award requires a one-time payment of \$850,000, it cannot possibly be a significant factor in the company's financial obligations or continued solvency. We cannot support what amounts to a request for an unsecured interest free loan from our flight attendant members during these troubled times and when they most need this money. However, we are

not unsympathetic to the financial strain that your company and its parent United Airlines are experiencing nor the potential life changing impact this crisis may cause our members. Accordingly, the IAM is working diligently to obtain congressional action to obtain significant federal financial assistance for United, United Express and all of our nation's air carriers to bridge this national crisis.

We were frankly shocked and dismayed to learn today that -- after seeking but not obtaining our agreement to a delay of the \$850,000 payment due today and after you advised our Express Jet members that they would have the supplemental payments deposited in their accounts today in accordance with the Arbitrators Award -- the company has unilaterally withheld that amount as well as the \$1,000,000 Snapback Grievance payment owed to employees. This has unnecessarily caused anger and confusion among your most loyal and vulnerable workforce who are in acute need of these payments and is a clear violation of the major dispute provisions of the Railway Labor Act. Having sought our consent to change what is a term of the imposed collective bargaining agreement and then acting unilaterally to withhold all of the payments due is totally unacceptable bad faith conduct and a violation of the company's obligations under the Railway Labor Act. Accordingly, unless we receive confirmation from you by close of business today that these required payments to our flight attendants will be made immediately, we will take all available legal action.

Sincerely,



Sito Pantoja
**GENERAL VICE PRESIDENT
IAMAW**



Dave Supplee
**PRESIDENT & DIRECTING
GENERAL CHAIR**

DS/slb

cc: J. Tiberi
T. Klima
J. Tobius
J. Guerrieri

opeiu #277

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