UNITED AIRLINES INDUSTRY RESET OVERVIEW

- PURPOSE: The industry reset is designed as a mechanism to ensure that the sum value of United Airlines Teamsters Technician's primary contract elements remain industry leading.
- **TIMING:** Reset analysis will continue this December 5 and continue every 12 months thereafter.
- **MECHANISM:** The model's structure will not change only the periodic updates of data elements being analyzed will change.
- **APPLICATION:** If United Airlines Teamsters Technicians are below the negotiated reset rate, that amount is added to wage rates.
- ONE-WAY VALVE: The reset can only be used to improve wages for United Airlines Teamsters Technicians.

CONTRACT ELEMENTS INCLUDED IN THE RESET ANALYSIS

1. PAY

- Technicians All-in Wages (Basic pay, A&P License Premium, Line and Longevity)
- Weighted by Employees at 10, 20, 30 YOS
- VEBA

2. TIME OFF

Annual Vacation, Sick and Holiday Hours

3. BENEFITS

- Medical Cost Share
- · Retirement Contribution

4. PROFIT SHARING

· Profit sharing % to annual United Airlines pre-tax profits

5. SCOPE

· Based on ratio of Technicians heads per mainline aircraft

FACT: LOA 29 protects all economic factors of reset during negotiations.

