



ASSOCIATION OF PROFESSIONAL
FLIGHT ATTENDANTS
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~CONSTITUTIONAL REFERENDUM~

Two full days of APFA business concluded late on Wednesday, November 4. The Board took a number of decisive actions intended to move the APFA forward as an efficient and financially secure organization providing the quality representation all Flight Attendants deserve.

Constitutional changes endorsed by the Board were sent out to APFA members in a referendum consisting of five proposals.

Ballots were mailed out on December 8, 2009. Completed ballots must be received in the designated Post Office Box no later than 9:00 AM (0900) Central Time, Thursday, January 7, 2010.

The five items on the ballot address: (1) voting methods, (2) the make-up of future Negotiating Committees, (3) membership status when transferring to non-Flight Attendant positions, (4) monthly dues amount, and (5) dues payment obligations of Flight Attendants in an unpaid status.

The issues you are voting on are:

Item Number 1 on the Ballot: This proposed amendment would modernize our voting methods and streamline the National Ballot Committee. It would allow secure electronic voting by our membership, used by many unions across our industry. The resulting efficiencies and cost savings will also permit reducing the number of members of the National Ballot Committee.

Item Number 2 on the Ballot: This amendment would put in place a more efficient structure for future APFA Negotiating Committees. (There would not be any change to our current Negotiating Committee.) It would reduce the size of future Negotiating Committees from twelve to six. Future teams would be evenly split between Domestic and International: two appointed by the President, two appointed by the Board of Directors and two elected by the membership.

Item Number 3 on the Ballot: Those members who chose to take a paid Management or other position at American outside of the Flight Attendant class and craft will lose their APFA membership and its rights and privileges. Union membership should be for Flight Attendants, not supervisors. These individuals will again be eligible for membership if they return to a Flight Attendant position and pay APFA's standard re-initiation fee.

Item Number 4 on the Ballot: Under this amendment, dues would be calculated at an amount equal to the hourly Domestic pay at step 12. Currently, this would mean a \$1.65 a month increase in dues.

Unfortunately, we have seen a steady decline in Flight Attendant jobs at American, resulting in a sharp and

continuing decline in the revenue. Although we have reduced the number of representatives (and therefore that cost has not increased), the overall cost of running APFA continues to rise: from paper and printing, to professionals and building maintenance, expenses and taxes. The new dues structure will ensure that we have all of the support and resources needed to provide the best representation to you, and will eliminate the need for APFA to continue to address this issue with the membership.

Item Number 5 on the Ballot: This amendment redefines dues payment obligations. Simply put, in order to exercise the rights and privileges of APFA membership such as voting in APFA elections or holding an elected position, **all members have to pay dues.** Under this proposal, Flight Attendants in an unpaid status, including but not limited to those on furlough, unpaid sick, etc., will have to pay dues and be dues current if they want to exercise union rights. Flight Attendants who wish to defer paying dues until they return to flying can do that. Once they return, they can set up a payment plan for back dues and will have twice the length of time to repay the back dues, for example, if a Flight Attendant is on an unpaid leave for six months, he or she has one year to pay the back dues.

Your APFA leadership recommends that you vote YES on all five of the proposed Constitution changes.

DUPLICATE BALLOTS AND DUES STANDING FOR CONSTITUTIONAL REFERENDUM

After allowing sufficient time for mail delivery, a duplicate Constitutional Referendum Ballot may be requested by:

- * calling the National Ballot Committee at 817.540.0108 ext. 8311, or
- * emailing: ballot@apfa.org, or
- * for those with an APFA website password, using the online Duplicate Ballot Request Form from the Elections and Balloting page of APFA.org. (The form will be activated the week of December 14.)

~NEGOTIATIONS UPDATE ~

At the APFA Executive Committee's quarterly meeting on December 8, 2009, President Laura Glading and Negotiating Team Chair Anne Loew provided an update on negotiations. Your APFA Negotiating Team continues to prepare for the ten-day, mediated, "lockdown" bargaining session to commence January 11 outside the DFW Metroplex. Thanks to the strong member turnout for the system-wide OUR TURN Around event on November 18, the company now knows how strong our resolve is to get a fair contract.

~INDUSTRY NEWS~

No one understands the effects of Airline Deregulation more acutely than those—like our members—who work on the front lines within the industry. Much talk has ensued over ideas of reregulation—whether in the banking and energy sectors or the airlines.

Laura Glading, along with Pat Friend of AFA, approached Demos, a non-partisan policy research and advocacy organization, to discuss the effects of and possible cures for airline deregulation. Demos prepared a study of the airline industry and on June 24 published "Flying Blind – Airline Deregulation Reconsidered". The last section of the report contains a number of policy recommendations for regulatory reform. Most notably, Demos recommends that a federal task force be created to examine the industry's problems and propose solutions. Immediately following the issuance of the report APFA and AFA began an intense legislative effort to ensure that Congress creates such a task force.

On Thursday, November 12, 2009, Laura Glading participated in the Future of U.S. Aviation Forum at the

Department of Transportation in Washington, DC. At the meeting—held at the urging of unions—APFA joined other invited attendees including industry labor leaders; airline, airport and aircraft manufacturer representatives; business and general aviation trade consultants; Wall Street analysts; and top government officials, including the host of the event—U.S. Secretary of Transportation Ray LaHood—and FAA Administrator Randy Babbitt. The Demos Report was provided to all participants.

The forum and panel discussions on the current state of the industry, the events shaping the future of U.S. aviation and areas of focus for future work were followed by Secretary LaHood’s announcement of the establishment of a Federal Advisory Committee to recommend actions to restore health to the ailing airline industry.

The Demos Report remains highly recommended reading for all APFA members and is available for download through a link to the Demos website on the main page of APFA.org.

~LEGISLATIVE UPDATE~

There currently are bills in the Senate (S 2730) and in the House (H.R. 3930) that would extend the COBRA subsidy program under the American Recovery and Reinvestment Act of 2009. This bill would extend subsidized COBRA benefits from 9 to 15 months for those employees who have been involuntarily terminated. This legislation would help over 500 AA Flight Attendants furloughed in 2009 as well as hundreds of other Flight Attendants who elected to take leaves to prevent an even greater loss of jobs to furlough. Please contact your Congressperson and Senator and let them you know you want them to support this legislation. Go to www.apfa.org and follow the prompts for CAPWIZ.

QUESTIONS & ANSWERS

General

Q: Why are we having a Constitutional Referendum?

A: We have heard the membership’s concerns over the past few years, and these changes address those concerns. These proposals will make APFA an effective and financially secure organization and, at the same time, will bring APFA into the 21st century.

Item 1 on Ballot (Voting Methods)

Q: Why change APFA voting methods?

A: Allowing secure electronic voting will be more efficient voting than our current system of paper ballots. It also will allow us to save money by reducing the required number of National Ballot Committee members.

The experienced, third party vendor we reviewed has conducted elections for many unions including AFA-CWA, ALPA, IPA, NPA, SWAPA, to name a few. They make sure that elections comply with all federal law and U.S. Department of Labor requirements.

Q: Will there be a paper trail proving I voted?

A. Your electronic vote is stored immediately in a secured Election Server. Unlike mail ballots, an electronic vote is always within the "security perimeter" of the voting system. When you cast your vote, you are provided a "Vote Confirmation Number" which you can later use to review and print a copy of your actual vote. To do this, you will log in to a voting website, select the View Ballot Receipt command, and enter your Vote Confirmation Number. You may do this as many times as you like throughout the voting period if you are concerned that the system has lost your vote or stored it incorrectly.

Q. Will anyone be able to find out how I voted?

A: No

Item 2 on Ballot (Future Negotiating Committees)

Q: Why reduce the number of members on future Negotiating Committees?

A: Reducing the number of Negotiators will reduce costs to APFA.

Q: Are we stripping the privilege of electing negotiators away from the membership?

A: No. The membership still will be electing negotiators – 2 of the 6 (split evenly between Domestic and International) are elected. Two others would be appointed by your Board of Directors, who, are elected by the membership at their bases. The last two would be appointed by the President who also is a member of the team.

Item 3 on Ballot (Membership Status for Non-Flight Attendants Positions)

Q: Why should Flight Attendants who take paid management positions at American no longer retain their right to be members of APFA?

A: People who choose to work in management at American should not have the privilege of attending union meetings or receiving union communications. They should not have access to our inner workings; that information is for Flight Attendants, not the Company or its supervisors. Upon returning to the position of an active Flight Attendant, these individuals will be eligible to rejoin APFA, so long as they pay the standard re-initiation fee.

Item 4 on Ballot (Monthly Dues Amount)

Q: Why raise dues?

A: We are proposing changing the way dues are *calculated* by setting them at the 12th year Domestic pay step, which is currently \$42.65. If this proposal passes, dues will rise by \$1.65 per month (less than \$20.00 per year).

The cost of doing business at APFA continues to rise. By pegging dues at a pay step, the dues amount should not have to be revisited every few years. As new contracts are negotiated, dues fall in line with new negotiated

12th year Domestic pay steps.

Q: Why is there a \$42.00 floor for dues?

A: Certain costs at APFA are always going to be there, such as core representatives and staff, arbitrations, communications with the membership, and other costs like insurance, utilities, legal and professional fees will continue to rise. The floor is intended to ensure that we will be able to operate.

Item 5 on Ballot (Monthly Dues Obligation)

Q: Why should Flight Attendants in any unpaid status still be required to pay dues?

A: APFA works for you even if you're not flying. And the cost of doing business at APFA does not go down if fewer Flight Attendants are working. Therefore, the time has come for all members who wish to exercise their union rights and privileges, such as voting in elections or holding APFA office, to pay dues. If you are on an unpaid status, you also can choose to defer paying dues until you return to work, but you will not be able to vote or exercise other rights of APFA good standing membership.

Q: When I come back from an unpaid status, do I need to bring my dues current?

A: No. Once you return to active status and you set up a payment plan for any back dues, you are considered dues current. You have twice as long to repay your back dues as you were out, for example, if you were out 6 months, you have 12 months to repay.

Q: I've been furloughed for over a year. Do I owe dues for all that time?

A: No. The dues obligation begins the day of ratification. No one who has been on the following leaves: furlough, termination, unpaid sick, IOD or military will owe dues for the period prior to ratification.

Q: Can I be terminated under Article 31 of the contract for owing back dues from a period when I am in an unpaid status?

A: No. But just like today, if you are in dues arrears for dues owed for periods of unpaid status, you will not be a member in good standing and will not be able to vote, run for office, or exercise other union rights available only to members in good standing. In addition, you still would owe APFA the dues, and we have the responsibility of collecting them.