

February 2, 2006

To: ALL A.T.D. LOCAL PRESIDENTS - (Local 501- 590)

Re: Airline Merger Policy

Enclosed is the Airline Merger Policy adopted by the International Administrative Committee on February 2, 2006.

Fraternally
James C. Little
Acting International President

TWU INTERNATIONAL POLICY 02-02-06
AIRLINES MERGER POLICY

Where a merger involves two airlines in which the same class or craft is represented on both airlines by TWU, TWU is committed to assuring that the two groups are merged in a fair and equitable manner. The TWU representatives of each group should promptly begin meeting with one another in order to merge the seniority lists.

POLICY

A. Seniority Lists should be dove-tailed based on date of hire into the class or craft, and should also take into consideration length of service within the class or craft.

B. The relative seniority position of employees within one group should not be changed.

General principles may not deal with all issues presented by a given merger, therefore the TWU representatives of the two groups must attempt through negotiations to resolve the problems presented by the details of any given merger.

In the event that the two groups are unable to negotiate a resolution of all their differences regarding the merger of the seniority lists, the International Administrative Committee should designate an arbitrator whose mandate shall be to resolve the remaining disputes fairly and equitably.

Policy adopted by TWU International Administrative Committee this 2nd day February 2006.

GUIDELINES

The following information is given as guidance to the Locals:

Our capacity to assure that this is done depends, to a great extent, on pre-merger contractual arrangements with each airline. With this in mind, it is TWU policy that we should attempt to include the following in our airline collective bargaining agreements:

1. A provision whereby the airlines agree that should its merger with another airline result in a merger of two TWU groups (in the same craft or class), then the merger of the seniority lists of the two groups will be in accord with this TWU policy.
2. A provision whereby the airline commits that in a merger situation, it will maintain a "fence" around the TWU, each carriers represented group until questions of seniority merger are resolved.
3. Strong scope and successorship provisions. Even where such provisions cannot be enforced against the post-merger airline, they may be used to seek damages at arbitration for violation of the provision, and may provide bargaining leverage to the union.