



AIR LINE TECHNICIANS
ASSOCIATION

The Teamsters theft of UAL CARP Benefits Review

In July of 2017 UAL Plant Maintenance Technicians and UAL Line Mechanics joined together to fight for the CARP Pension rights for ALL United Technicians. As our attorney affirmed in the [letter sent to the Teamsters](#) Legal Counsel in July; The Teamsters union has violated the statutory rights of the grievant by denying him the right to proceed to arbitration. This RLA right been upheld in many other cases that we cited in our letter. **This is what your dues should be used for, to defend the rights of the United Technicians.**

Ed Gleason the IBT attorney cites his reasons for denying the grievance. We will counter those faulty opinions with documented facts. Why pay for IBT Legal Counsel that won't defend our contract rights?

- 1. Ed Gleason stated; LOA 17 Was Not triggered By the Merger. - This is false**
SEC filings of 2010; UAL assumes responsibility for CAL Pension Liabilities. ([2010 10k Report](#))
The LOA that states if United ever "Maintains a defined Benefit Plan" (*this language was deliberately put in for a merger*). ([LOA 05-3M Section 5 Para d](#))
Furthermore, LOA 26-1 in the CAL Technicians CBA clearly states the Company shall "Maintain" CARP.
- 2. Ed Gleason stated CARP is not a Single Employer Defined Benefit Plan???? - He is wrong.**
The Summary Plan Description and other Legal filings as a Single Employer plan ([CARP Plan Description](#)) including statements by the Teamsters union itself ([IBT 2013 Statement](#))
- 3. The IBT states LOA 17 only applied to a pre-merger United. - They are Wrong**
Anyone familiar with the Railway Labor Act would know [Article III Status of Agreement](#) protects the CBA. The Teamsters also told the guys at American Airlines their contract wouldn't change because of a merger ([IBT AMR Merger flier](#)) **So the question is, who is this guy lying to?**
- 4. Ed Gleason states LOA 17 was not meant by the negotiators to apply to a merger situation. - False.**
The UAL 2005 Techs who negotiated the LOA know the intent of the word 'Maintain' was used in the context of a merger. We met several times with UAL during bankruptcy over possible mergers.
- 5. IBT states An Arbitrator Likely Would Conclude That the Grievance Is Untimely. – This is False**
The LOA contains an Amendment waiver to timeliness. ([LOA 05-3M Section 13 Amendments Waiver](#))

ALTA supporters are prepared to move this Arbitration case forward and fight for UAL Technicians.

UAL Plant Maintenance Technicians and UAL Line Mechanics joined together to fight for the rights of ALL United Technicians. ([Link to UAL grievant letter to IBT Legal](#)) Sign an ALTA card and stand with the Technicians who will fight for your CARP Benefits.

The United ALTA Organizing Committees
IAH ORD SFO DEN EWR IAD LAX MCO

Building a Professional Craft Union for Technicians

III. Description of the Pension Grievance

In late September, 2016, a San Francisco-based mechanic filed the present grievance against new United, claiming that the former United Air Lines, Inc. mechanic and related employees should have been offered CARP pension coverage upon the FAA's grant of the single operating certificate to United Air Lines, Inc., and Continental Airlines on November, 30, 2011. The grievant reasons that:

[s]ince the single operator certificate was awarded November 30, 2011, the Company has not afforded this group with the option of joining CARP or any other comparable defined benefit pension plan. If we had gained entry to a defined benefit pension plan then, we would achieve full vesting on November 30, 2016." The grievant therefore seeks full vesting and contributions (pension service) for the former United Air Lines, Inc. mechanics and related employees for the period commencing November 30, 2011 to the present.

The basis for the grievance is the triggering event that causes LOA 05-3M to go into effect and that date is correctly identified by the Company in its 2011 Form 10 k Report, where it identifies the merger closing date of October 1, 2010. [\(United 2010 10k\)](#)

On this date, UAL assumed Continentals pension obligations and the MAINTAINING OF THE CARP Single Employer Defined Pension Plan. [\(CAL LOA 26-1\)](#)

This is in fact the date that UAL is responsible for maintaining the CARP plan and is responsible for providing those same benefits to the mechanics at UAL per the LOA 05-3M. [\(LOA para 5 d\)](#)

The LOA is carried forward through the successor agreement as outlined in Article III of the original Mechanics Agreement from 2005. [\(Art III Status of Agreement\)](#)

Paragraph 13. Amendments Waiver ensures the provisions and rights of this LOA shall not be diminished by the failure of any party at any time to require the performance of any provision of the Letter of Agreement. [\(LOA 05-3M Amendments Waiver\)](#)

IV. Opinion: The Grievance Lacks Merit

A. Threshold Note: Clarification re Relief Sought- Vesting

As a threshold matter, the Grievant mistakenly believes that he and his fellow mechanic and related employees who worked for United prior to the effective date of the current, amalgamated collective bargaining agreement must, upon their inclusion in the CARP, earn five years of vesting service in order to obtain a non-forfeitable, right to an accrued pension benefit. Under ERISA, however, the grievants' prior service as employees of United counts towards their CARP vesting service. Thus, the United mechanic and related employees who had worked for United for five or more years immediately prior to January 1, 2017 and entered the CARP as participants on that date are already 100% vested. The grievance, therefore, relates to the question of whether those United mechanic and related employees should also be credited with pension accrual service for their years working for United after the FAA issued the SOC on November 20, 2011. The answer to that question turns on whether United Airlines, Inc. violated LOA 05-03/LOA 17, and the answer is no.

The Teamsters and Ed Gleason are incorrect in their assumption that the triggering date of the LOA is the SOC. United Airlines merger date with Continental is the triggering event, that is the date that United assumed responsibility for the CARP a Single Employer Defined Benefit Plan. [\(CARP 5500 form\)](#) [\(IBT 2013 Statement\)](#)

B. **LOA 17 Was Not Triggered By the Merger and Subsequent Merger Events Because the CARP Is Not A "Single-Employer" Defined Benefit Pension Plan But Instead A "Multiple Employer" Defined Benefit Pension Plan**

The United 10k Report states clearly that United assumed the responsibility to maintain the Continental CARP pension plan and mentions it several times in the 10k report. [\(UAL 10 K REPORT 2011\)](#)

Teamsters claim CARP does not meet LOA 17 requirements. CARP is a Single Employer Plan [\(CARP Plan Description\)](#) United offered it three times since 2010 to UAL Mechanics.

The obligations set forth in LOA 17 (also referred to as LOA 05-03) are triggered in the event the "Company" "maintains or establishes" a "single-employer defined benefit plan" for any "UAL or Company employee group." In the present case, the grievant incorrectly assert that the CARP is a single-employer defined benefit plan. The CARP is not a single-employer benefit plan, and has not been one since April, 2002. Since April, 2002, a period prior even to the commencement of the VAL/United bankruptcy, the CARP has been a multiple-employer pension plan.⁵ Because LOA 17 is triggered by the maintenance or establishment of a single-employer pension plan, not a multiple employer pension plan, therefore, the present grievance lacks merit.

The Teamsters and Ed Gleason is lying, CARP is a Single Employer Pension Plan.
The Teamsters National organization in 2013 identified CARP as a Single Employer Defined Plan. (Teamsters state CARP is a Single Employer)
DOL FORM 5500 identifies CARP as a Single Employer Plan. (CARP Form 5500 2012)

It is also bears note that in December 2010, United represented to the Union that the CARP was subject to the "me-too" agreements contained in the United work groups' bankruptcy exit agreements. In so doing, United implied that the CARP was a single-employer defined benefit plan. United also relied on those "me-too" provisions to construct its claim explaining why it was not legally possible to include the United mechanics and related employees in the CARP at that time or into the foreseeable future.

United Identifies CARP correctly in this paragraph as a Single Employer Plan.

United signed the LOA in 2005 agreeing to provide United Mechanics a Defined Benefit. The cost in implementing the CARP option is irrelevant to the facts in the case. Ed Gleason is lying again to cover the Teamsters willing negligence to enforce the United Mechanics LOA 05-3M rights and constitutes a DFR violation.

It is unclear whether United intentionally sought to mislead the Union by trying to fit the CARP into LOA 17's "single-employer defined benefit plan" limitation when it in fact did not fit into that limitation. Based upon research conducted at that time by its actuaries and counsel, however, the Union determined that even if the CARP were a single-employer defined benefit plan subject to the me-too clauses, the impediments preventing the inclusion of the United mechanics and related employees into the CARP would still exist prior to the sunset of the PPA even in the absence or termination of those me-too provisions.

United agreed to this language in the LOA during bankruptcy to allow these union members the opportunity to participate in a Defined Benefit Pension plan, should UAL ever maintain or establish one. Ed Gleason attempts to twist this language and its intent to prevent UAL mechanics from receiving a Defined Benefit Plan. Ed Gleason's "me too clause excuse" is false and only a claim made by the Company.

Additionally, unlike the CARP, the Continental pilots' frozen defined benefit pension plans likely is characterized as a single-employer defined benefit plan. Because the plan was frozen in 2005 and the plan has neither allowed new participants nor provide accrued benefits since that date, it is highly unlikely that an arbitrator would consider it to be a single-employer pension plan "maintained by" new United.

The Pilots left the same CARP plan the CAL mechanics have today in 2005, but Ed Gleason identifies the 2005 Pilots CARP as a Single Employer Plan. In his introduction on page 1 Gleason stated CARP changed from a Single Employer to a Multi-Employer in 2002. Ed Gleason is an incompetent teamster lawyer and cannot characterize CARP as a Multi-Employer in 2002 - then a Single Employer in 2005.

⁵Under applicable pension law, defined benefit pension plans are considered as "single-employer" or "multiple-employer" pension plans. Single employer pension plans are sponsored by one employer and cover eligible workers employed by the plan sponsor. Multiple employer pension plans are sponsored by more than one employer and are not maintained under collective bargaining agreements. They are similar to multiemployer pension plans, but the latter are established and funded through and pursuant to collective bargaining agreements.

C. An Arbitrator Likely Would Conclude That LOA 17 Applied To The Maintenance or Establishment of a Single-Employer Pension Plan Only by Pre-Merger United, Not New United.

As noted above, the obligations set forth in LOA 17 when the "Company" "maintains or establishes" a "single-employer defined benefit plan" for any "UAL or Company employee group." Another critical question in this case, therefore, is whether the obligations set forth in LOA 17 attached only to pre-Merger United, *i.e.*, the employer that sponsored the United mechanics and related employees' single-employer pension plan that was involuntarily terminated by the PBGC, or whether they also were intended to attach to successor entities resulting from a merger with one or more non-related carriers that maintained or established single-employer defined benefit pension plans. As noted above, LOA 17 does not contain any successors and assigns provisions or any similar provisions delineating the parties' pension obligations and rights in the event of a merger. It is unclear, therefore, whether LOA 17 was ever intended to apply in the event of a merger.

Ed Gleason's attempt to deny the UAL Mechanics contractual language by stating it didn't apply in the event of a merger is an attempt to deny clearly written contract language, sound reasoning, and logic.

Logically the term MAINTAIN can only be used in the event of a merger, no Union on the property at United Airlines had a Defined Benefit Plan after the Bankruptcy.

The Teamsters lawyers reasoning is false. The Railway Labor Act and Article III Status of Agreement state the contract follows the employees. ([Link Status of Agreement](#))

Here is what the teamsters said at American during their failed organizing drive in 2013 in which Ed Gleason participated. ([IBT AMR Merger flier](#))

On the front page of the UAL Mechanics Agreement and the LOA it is clearly stated that this agreement is established between The Mechanics and Related Employees in the service of United Airlines and United Airlines Inc. ([link to front page of LOA](#))

The agreement is between the Employees and the Company not the Union. In any such merger or buyout, Status of Agreement protects the Contractual rights of the employees.

The Teamsters and Ed Gleason are historically incorrect. The 2005 UAL Mechanics negotiating committee and the company were aware of the possibility of a future merger and conducted several meetings related to possible merger scenarios during the bankruptcy negotiating process.

In all likelihood, an arbitrator would determine that LOA 17 was not intended to apply in the event of a merger such as the one that took place between UAL and Continental. In this regard, LOA 17 was drafted to mitigate the turmoil and wreckage caused by the UAL bankruptcy and the termination of the United work groups' pension plans. LOA 17's negotiators did not discuss or even contemplate a subsequent merger involving United and its work groups.⁶

The Teamsters and Ed Gleason were not a party to the 2005 UAL Bankruptcy negotiations, so he and the Teamsters do not know the intent of the language. His statements above are in contradiction to Teamsters campaign fliers at AMR and US Airways in 2013 ([Teamsters AMR Flier 2013](#))

More interesting are the positions taken by SFO Business Agents and Chief Stewards who claimed the LOA didn't apply in the event of a merger.

The union and its surrogates stated repeatedly to the grievant the LOA didn't apply to the CARP pension. John Laurin cited Joe Prisco a former AMFA rep as familiar with the LOA. John Laurin the Chief Steward stated to the grievant that Joe Prisco was in negotiations and knew the intent. He then stated the LOA did not apply and that the grievant had no basis for a grievance. The grievant then filed the grievance directly to HR. The Teamsters Chief Steward later told the grievant that he shredded his grievance.

The provision "maintains" a Defined Benefit Plan, covers the possibility of a merger. The negotiations process was open to the membership and several possible merger scenarios were discussed on more than one occasion during the negotiation process.

A union rep and signatory who could testify on the intent of LOA 05-3M is Jim Seitz, who served as the Chairman of the 2004-2005 AMFA Negotiating Committee and UAL Contract Administrator. His name was removed from LOA 05-3M by the Teamsters during the current negotiations. ([Original LOA 05-3M](#))

Why did the union remove his name as a signatory to LOA 05-3M?

Here is the altered document. ([Teamsters Altered page](#))

Moreover, post-Merger United and Continental were both legally required to honor their separate, respective collective bargaining agreements until a ratified JCBA was secured.⁷

The Teamsters Ed Gleason statement “legally required” would logically have to include the United Airlines Mechanics LOA 05-3M.

United Airlines gave rights to the UAL Profit Sharing Program to all Continental Employees in 2010. [\(UAL 2011 Profit Sharing\)](#)

The inclusion of UAL mechanics into CARP per their contract would be no different.

Indeed, had post-Merger United included the United mechanics and related employees in the CARP without the consent of both the United and Continental mechanic and related employees work groups, it likely would have faced liability for having violated its RLA status quo requirements and even liability for having significantly increased the already substantially- underfunded CARP's liabilities, thereby increasing the risk that CARP would have to reduce benefits for the incumbent, *i.e.*, Continental, participants or that it would fail altogether.⁸

The RLA status quo violation has no bearing in this case. The UAL mechanics have a contractual right to CARP in their collective bargaining agreement. LOA 05-3M was triggered when UAL agreed to maintain the CARP Pension Plan.

The Teamsters and their legal counsel are incorrect on the UAL mechanics right to join CARP. Their contractual rights are not dependent on approval from any other work group at United Airlines who are currently in the CARP Plan. Just like Profit Sharing [\(UAL 2011 Profit Sharing\)](#)

It is well established that UAL Corporation has made record profits over the last several years and could afford to increase the Pension Benefits for ALL employee groups at United Airlines.

And as noted above the Profit Sharing language and its formula were diluted by the merger between CAL and UAL to the detriment of UAL mechanics who had their profit sharing diluted beginning in 2011. A similar case was settled in favor of UAL ALPA Pilots who received \$32 Million in damages. [\(2016 ALPA Arbitration Profit Sharing Settlement\)](#)

The Teamster attempts to control UAL Mechanic Medical and Pension Plans as evidenced in the statements made by their attorney Ed Gleason in this brief are the reason UAL mechanics were without a Defined Benefit for 6 years after the merger.

Thus, even if the CARP were a single-employer defined benefit pension plan as described in LOA 17, an arbitrator likely would still determine that LOA 17's obligations were not triggered because those obligations attached only to pre-merger United.

This claim by Ed Gleason is false, the contract does not change during a merger and is protected by Article III Status of Agreement [\(Link\)](#) and [\(The Railway Labor Act\)](#)

Ed Gleason's statement to UAL mechanics is completely opposite of what the Teamsters stated in their AMR and US Airways campaign in 2013. [\(Teamsters AMR flier\)](#)

Ed Gleason and the Teamsters said the company must honor the individual collective bargaining agreements until a new agreement is ratified.

Was he lying then or is he lying now?

⁶ In a recent system board of adjustment decision involving a dispute between ALPA and new United in which the issue was whether pre-Merger United's profit sharing plan negotiated during the UAL bankruptcy proceeding applied not only to the pre-Merger United pilots but also, on a post-Merger basis, to the Continental pilots, Arbitrator Richard Block held that the profit sharing plan extended only to the pre-merger United pilots.

In so holding, Arbitrator Block noted that a merger of United and Continental was not contemplated at the time the profit sharing plan was negotiated and that such a merger was not the even a "gleam in [the] eyes of the corporate parent to be." *See In Re United Airlines and ALPA, Board No. 2012 GR. No. 2012-U-JI-14R Et Al., page 13.*

⁷ Their legal requirement to adhere to their respective contracts applies typically across the airline industry.

The Teamsters and Ed Gleason are trying to confuse two different issues at hand

1. **Existing Contract benefits were altered.** By diminishing UAL mechanics benefits in the contract Profit Sharing pool. [\(ALPA \\$32 Million Profit Sharing Settlement\)](#)
2. **Existing Contractual Rights not enforced.** The Teamsters failed to enforce as required, [\(LOA 05-3M Section 5 Para d\)](#) because they wanted sub UAL mechanics to be placed into a Teamster controlled pension plan.

D. Even If LOA 17 Otherwise Applied, United Has Satisfied Its Obligations Under The LOA

Even if LOA 17 otherwise was triggered and therefore applied here, an arbitrator likely would conclude that United satisfied its obligations under it. As set forth in LOA 17, United's obligation under it was only to provide the United mechanics and related employees the option of electing to receive a comparable defined benefit plan in lieu of their 401(k) Replacement Plan. LOA 17 does not specify how or when it was required to satisfy that obligation.

In the present case, if an arbitrator were to conclude that the PPA did prevent new United from providing the United mechanics and related employees the opportunity to participate in CARO prior to 2017, however, then he or she likely would also conclude that new United satisfied its obligation under LOA 2017 when it entered into the JCBA. But, even if an arbitrator were to conclude that neither the RLA nor the PPA impeded new United's ability to provide the United mechanics and employees with the opportunity to participate in the CARP, he or she likely would still conclude that new United satisfied its obligations under LOA 17.

In this regard, through its October, 2015 close-out proposal, new United offered the United mechanics and employees the opportunity to participate in the CARP.⁹ Inasmuch as LOA 17 does not specify how the obligations set forth therein must be satisfied, an arbitrator likely would conclude that, to the extent the LOA obligations were triggered, new United satisfied them when, in its 2015 close-out proposal it provided the United mechanics and related the opportunity to participate in the CARP.

The Teamsters and Ed Gleason are lying again when they state that United Airlines and the Teamsters have satisfied obligations under LOA 05-3M.

- 1. The Union did not in offer UAL mechanics the opportunity to join CARP or an equivalent plan, but instead kept the Company offer of CARP in 2010 from the membership at United Airlines. (Union opposition to CARP)**
- 2. The Union did not provide a separate vote for UAL Mechanics on LOA 05-3M as required per the LOA**
- 3. Based on Ed Gleason's statements in this denial letter by the Teamsters union itself, the Company offered CARP or its equivalent to UAL mechanics on at least three separate occasions. (Company CARP proposal offers)**
- 4. Effectivity of the obligation is clear and unambiguous in the LOA. When United Airlines assumed the Pension obligations in (2010 10k Report) and began to Maintain the CARP Pension Plan, United became liable to provide the benefits it had contractually agreed to during the bankruptcy negotiations.**

⁸The RLA's status quo requirements also render the fact that the FAA issued a SOC to United and Continental in late 2011 irrelevant. The SOC had significance with respect to new United's corporate operations, but it did not enable United and Continental to amalgamate their mechanic and related employee work groups. They were not able to accomplish that until the JCBA was ratified in December, 2016. Accordingly, an arbitrator likely would conclude that new United was neither obligated nor allowed to offer the United mechanics and related employees the opportunity to participate in the CARP in lieu of their 401(k) Replacement Plans until the December, 2016 ratification of the JCBA.

⁹ Moreover, until late last year, while a majority of the United mechanics and related employees had expressed their desire to obtain defined benefit pension benefits, a majority of them also expressed their opposition to participating in another company-sponsored and controlled defined benefit plan such as the CARP. United was well aware of these facts, as the United mechanics and related employees not only voiced their preferences electronically and in system-wide meetings, but also sent various survey results relating to their pension preferences directly to the United board of directors. At the same time, new United was well aware of the Continental mechanics and related employees' vocal desire to establish a new, more financially stable defined benefit plan. Armed with the knowledge that a large contingent of United mechanics and related employees did not want to participate in the CARP and that even the "incumbent" Continental mechanics and related employees wanted to accrue defined benefit pension benefits outside of the CARP, United clearly took comfort in not agreeing to provide the United mechanics and related employees any defined benefit pension benefits to the United mechanics and related employees for a considerably long period of time.

The Teamsters footnotes are small but inaccurate

The survey circulated clearly stated the United mechanics did not want their 401k DC money going into the then failing Western Teamsters Conference Pension Plan as noted previously. The petition in question circulated by the membership never relieved either party from its obligations under the terms of the LOA 05-3M. (Petition states nothing about CARP)

To the contrary, the petition and the plain language in the contract as written (for United Mechanics right to vote on joining CARP) should have sent a clear message to the United Airlines and the Teamsters. The mechanics wanted their contractual right to Vote on a Defined Pension Benefit offered by the Company. (LOA 05-3M Section 5 para d)

The union and its appointed negotiating committee blocked this proposed offer from the Company several times over the course of six years and caused serious financial retirement harm to all sub-UAL mechanics and related union members. (Union opposition to CARP)

The Teamsters union bears the responsibility of enforcing the contract as well as United Airlines. Their failure to do so in a timely manner does not relieve them of the financial responsibility back to the merger date. (LOA 05-3M Section 13 Amendments Waiver)

The right of UAL mechanics to enforce LOA 05-3M; its language and obligations is documented in Paragraph 13 of the LOA 05-3M.

13. Amendments: Waiver. This Letter of Agreement may be amended, modified, superseded, or canceled and any of its provisions may be waived only by a written instrument executed by all parties or, in the case of a waiver, by the party waiving compliance. The failure of any party at any time to require performance of any provision of this Letter of Agreement shall not affect the right of that party later to enforce the same or a different provision. No waiver by any party of a right under this Letter of Agreement shall be deemed or construed as a further or continuing waiver of any such right with respect to the same or a different provision of this Letter of Agreement.

E. An Arbitrator Likely Would Conclude That the Grievance Is Untimely

The present grievance is tied to the FAA's grant of the SOC to United and Continental on November 30, 2011. In the grievant's view, when United and Continental obtained the SOC, LOA 17's obligations were triggered. The FAA's grant of the SOC was widely publicized, and LOA 17 has been contained in the United mechanics and related employees' collective bargaining agreement since 2005. Notwithstanding the grievance's substantive lack of merit, therefore, it is untimely by several years.

The grievance is timely and the information revealed and presented by the union in their denial brief bolsters the grievant case even more.

The Union membership was unaware of the offers made by the Company documented in this denial, furthermore the Teamsters stated many times during negotiations that they would get Retro Pay in negotiations. It is not an unreasonable expectation from the Union or the membership to receive CARP benefits back to the effective merger date.

Furthermore, as exhibited above from the Letter of Agreement 05-3M itself
Section 5 Paragraph 13

"The failure of any party at any time to require performance of any provision of this Letter of Agreement shall not affect the right of that party later to enforce the same or a different provision."

V.
CONCLUSION/RECOMMENDATION:
THE GRIEVANCE SHOULD NOT BE
ARBITRATED

As discussed above, for several reasons the present grievance lacks merit. In this regard, an arbitrator likely would conclude that:

- The grievance is untimely by several years.
- LOA 17's obligations attach only to pre-Merger United.
- Even if LOA 17's obligations otherwise attach to post-Merger, *i.e.*, new United, the conditions giving rise to those obligations were not triggered. In this regard, LOA 17's obligations are triggered if the Company maintains or establishes single-employer defined benefit plan for any of its work groups. Here, CARP does not trigger LOA 17's obligations because the CARP is a "multiple-employer defined benefit pension plan," not a single-employer defined benefit pension plan. Moreover, although the Continental pilots' frozen defined benefit plan likely is a single-employer pension plan, the fact that it has been closed to new participants and has not provided any pension accruals since it was frozen in 2005 makes it exceedingly unlikely that an arbitrator would conclude that that plan is one this is "maintained" by the Company within the meaning of LOA 17.
- Even if its obligations otherwise attach to post-merger, *i.e.*, new United, LOA 17 does not specify when or how those obligations must be satisfied. Here, an arbitrator likely would conclude that new United satisfied its obligations under LOA 17 when it made the CARP available to the United mechanics effective on January 1, 2017 through its October, 2015 close-out proposal, or when it agreed to make the CARP available to them effective January 1, 2017 in the now ratified JCBA.

Rebuttal to Teamsters and Ed Gleason in their denial of the grievance.

1. **The Grievance is timely based on provision in LOA 05-3M paragraph 13. As to the grievant becoming aware of harm to UAL Mechanic Class and Craft, it is not the SOC as incorrectly identified by Ed Gleason but instead the merger date. United had an obligation to its Mechanics and Related and made an initial offer to join CARP on December 9, 2010. (UAL Offers CARP to Sub UAL Technicians)**

The union caused the United Mechanics and Related financial retirement damage by not presenting the 2010 Company CARP proposal. The teamsters concealed this offer, to place the United Mechanics future pension contributions into their own failing pension funds.

2. The LOA 05-3M and its obligations are in full force and effect and are carried forward just like any other contract provision under the Railway Labor Act. The Contract is an agreement between the employer and the employees as stated on the front of the contract and LOA 05-3M.

The Teamsters union and their attorney are dead wrong on their position that the contract changes upon a merger of two carriers. [\(Article 3. Status of Agreement\)](#)

The Teamsters stated the completely opposite position during their organizing campaign at AMR and US Airways in 2013 [\(IBT AMR LTR\)](#)

3. The LOA 05-3M is triggered by the merger of United and Continental when United assumed the obligation to maintain CARP in 2010. The CARP Plan 5500 description is identified as a Single Employer Defined Benefit Plan. [\(CARP Form 5500 2012\)](#)

In their desperate attempt to cover for their willing negligence to offer CARP they claim that CARP is a Multi-Employer Pension Plan, which is false. Previously the teamsters union described CARP as a Single Employer Defined Benefit Plan in the organizing campaign literature in 2013. [\(2013 US Airways IBT flier\)](#)

4. The effective Date which both parties are responsible for is clearly outlined in the LOA 05-3M. *At the Time United began to maintain a Defined Benefit for other Employees it had an obligation to provide those same benefits to the Mechanics at United Airlines.*

The Teamsters take a position that attempts to shield the union from any financial negligence after 7 years refusing Company Pension proposals and attempting to put United Mechanics into one of their three separate pension plan proposals. They failed to properly represent and enforce the contractual rights thousands of mechanics at United Airlines.

For all the foregoing reasons, therefore, I do not recommend that the Union arbitrate the grievance.

Teamsters denial of our Defined Benefit language and CARP grievance.