



Important Points of the 5% Goodwill Resolution

- 5% is not contract repair. It sets the foundation for Contract Repair. It is a line in the sand. We need the company to either commit to negotiations or admit they have no intention of repairing this contract unless they are forced to do so.

5% is small enough that no one can make any logical argument against the amount. The company can not reject the offer based on the amount. Rejection can only be taken as a rejection of part two of this package, which is the focus.

Focus on the strategy, not the 5%. This a two part deal, (1) a goodwill gesture of money and (2) returning to the negotiations table. The second part is what we really need. However, if the resolution only asked for the negotiations, they could very easily agree because it would not cost them anything to say OK. Then waist our time drawing out fruitless negotiations.

- This resolution sets the ground work for all contract repair. After this resolution became public Members of the MEC contacted ALPAWatch. They suggested we try for something other than 5%. We explained our logic to them. We also pointed out that changes in things like duty rigs, retirement, etc, don't equally benefit all pilots like a straight pay raise. To expect all NWA pilots to support a strategy, it must be fair to all NWA pilots. Another reason we are determined about it being a pay raise is because that is the number one issue pilots are asking for.

The MEC is working on many other contract improvements (contract repair) suggestions. They need to see this as the prelude to achieving those suggestions. This resolution is designed to give the MEC the leverage to achieve real contract repair.

- The reason we would like to see this go through the MEC and to the company intact, and be presented as a take it or leave it offer is because it came from the pilots. This is what the pilots want. It was not cooked up by the union. The union needs to be presented as a grassroots effort. That way its message and source are clear.
- This resolution is designed to address more issues than laying the ground work for contract repair. It also addresses some of our internal issues, such as:
 1. Ensuring the pilot's elected representatives are being responsible to their constituents.
 2. Increasing pilot participation in the process of repairing our contract.
 3. Help close the divide in our union leadership by giving them a grassroots issue to support.
 4. Re-connect the source of the union's power (the pilots) to the leadership.
 5. Expedite contract repair. We did not loose billions of dollars in compensation when we ratified this contract. We *agreed* to loose billions of future compensation. We have not really lost it until another day goes by. This contract is costing this pilot group about \$ 1 million per day. Every day that goes by is another million lost. Time is of the essence.