



December 14, 2016

Deborah McConnochie
Manager Cabin Crew Bases & Industrial Relations Inflight Services
Cathay Pacific Airways Limited
360 Post Street, Suite 300
San Francisco, CA 94108

Re: Cessation of Flight Attendant Benefit Contributions

Dear Ms. McConnochie:

The Association of Flight Attendants-CWA (“AFA”), is interested in working with Cathay Pacific management to address the issues raised by the Company’s decision to unilaterally cease employee contributions on behalf of its Flight Attendants to Social Security and Medicare (“FICA”), Federal Unemployment Tax pursuant to the Federal Unemployment Tax Act (“FUTA”), State Disability Insurance (“SDI”)(California only) and State Unemployment Insurance (“SUI”)(California only).

AFA clearly believes the Company’s actions are not warranted as none of the federal or state agencies responsible for administering these benefits has ordered Cathay Pacific to cease contributions on behalf of its Flight Attendants. And most significantly, the termination of these contributions has left the Cathay Pacific Flight Attendants vulnerable to the loss of any social safety net in the event of unemployment or disability; and without any secure pension in the long-term.

While AFA disagrees with the Company’s actions, the Union believes that a resolution that addresses the concerns of management and its Flight Attendants is worth exploring. At minimum, AFA requests that Cathay Pacific extend the deadline of January 15, 2017 for Flight Attendants to decide whether to request a FICA refund for 2013-2015. In light of the January 26, 2017 election ballot count, it would be appropriate for Cathay Pacific to extend the January 15 deadline to at least March 1, 2017. An extension would allow AFA and the Company adequate time to discuss these vital issues.

Thank you in advance for your consideration of AFA’s request. The Cathay Pacific Flight Attendants eagerly await your response.

Sincerely,

Edward J. Gilmartin
AFA-CWA General Counsel

EJG/KTL