

## **New Vacation Pass Travel Program 2012**

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## New Vacation Pass Travel Program 2012

### Overview:

United's Vacation Pass Travel Program provides vacation ePasses to pass eligible employees and retirees as part of their pass travel privileges. Vacation ePasses are awarded each year and allow the employee, retiree and their eligible pass riders' space-available, service charge waived leisure, pass travel system-wide in all cabins\* on flights operated by United and United Express at the highest space-available boarding priority.

\*Some restrictions apply. For details, see the [Unaccompanied Minor Pass Travel Policy](#) and the [Cabin Eligibility Pass Travel Policy](#) in the Travel section on Flying Together.

### Eligibility:

On January 1 each year, an annual allotment of vacation ePasses will automatically be deposited into ePass accounts in employeeRES for employees and retirees who are eligible for pass travel. Employees are eligible for an allotment of vacation ePasses upon completion of six months active company service.

- Employees hired after the annual distribution will receive a pro-rated portion of vacation ePasses on their six month anniversary of active company service
- Employees on non-active status for the annual distribution will receive their vacation ePass allotment by the first of the month following their return

### Pass Rider Eligibility:

Vacation ePasses can be used by the employee, retiree and their eligible pass riders (spouse/domestic partner, enrolled friend(s), dependent children and parents), excluding adult children who travel using buddy ePasses. These pass riders travel at different boarding priorities depending on whether they are accompanied by the employee, retiree or their spouse/domestic partner. See the Boarding Priorities section below for details.

### Vacation ePass Annual Allotment:

Employees and retirees, who are eligible for pass travel, will receive an annual allotment of eight one-way vacation ePasses on January 1. These vacation ePasses will automatically be deposited into ePass accounts in employeeRES for employees and retirees. Annual vacation ePasses are valid for five years.

### Vacation ePass Pro-rated Allotment:

Employees hired after the annual distribution will receive a pro-rated portion of vacation ePasses valid for travel through December 31 of the year issued. The pro-rated number of ePasses is automatically deposited into the employee's ePass account with an effective date equal to their six month service to the company date. The pro-rated allotment is calculated on a quarterly basis as outlined in the chart below.

<b>First Quarter</b>	<b>Second Quarter</b>	<b>Third Quarter</b>	<b>Fourth Quarter</b>
Jan, Feb, Mar	Apr, May, Jun	Jul, Aug, Sep	Oct, Nov, Dec
8 one-way ePasses	6 one-way ePasses	4 one-way ePasses	2 one-way ePasses

*Example:* The six month anniversary of an employee hired in November is May. This employee would receive six one-way vacation ePasses in May valid for travel through December 31 of the year issued.

### **Travel Validity:**

Each unused, one-way vacation ePass is valid for a period of five years. *Example:* vacation ePasses issued January 1, 2013 are valid for travel through December 31, 2017. Pro-rated vacation ePasses are valid through December 31 of the year issued. All travel must be completed on or before the December 31 expiration date, as the expiration date cannot be extended. ePasses that are not used by the expiration date will automatically be removed from the employee/retiree's ePass account. Vacation ePasses may not be traded to another employee or retiree.

- Each vacation ePass is valid for one-way, space-available leisure travel via the most direct route on United and United Express flights in any cabin to any destination system-wide
- Employees, retirees and their eligible accompanied pass riders can use a single, one-way vacation ePass for travel. *Example:* an employee traveling with his or her spouse and their four dependent children from SEA to HNL via SFO round-trip would use two vacation ePasses; one for all pass riders from SEA to HNL and one for all pass riders from HNL to SEA.
- Open-jaw trips are not permitted on one vacation ePass. *Example:* travel from ORD to IAH and return from MSY to ORD
- Circle trips are not permitted on one vacation ePass. *Example:* travel from LAX to IAH to DEN to LAX
- Backtracking on one vacation ePass is not permitted. *Example:* travel from LAX to IAH to LAS to CLE
- Layovers in a hub station are limited to a maximum of 72 hours (after that, another vacation ePass will be deducted from the employee's ePass account in employeeRES)
- Layovers in a line station are limited to four hours or the next available flight, whichever is greater
- When a vacation ePass is booked and the pass rider does not receive a premium-class seat and travels in economy, the vacation ePass is considered used as the pass rider received the benefit of a higher boarding priority and fee-waived ticket taxes
- When a vacation ePass is booked and the pass rider decides not to travel or is unable to travel due to seat availability, the vacation ePass will be redeposited into the employee's/retiree's ePass account when the booking is cancelled in employeeRES

- If a pass rider already holds a personal, leisure or service-charge waived ePass booking, he or she may not change that booking to a vacation ePass within one hour prior to domestic flights and within two hours prior to international flights to gain a higher boarding priority.
- Due to Internal Revenue Service (IRS) federal regulations, taxable pass riders (domestic partners and enrolled friends) may only use vacation ePasses that are distributed in the current year
- Vacation ePasses are service charge waived and applicable ticket taxes waived, however, departure and other airport/regulatory taxes may apply. For details, see the [Service Charges, Fees and Taxes for Pass Travel](#) document in the Travel section on Flying Together.
- Pass riders traveling together on a vacation ePass may sit in different aircraft cabins
- Travel is not valid on United’s alliance partners, code-share partners and other airlines (OA), including carriers that have a signed interline agreement with United

### Boarding Priorities:

Boarding priorities for employees, retirees and their eligible pass riders using vacation ePasses are as follows:

Traveling on a Vacation ePass	Boarding Priority
<ul style="list-style-type: none"> <li>• Employees/retirees and eligible accompanied pass riders</li> <li>• Employee/retiree’s unaccompanied spouse/domestic partner and eligible accompanied pass riders</li> </ul> <p><b>IN ADDITION:</b> up to two regular buddy pass riders and unlimited extended family buddy pass riders when accompanied by an employee or spouse/domestic partner using a vacation ePass</p>	<b>SA0V*</b>
<ul style="list-style-type: none"> <li>• Employee's/retiree’s eligible unaccompanied pass riders (excluding spouse/domestic partner)</li> <li>• Employee or their spouse/domestic partner with three or more regular buddy pass riders (includes retiree when eligible)</li> </ul>	<b>SA3V*</b>

\* Plus years of service to the company as shown in employee/retiree’s travel profile

### Split Party Policy:

When a group of pass riders traveling together must split because of seat availability, the accompanied pass riders will continue to travel at the applicable accompanied boarding priority

based on the original pass type booked. The unaccompanied pass riders will travel at the applicable unaccompanied boarding priority based on the original pass type booked, whether on the original flight or the next scheduled flight.

**Example:** When traveling using a vacation ePass and the party is split, those traveling on a different flight without the employee, retiree or spouse/domestic partner will travel using the original vacation ePass at the unaccompanied vacation ePass boarding priority.

For additional details, see the [Boarding Priority Policy](#) in the Travel section on Flying Together.

### **Infant eTicket:**

Children 24 months and younger are considered an infant and may travel as a lap child. A lap child will travel fee-waived domestically and internationally; however, when traveling to an international destination, a fee-waived eTicket must be issued for the infant. This eTicket is required to clear customs and can be issued through employeeRES when booking pass travel. Simply check the “Lap Child” box and the infant eTicket will be issued in conjunction with the accompanying adult vacation ePass. For additional details, see [Infant Pass Travel Policy](#) in the Travel section on Flying Together.

### **Imputed Income Tax:**

Tax laws and regulations govern whether an eligible pass rider’s travel is taxed as imputed income to the employee. Domestic partner, enrolled friend and buddy pass rider travel is taxable and the employee/retiree is subject to tax and tax withholding for the value of that travel. When children reach a specific age and can no longer be claimed as a dependent by the employee/retiree, their travel is also taxable. For details, see the [Service Charges, Fees and Taxes for Pass Travel](#) document in the Travel section on Flying Together.

### **Allotment Used for Taxable Pass Riders:**

The following types of pass rider travel are taxes as imputed income to employees:

- Domestic Partner
- Enrolled friends
- Non-dependent children age 18 until they attain age 26
- Military dependent children age 21 until they attain age 26

Due to Internal Revenue Service (IRS) federal regulations, vacation ePasses used by these pass riders can only be deducted from ePasses issued in the current year. ePasses carried forward from a prior year cannot be used by pass riders whose travel is taxed. For details, see the [Service Charges, Fees and Taxes for Pass Travel](#) document in the Travel section on Flying Together.