



AMFA/Southwest Airlines Contract Negotiations Update

Update #5

January 21, 2014

Participants for AMFA:

*Earl Clark – Region I Director
Michael Nelson – Region II Director
Bob Cramer – Airline Representative Local 4
Matt Townsend – Airline Representative Local 11
Shane Flachman – Airline Representative Local 18
Mike Young – Airline Representative Local 32
Danny York - Facility Maintenance DAL
Lucas Middlebrook - Legal Counsel*

Participants for Southwest Airlines:

*Mike Ryan- VP, Labor Relations
Gerry Anderson - Sr Director, Labor Relations
Cindy Nagle - Sr. Director, Labor Relations
John Zuzu - Sr. Director, Corporate Facilities
Clint Auton - Director, Corporate Facilities
Robert Dorsey - Director, Corporate Facilities
Tim Hooyman - Sr Manager, Corporate Facilities*

The Negotiating Committee is providing this update to the AMFA Membership at Southwest Airlines. This is the only official authorized source of negotiating communications by the Committee.

We began our two-day session on Tuesday morning, January 14. Since we had not met since October, we began with a review to ensure both sides were in agreement with our progress to date. We have tentatively agreed (TA) to three articles: Training (10-22), Profit-sharing/401K (10-22), and No Strike/No Lockout (10-22). We agreed there are six articles that are in-work: Preamble, Purpose of the Agreement, Classifications, Grievance Procedure, System Board, and Savings Clause. After the update, we asked for clarification to some language in the Company's, Moving Expenses proposal. During our Committee review on Monday, we noticed that the proposal was unclear on if it allowed for a prep-day in conjunction with moving, which is consistent with the other AMFA contracts on property. The Company agreed with inclusion of the additional prep-day language and we TA'd the Moving Expenses article. We also presented our proposal for the Status of Agreement article.

The Company then presented one new article, Severance Pay. The intent of the Company's proposal was the same as our other two contracts in regards to the conditions and it included the same years-to-payout ratios of up to 15 weeks. The Company also presented its counter proposals to three articles: Union Representation, Grievance Procedure, and Classifications. Prior to the end of the day we were able to counter the Company's Classifications proposal in which we set forth a very detailed list of jobs/tasks, which could be performed by a Facilities Maintenance Technician (FMT). The Company also passed a counter proposal to Union Representation, which included some changes the Committee will review and address prior to our next session.

On Wednesday we began by again telling the Company our goal is to get the FMT classification into the current Mechanics' contract (white book), although, we will continue negotiating separately with the intent of bringing this group into the white book down the road. With that, we used the day to have "off-the-record" discussions on the subjects of "Seniority" and "Safety and Health." Keeping in mind that the FMT management has never managed a Southwest unionized workgroup, these discussions were invaluable in addressing the Company's concerns. We discussed concepts regarding how the seniority list could be established, shop safety, AMFA safety representatives, and how our shop and area representatives will work with the Technicians and their Management.

As you are aware, currently the Company negotiating committee for the FMT negotiations is composed of different representatives than the Company's AMT committee. AMFA continues to be committed to making a concerted effort to reach an agreement that addresses our members' needs. Although AMFA is forced to split its time negotiating two similar Technician contracts, we will not be distracted by the situation and we appreciate your support. The Company indicated that its month of February is full, so our next scheduled negotiations will be March 4 and 5. The Company also offered to meet on March 25 and half day on March 26.

Sincerely,

Your Negotiating Committee