

AMFA/Southwest Airlines FMT Negotiations Update

Update #19 June 29, 2015

Participants for AMFA:

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 Clint Auton- Director, Corporate Facilities Tim Hooyman – Sr. Manager, Corporate Facilities

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

We met with the Company in Dallas, Texas on Tuesday, June 23 for a scheduled two-day session that was touted by the Company as the big event in the Facilities Maintenance Technician (FMT) negotiations, where the Company would present Articles 14 and 15-Wage Rates and Wage Rules. Prior to this session, the Company conveyed its belief that with the pass of Wages, the remaining open issues would fall into place and a tentative agreement would not be far off. Unfortunately, after your Committee traveled to Dallas in hopes of engaging in multiple days of productive negotiation, the Company was not prepared to deliver its ground-breaking Wage proposal due to a "last minute" issue.

While the Company did agree to the Article 9- Seniority counter offer we sent the last month thereby giving a displaced technician "bump" rights in the event of a furlough, that Article 9 acceptance was contingent upon us accepting their Article 4-Classifications language detailing a Company-controlled selection process for the filling of any future vacancies in the Lead classification.

We also received a Company proposal for Article 14- Wage-Rules, wherein the Company omitted any reference to a premium for shifts other than Day Shift and Longevity pay. We feel that now is the time, as we create this first FMT Collective Bargaining Agreement (CBA), to address the shift premium issue even if there are currently no other shifts offered except Day shift. The Company's reluctance on this language being in place in the event that it needs to make adjustments to the current working hours is baffling as they are in total control of what shifts are available. In addition, the Company omitted our Longevity compensation of "up to \$1.30 per hour" language.

Much discussion was centered on the Leads and the duties they currently perform on a daily basis. Our Subject Matter Expert (SME), and the observers present, portrayed a very different reality of the Lead duties than what was being presented by the Company. Unfortunately, when pressed further, the Company conceded that their Committee was without the one individual at this session that could accurately address what the two Dallas Leads did on a daily basis and how the technicians were assigned their work. Also, without seeing an Article 15 proposal, we cannot counter the Company's Article 14 proposal.

Our June 23 FMT session unfortunately ended a day and a half earlier than scheduled. The expectations that the Company Leaders had communicated directly to the FMT's as to the substance of these sessions failed to materialize. We are concerned with the repeated action of Company leaders engaging membership directly as it relates to an ongoing collective bargaining negotiation process, and we will continue to monitor the legality of such action. We are also troubled by the fact, due to the Company's last minute preparation issues and missing negotiators, that yet another session ended prematurely with essentially nothing being accomplished. The Company stated it could take up to a month to have an Article 15 counter proposal ready to present. We requested negotiation dates of either July 15 or July 16, but we have yet to receive confirmation to either. If you have any questions, please contact your Local representative or the Region I or II National Directors.

Sincerely,

Your Negotiating Committee