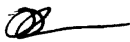


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22-APR-12
14:00



LETTER OF AGREEMENT

between

SOUTHWEST AIRLINES COMPANY,

and

THE MECHANICS AND RELATED EMPLOYEES

as represented by

AIRCRAFT MECHANICS FRATERNAL ASSOCIATION

Integration/Transition Agreement on Certain Issues

This Letter of Agreement (“LOA”) is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between Southwest Airlines and Aircraft Mechanics Fraternal Association (AMFA)

WHEREAS, the parties wish to address certain issues relating to the integration of the crafts or classes of Mechanics and Related Employees and, pursuant to this agreement, provide for their employment under a single collective bargaining agreement (CBA) upon a single carrier determination by the National Mediation Board (NMB).


NOW, THEREFORE, the parties stipulate and agree as follows:

1. Scope of 717 work

The B717 maintenance program will follow the current CBA language as outlined in Article 2, Paragraph 6. This scope shall be mutually agreed upon between Southwest Airlines and AMFA within **30 days following DOR**, pursuant to discussions between SWA MX programs headed by Director of Programs and an AMFA Committee headed by the AMFA Outsourcing Liaison. The Company confirms that Director of Programs is fully authorized to commit the Company to an agreement on the scope of the B717 maintenance program.

- a. In order to facilitate these discussions, the Company agrees to provide immediate **(effective at Tentative Agreement)** unfettered access to Company Maintenance Programs information needed to resolve this issue.

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- b. Either party may request that the National Mediation Board (NMB) provide a list of seven arbitrators (with airline industry experience) whose schedules permit them to conduct hearings and render a decision **within 120 days of DOR**, with arbitrator selection by alternate strike process to be completed within one week of ratification of this agreement. The Arbitrator will have authority to resolve any pre-hearing disputes. The arbitral proceeding will be conducted as a baseball arbitration with the Arbitrator to select either the Union's proposal or the Company's proposal as the appropriate scope of work under Article 2, Paragraph 6, with said decision to be rendered no later than **within 120 days of DOR**.
- c. The Company will not be required to implement the Arbitrator's decision until after both the ratification of this agreement and a single carrier determination by the NMB.

2. Creation of new Lead Inspector Positions

A minimum of one new lead position will be created at both MCO and ATL Inspection Group, subsequent to both an NMB single carrier determination and the merger of the two mechanic groups under a single CBA, which will align with the current AMFA Collective bargaining agreement.

3. Creation of new Lead Mechanic and GSE Lead Positions

Lead Mechanic and GSE Lead positions will be created at all newly acquired maintenance stations pursuant to extent required by the AMFA CBA subsequent to both an NMB single carrier determination and the merger of the two mechanic groups under a single CBA.

4. Inspector designees

The current AMFA CBA will be followed as of date of single CBA with respect to Inspector Designees; there will no longer be Inspector designees under the single CBA.

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5. Technical and Senior Technical Instructors

Upon ratification of this agreement, and a single carrier determination by the NMB, all AirTran employees currently covered by the IBT/AirTran Maintenance Technical Training Instructor CBA ("IBT/AirTran Agreement") will be covered by AMFA/SWA Letter of Agreement 6. Former AirTran employees in the classifications covered in the IBT/AirTran CBA wages shall be subject to provisions of LOA #6 paragraph 1 and shall be no less than the lowest paid Southwest Airlines Technician Instructor.

6. Fourth line of maintenance

Southwest commits that the fourth line of heavy maintenance required under the collective bargaining agreement shall be implemented in Dallas, Texas by July 2013. AMFA continues to reserve the right to take whatever legal action it deems appropriate in response to the delay in starting the fourth line of heavy maintenance. AMFA's ratification of this Integration/Transition Agreement will in no manner waive or diminish the contractual remedies to which AMFA and its members would otherwise be entitled based on the delay in starting the fourth line of heavy maintenance.

7. Interim relief from Article 3, Section 4

Both parties agree that post ratification of this agreement, for the period between membership ratification and the NMB's single carrier determination, mechanics from Southwest and AirTran shall be allowed to work contract maintenance services for aircraft operated by Southwest Airlines or AirTran Airways, notwithstanding the provisions of Article 3, section 4.

22-APR-22
14:00

IN WITNESS WHEREOF, the parties have signed this Agreement this ____ day of _____, 2012.

SOUTHWEST AIRLINES CO.

By: _____
Jim Sokol
Vice President Maintenance Operations

AIRCRAFT MECHANICS FRATERNAL (AMFA National)

By: _____
Louie Key
National Director