

Letter of Agreement No. 5

This is to confirm the discussion between Southwest Airlines and the Aircraft Mechanics Fraternal Association with regard to incorporating the Maintenance Control employees into the Collective Bargaining Agreement between the parties covering the Company's Mechanic employees (the Agreement).

1. The rates of pay applicable to Maintenance Controllers shall be the same as those in existence as of April 1, 2011, unless and/or until modified by mutual agreement of the parties, provided, however the Company shall continue to provide annual increases in the rates of pay in accordance with the methods historically utilized to determine wage increases, and;

2. The insurance benefits and profit sharing percentages offered to non-contract Employees will be applicable to Maintenance Controllers until modified by mutual agreement of the parties.

3. Rules and Working Conditions:

a. The rules and working conditions applicable to Maintenance Controllers shall be those in existence as of April 1, 2011, as reflected in, but not limited to, the Maintenance Control Department Administrative and Training Guide dated September 2010 as amended, unless and/or until modified by mutual agreement of the parties.

b. In addition, the parties understand and agree that the following provisions of the Mechanics agreement shall be extended to include the Maintenance Controllers: Article 1, Purpose of the Agreement; Article 2, Scope of Agreement; Article 3, Status of the Agreement; Article 21, Grievance Procedure; Article 22, Arbitration; Article 24, General and Miscellaneous except for Paragraph 16; Article 25, Union Representation; and Article 26, Union Security. It being expressly understood by both parties that no other provisions of the Mechanics agreement shall be extended, pursuant to this Letter of Agreement, to include the Maintenance Controllers other than those listed above.

4. The filling of vacancies during the term of this Letter of Agreement will be in accordance with current practice, procedures and Guidelines for Employees.

5. Article 9, Seniority, paragraph 2 shall be modified to read:

Mechanical Category – Shall include Employees in the classification of Inspector, Aircraft Mechanic, Ground Equipment Mechanic, Plant Maintenance Mechanic, Lead Mechanic and Lead Inspector where applicable, *and Maintenance Controller and Lead Maintenance Controller. Notwithstanding the definition of seniority set forth above in this paragraph 2, those periods of time prior to March 2011 during which an Employee worked as a Maintenance Controller or Lead Maintenance Controller shall not be*

included in determining such employee's category seniority, provided, however, that an Employee working as a Maintenance Controller or Lead Maintenance Controller at Southwest Airlines as of March 2011 shall have their length of service in those positions counted towards their total classification seniority during such periods of time as they are working as a Maintenance Controller and/or Lead Maintenance Controller. Should such Employee subsequently bid a position within the category other than Maintenance Controller or Lead Maintenance Controller, time worked in either of those positions prior to March 2011 shall not to be included in determining such Employee' category seniority.

6. This LOA will remain in place for the duration of the current Southwest Airlines/AMFA Mechanics Collective Bargaining Agreement (the CBA) and shall become amendable on August 16, 2012, pursuant to the parties' intent to incorporate all terms of employment relating to Maintenance Controllers in the Mechanics Agreement.