

AMFA – ASA Virgin America Transition Agreement Discussions

Participants for AMFA:

Bret Oestreich – National Director Gene Painter – Asst. National Director Earl Clark – Chairman and Region I Director Jarod Mills – Airline Representative, Local 14 Mark Dahl – Airline Representative, Local 32 Lucas Middlebrook – AMFA Counsel

Participants for Alaska Airlines:

Kurt Kinder – VP Maintenance & Engineering Shane Tacket – VP Labor Relations Sonia Alvarado – Director, Labor Services M&E Rebecca Rosenthal – Alaska Counsel

Update #7 November 19, 2018

On November 15, 2018, AMFA and Alaska Airlines have reached a Tentative Agreement on an Alaska Airlines -Virgin America Transition Agreement. We also received a commitment letter from Kurt Kinder stating timelines that upon ratification of this agreement he will bring current outsourced line maintenance on Airbus aircraft under our Collective Bargaining Agreement (CBA).

We are hoping to be able to commence the Transition and Seniority Integration Transition Agreements Referendum within the next two weeks. The language contained in the Seniority Integration Agreement remains the same as previously voted on. The Legacy Virgin (Airbus) employees will vote only on the Seniority Integration Agreement, but they will be able to view the Transition Agreement as an attachment. The AMFA–AS (Boeing) employees will vote on the Transition and Seniority Integration Agreements as a package.

The points that we have tentatively agreed to include proposed enhancements to the following:

- No contract extension
- Ratification bonus of \$2500
- Increases to shift differentials:
 - Swing shift from \$0.60 to \$0.65 per hour
 - Grave shift from \$0.75 to \$1.10 per hour
 - Relief shift \$0.80 to \$1.10 per hour
- Longevity allowance increases:
 - Ten (10) through fifteen (15) years: from \$0.15 to \$0.25 per hour
 - Sixteen (16) through twenty (20) years: from \$0.20 to \$0.30 per hour
 - Twenty-one (21) through twenty-five (25) years: from \$0.25 to \$0.40 per hour
 - Twenty-six (26) through twenty-nine (29) years: from \$0.30 to \$0.50 per hour
- Article 20, paragraph J of the CBA will be amended as follows and will apply to all covered employees:

Effective October 16, 2017 [TBD*], AMFA employees participating in the Alaska Airlines, Inc. COPS, MRP & Dispatch 401(k) plan shall be entitled to an additional matching contribution in cash equal to 50% of up to an additional two three percent

(2%3%) of the participant's deferrals "i.e., maximum employee contribution to receive all Company match as of October 16, 2017 [TBD* date] is eight nine percent (8%9%) of an employee's deferrals, and the match will be a maximum of 4%4.5% of eligible compensation.

• Letter of Agreement #9 revised to include all active members of the bargaining unit as of the time of issuance of single certification and amended to include JFK.

We are thankful for your patience and support during this process to bring our two work groups together.

Fraternally,

Your Negotiating Committee