



AMFA–Southwest Airlines AMT Contract Negotiations Update

Update #66 June 19, 2018

Dear Southwest Aircraft Technician and Related Members:

We understand emotions are high during this time, but we again ask for your patience as the parties work to finalize conversion of the Agreement in Principle (AIP) to a Tentative Agreement (TA).

Our last update was released on May 28 and we wish we could give you the news we have resolved the remaining issues, but we cannot. This past week we presented the Company with the methodology and individual amounts to be paid out to each of you as your ratification bonus. The Company now will take the time to verify that the amount does not exceed the \$91 million that was agreed upon in the AIP.

The remaining two balls are also in the Company's Court. The Company would not agree to include the pilots in our 401(k) me-too language and, therefore, in an effort to provide you with something to vote on, we agreed to carve out the pilots from the 401(k) me-too as demanded by the Company. In addition, the Company continues to draw a line in the sand over the issue of field tech supervisors performing covered work. It is mind boggling, to say the least, that Southwest Airlines would hold up finalizing this deal over this issue, but this is where we are. Mr. Nitschke will not honor an agreement on this issue that was made by his predecessor, Jim Sokol. Unfortunately, we cannot say we are surprised, as this type of behavior is commonplace for Mr. Nitschke.

As of today, all issues that are keeping you from voting are in the Company's hands. The Company has made it very difficult to convert the AIP to a TA as it continues to claw for more and more every chance that it gets. It is also important to realize that a lot of the rumors being spread on the floor are originating with one particular member of the Company committee. Therefore, we would ask all of you to first realize the source of these rumors, and as such, the information simply cannot be trusted.

If the parties are unable to complete the TA by the end of this week, we have two days scheduled next week with the mediator to finalize the TA. As we stated in previous updates, when the TA is finally reached, and the Committee has reviewed it one last time, the cover-to-cover TA will be sent to you from Southwest via your SWALife email. The Committee will give you a week to review the TA, post a roadshow schedule, and then commence the roadshow. The TA ratification referendum will start after the conclusion of the roadshow.

Please do not hesitate to contact your AMFA representatives if you have additional questions.

Sincerely,

Your Negotiating Committee