



## Memorandum

Date: March 16, 2019

To: Aircraft Maintenance Technician and Related Employees

From: Aircraft Mechanics Fraternal Association Negotiating Committee  
Southwest Airlines Negotiating Committee

Subject: Agreement in Principle

After a week of mediation, including many long nights and early mornings, the Aircraft Mechanics Fraternal Association (AMFA) and Southwest Airlines have reached an Agreement in Principle (AIP) on Saturday, March 16, 2019, toward a new collective bargaining agreement. We are very pleased with the efforts of both Teams to find common ground on a new contract that is good for our Aircraft Maintenance Technicians and for Southwest Airlines.

On Monday, we will get back together and begin the process of turning this AIP into a Tentative Agreement (TA) for you to vote on. We do not anticipate that will take too long to complete. In the meantime, here are some highlights of the Agreement.

- Unless otherwise explicitly set forth in the AIP, all terms of the TA reached between the parties in June 2018 remain unchanged;

The terms of the AIP are as follows:

- Twenty percent (20%) snap-up to base wage rates effective April 1, 2019;
- Three percent (3%) base rate increases on August 16 in 2019-2023;
- One hundred sixty million (\$160,000,000) dollar ratification bonus that is 401(k) and profit sharing-eligible;
- Agreement amendable August 16, 2024;
- Modifications to Letter of Agreement (LOA) 1 with details to follow when the AIP becomes a TA.

Both sides will provide further information in the near future as you prepare to vote on this agreement. In the meantime, please do not speculate before you have had a chance to read, understand, and digest the aspects of this new contract.

Both sides would like to thank you for your patience, both during the length of this negotiation, and as we finalize this TA.