

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. 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.

2. 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 by February 28, 2012, pursuant to discussions between SWA MX programs headed by Kent Horton and an AMFA Committee headed by the AMFA Outsourcing Liaison.

- a. In order to facilitate these discussions, the Company agrees to provide immediate unfettered access to Company Maintenance Programs information needed to resolve this issue.
- 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 by April 1, 2012, 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 April 1, 2012.
- 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.

3. Southwest Field Tech Supervisor

The Company will not challenge an NMB filing from AMFA for the accretion of Southwest Field Tech Supervisors to the craft or class of Mechanics and Related Employees.

4. Fourth line of maintenance

Southwest has requested relief to delay the starting date of the fourth line of heavy maintenance. In the interim the company has agreed to start a modification line to support the integration and transition requirements for a newer interior program. This line will be performed within DAL and begin January 2012, through May 2013. In conjunction with this modification line the company will start hiring at a rate of five AMT's per month, beginning April 2012, and continuing each month through the end of 2012, to support the fourth line requirement which will begin within the second half of 2013. AMFA's acceptance or rejection of the requested relief will not be determined by the ratification vote on this transition agreement. 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.

5. Creation of Lead inspector-AirTran side

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, that will align with the current AMFA Collective bargaining agreement.

6. Creation of new Lead mechanics on the AirTran side

Lead positions will be created at FLL and MKE locations subsequent to both an NMB single carrier determination and the merger of the two mechanic groups under a single CBA. that will align with the current AMFA Collective bargaining agreement. Post Single CBA. (Agreed in principle)

7. GSE leads on the AirTran side

The Company will create new GSE lead positions at AirTran stations, to the 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.

8. 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.

9. 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 will have their wages increased to the average wages of Southwest Technical and Senior Technical Instructors.

IN WITNESS WHEREOF, the parties have signed this Agreement this ____ day of _____, 2011.

SOUTHWEST AIRLINES CO.

By: _____
Jim Sokol
Vice President Maintenance Operations

AIRCRAFT MECHANICS FRATERNAL (AMFA National)

By: _____
Louie Key
National Director