Talking Points:
1. Economic Improvement: this TA is similar to other unions on the property
   a. Wage increases and benefit enhancements
   b. Linked to a 2-year extension of our CBA. (amendable 10/21-->10/23).
2. Annual wage reviews will ensure wages remain competitive within the industry and with other unions on property
3. Maintains and enhances job protections
4. Includes a Ratification Bonus

Deal Terms
In exchange for a 2-year extension the parties agreed to the below additional terms:

Wages and Duration
2-year term extension
- Schedule A Wage Increases
  - DOS, 2019 5% All-In Increase to each step
  - October 17, 2020 1.5% All-In Increase plus annual wage review
  - October 17, 2021 1.5% All-In Increase plus annual wage review
  - October 17, 2022 2.5% All-In Increase plus annual wage review
  - October 17, 2023 Amendable Date

All-In rate includes Base Pay Rate, Licenses, Line and Longevity TOS is Step 8 Base Rate, two licenses, line and top of longevity.

- Increased Shift Differentials
  - Swing shift increases to $.65 per hour
  - Grave shift increases to $1.10 per hour
  - Relief shift increases to $1.10 per hour

- Longevity Allowance
  - 10-15 years Increases to $.25 per hour
  - 16-20 years Increases to $.30 per hour
  - 21-30 years Increases to $.40 per hour
  - 30+ years Increases to $.50 per hour

Retirement
- Increase maximum Company match portion from 4% to 4.5% eligible compensation.

Job Protection
- Amended Letter of Agreement #9 to include JFK and employees hired after original signing date
- Additional job protection in LAX, SEA, SAN, SFO, PDX and JFK where dual permanent operations exist, committing to no bumping and/or furlough in these location for duration of the extended Agreement
- Airbus insourcing: Aircraft and Component Maintenance transition timeline commitment letter

Ratification Bonus
$2500 ratification bonus for each active eligible employee

Print Actual Transition document along with projected base and all in pay scale and industry comparison.

**Seniority**

- As voted on in the past two votes.
- Seniority is negotiated between AMFA and Airbus committee. Company pays for Airbus representation. Company has nothing to say about seniority.
- Negotiated and agreed to by both committees in December 2017. Date of Entering Classification was used.
- Classifications that were agreed to integrate seniority for Boeing and Airbus; Lead Technician, On The Job Trainer, Aircraft Technician
- AMFA does have a merger seniority philosophy. It does assume it is AMFA to AMFA.
- All other groups on property completed Seniority.
  - **Pilot’s** group got a ratio applied through arbitration. The ratio was the ALPA’s merger policy.

**Flight Attendants** agreed on Date of Hire.

**Dispatchers** got four year bump to all Boeing dispatcher that where on property prior to April 2016 applied through arbitration.

**Customer Service, Ramp and Stores** agreed to Date of Hire.

- If we cannot agree it will go to arbitration. Want to be clear if hired after April 2016 arbitration will not help you, you will get date of hire.
LETTER OF AGREEMENT
Between
ALASKA AIRLINES, INC.,
and the
AIRCRAFT MECHANICS FRATERNAL ASSOCIATION

TRANSITION AGREEMENT

THIS LETTER OF AGREEMENT is made and entered into in accordance with the provisions of the Railway Labor Act, as amended (the “Act”), by and between ALASKA AIRLINES, INC. (“Alaska” or “Company”) and the AIRCRAFT MECHANICS FRATERNAL ASSOCIATION (“AMFA”). The parties are collectively referred to as the “Parties.”

WHEREAS, Alaska and AMFA are party to a collective bargaining agreement covering the Technicians and Related Craft Employees (“Technicians”) employed by Alaska, effective October 17, 2016 with an amendable date of October 17, 2021 (the “CBA”); and

WHEREAS, effective April 1, 2016, Virgin America, Inc. (“Virgin America”), entered into an Agreement and Plan of Merger to become a subsidiary of Alaska Air Group, Inc. (“AAG”). The employees within the Technician and related craft or class employed by Virgin America prior to the Plan of Merger and/or employed by the Company to perform work on Airbus aircraft will be referred to herein as the “Legacy Virgin America” Technicians; and

WHEREAS, effective December 14, 2016, AAG’s acquisition of Virgin America closed; and

WHEREAS, effective January 11, 2018, Alaska Airlines and Virgin America achieved a single operating certificate from the Federal Aviation Administration (“FAA”), which recognizes that the two carriers are operating as one airline; and

WHEREAS, effective as of the date the National Mediation Board (“NMB”) extends AMFA’s certification to include all of the employees in the Technicians craft or class following the NMB’s determination that Alaska and Virgin America are operating as a single transportation system for the craft or class of Technicians (“Single Carrier Certification”), AMFA will become the certified bargaining representative of the combined Alaska and Legacy Virgin America Technicians workgroup; and

WHEREAS, prior to Single Carrier Certification of AMFA as the representative, the legacy Virgin America Technicians were not represented by any labor organization and the Alaska Technicians were represented by AMFA; and

WHEREAS, the Company intends to integrate the Legacy Virgin America Technicians and the Alaska Technicians into a single workforce with an Integrated Seniority List (“ISL”); and

WHEREAS, the Company intends to utilize the Legacy Virgin America Technicians and the Alaska Technicians together to perform the Company’s operational functions relative to the classifications within the Technicians workgroup;

NOW, THEREFORE, the Parties agree as follows:
I. **Transition Agreement Effective Date**

The terms of the current CBA and this Transition Agreement will become applicable effective upon completion of all three of the following items: Integrated Seniority List, Single Carrier Certification, and ratification of this Transition Agreement, except where implementation dates for specific provisions are otherwise set forth below or in Attachment A hereto.

II. **Retirement Plan**

Effective no later than ninety (90) days following the Transition Agreement Effective Date, the active AMFA members in the Virgin America 401(k) Plan ("VX Plan") will be transitioned into the Alaska COPS, MRP & Dispatch 401(k) Plan ("CMD Plan"). This will be a two-step process where first, such active AMFA members will become eligible for the CMD Plan and ineligible for the VX Plan, and second, the account balances of such active AMFA members will be transferred to the CMD Plan.

Effective [TBD*], Article 20, paragraph J of the CBA will be amended as follows and will apply to all covered employees:

Effective [TBD*date], AMFA employees participating in the Alaska Airlines, Inc. COPS, MRP & Dispatch 401(k) plan will be entitled to an additional matching contribution in cash equal to 50% of up to an additional three percent (3%) of the participant's deferrals "i.e., maximum employee contribution to receive all Company match as of October 16, 2017 [TBD* date] is nine percent (9%) of an employee's deferrals, and the match will be a maximum of four and one-half 4.5% of eligible compensation.

III. **Duration of Agreement**

The parties agree to extend all terms of the current CBA (Oct 17, 2016 – Oct 17, 2021) by two (2) years under Article 25 Effective Date and Duration. The amendable date of the CBA will be October 17, 2023.

IV. **Pay scale increases**

The Company will increase rates of pay under Article 26 Schedule A accordingly:

A. Five percent (5%) all-in rate increase for each step in the scale. The rate increase will be effective the first full pay period following the Transition Agreement Effective Date. No wage review will be conducted in 2019.

B. One and one-half (1.5%) all-in rate increase for each step in the scale. The rate increase will be effective October 17, 2020 with wage review to be conducted pursuant to Article 23 Wage Rules.

C. One and one-half (1.5%) all-in rate increase for each step in the scale. The rate increase will be effective October 17, 2021 with wage review to be conducted pursuant to Article 23 Wage Rules.
D. Two and one-half (2.5%) all-in rate increase for each step in the scale. The rate increase will be effective October 17, 2022 with wage review per Article 23 Wage Rules.

V. **Shift Differential**

Effective no later than the first full pay period following the Transition Agreement Effective Date, the Company will increase Shift Differential rates under Article 26 accordingly:

A. Employees will receive shift differentials of sixty-five cents ($.65) per hour for second shift or one dollar ten cents ($1.10) per hour for the third shift when they work these shifts as defined in Article 5 of the Parties' CBA.

B. An employee who works a relief schedule or who is scheduled to work two (2) or more starting times during a work week will be paid a multiple shift differential of one dollar ten cents ($1.10) per hour for all hours worked during any work week in which he works such schedule.

VI. **Longevity Allowance**

Effective no later than the first full pay period following the Transition Agreement Effective Date, the Company will increase longevity allowance under Article 29 of the Parties CBA as follows:

A. Ten (10) through fifteen (15) years $ .25 per hour
B. Sixteen (16) through twenty (20) years $ .30 per hour
C. Twenty-one (21) through thirty (30) years $ .40 per hour
D. Thirty (30) or more years $ .50 per hour

VII. **Job Security – Letter #9**

Effective immediately upon the Transition Agreement Effective Date, Paragraph 1 of Letter #9 will apply to all active Technicians and be amended to add New York City (JFK) to the list of cities where the Company will not subcontract any scheduled line maintenance work currently performed by AMFA Technicians. AMFA Airbus work (Kinder letter) updated with Constance von Muehllen signature.

In addition, all active Technicians based at LAX, SEA, SAN, SFO, PDX, and JFK (stations with dual Boeing and Airbus maintenance operations) employed as of the Transition Agreement Effective Date or hired on or before October 17, 2023 will not be bumped or furloughed from the Transition Agreement Effective Date through the amendable date of October 17, 2023.
VIII. **Ratification Bonus**

The Company will issue a one-time payment, less applicable deductions and withholdings, in the amount of two thousand five hundred dollars ($2,500) to each active Inspector, Lead, OJTI, Technician, Technician Helper and Janitor on payroll as of the date of ratification of this Transition Agreement. This ratification bonus payment will be paid no later than thirty (30) days following that date.

IX. **Governing Agreement**

This Transition Agreement governs in case of conflict between one of its terms and a provision of the existing Alaska AMFA CBA referenced above.

IN WITNESS WHEREOF, the Parties hereto have executed this Letter of Agreement effective this 3rd day of June, 2019.

**AIRCRAFT MECHANICS FRATERNAL ASSOCIATION**

By: ____________________________ Date: ____________
    Bret Oesterich, National Director

By: ____________________________ Date: ____________
    Earl Clark, Region 1 Director

By: ____________________________ Date: ____________
    Jarod Mills, Local 14 ALR

By: ____________________________ Date: ____________
    Mark Dahl, Local 32 ALR

**ALASKA AIRLINES, INC.**

By: ________________ Date: 6/3/19
    Jenny Wetzel
    Vice President, Labor Relations

By: ________________ Date: 6/3 JUNE 19
    Constance von Muehlen
    Sr. Vice President, Maintenance & Engineering

By: ________________ Date: 6/3/19
    Sonia Alvarado
    Director, Labor Relations
### Alaska Technician Base Pay Scale Proposed

<table>
<thead>
<tr>
<th>Current Rate</th>
<th>DOS</th>
<th>DOS +1</th>
<th>DOS +2</th>
<th>DOS +3</th>
<th>DOS +4</th>
<th>EXT Year 1</th>
<th>EXT Year 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>17.24%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>5.0%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Step 1</td>
<td>21.75</td>
<td>25.50</td>
<td>25.96</td>
<td>26.44</td>
<td>28.04</td>
<td>28.54</td>
<td>29.06</td>
</tr>
<tr>
<td>Step 2</td>
<td>22.17</td>
<td>25.99</td>
<td>26.46</td>
<td>26.94</td>
<td>28.57</td>
<td>29.08</td>
<td>29.60</td>
</tr>
<tr>
<td>Step 3</td>
<td>22.87</td>
<td>26.81</td>
<td>27.29</td>
<td>27.79</td>
<td>29.46</td>
<td>29.98</td>
<td>30.52</td>
</tr>
<tr>
<td>Step 4</td>
<td>24.94</td>
<td>29.24</td>
<td>29.76</td>
<td>30.29</td>
<td>32.09</td>
<td>32.65</td>
<td>33.23</td>
</tr>
<tr>
<td>Step 5</td>
<td>25.67</td>
<td>30.10</td>
<td>30.63</td>
<td>31.17</td>
<td>33.01</td>
<td>33.59</td>
<td>34.18</td>
</tr>
<tr>
<td>Step 6</td>
<td>27.17</td>
<td>31.86</td>
<td>32.42</td>
<td>32.99</td>
<td>34.92</td>
<td>35.53</td>
<td>36.15</td>
</tr>
<tr>
<td>Step 7</td>
<td>29.70</td>
<td>33.65</td>
<td>34.24</td>
<td>34.83</td>
<td>36.86</td>
<td>37.49</td>
<td>38.14</td>
</tr>
<tr>
<td>Step 8</td>
<td>34.24</td>
<td>40.15</td>
<td>40.84</td>
<td>41.54</td>
<td>43.91</td>
<td>44.66</td>
<td>45.42</td>
</tr>
</tbody>
</table>

### Alaska Tech helper Pay Scale Proposed

<table>
<thead>
<tr>
<th>Current Rate</th>
<th>DOS</th>
<th>DOS +1</th>
<th>DOS +2</th>
<th>DOS +3</th>
<th>DOS +4</th>
<th>EXT Year 1</th>
<th>EXT Year 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>17.24%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>5.0%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Step 1</td>
<td>11.70</td>
<td>13.72</td>
<td>13.92</td>
<td>14.13</td>
<td>14.84</td>
<td>15.06</td>
<td>15.29</td>
</tr>
<tr>
<td>Step 2</td>
<td>13.42</td>
<td>15.43</td>
<td>15.74</td>
<td>16.03</td>
<td>16.58</td>
<td>16.99</td>
<td>17.23</td>
</tr>
<tr>
<td>Step 3</td>
<td>13.17</td>
<td>15.44</td>
<td>15.68</td>
<td>15.91</td>
<td>16.71</td>
<td>16.96</td>
<td>17.21</td>
</tr>
<tr>
<td>Step 5</td>
<td>14.61</td>
<td>17.13</td>
<td>17.39</td>
<td>17.65</td>
<td>18.53</td>
<td>18.81</td>
<td>19.09</td>
</tr>
<tr>
<td>Step 6</td>
<td>15.51</td>
<td>18.18</td>
<td>18.45</td>
<td>18.73</td>
<td>19.66</td>
<td>19.96</td>
<td>20.26</td>
</tr>
<tr>
<td>Step 8</td>
<td>17.26</td>
<td>20.23</td>
<td>20.54</td>
<td>20.84</td>
<td>21.89</td>
<td>22.21</td>
<td>22.55</td>
</tr>
<tr>
<td>Step 10</td>
<td>19.01</td>
<td>22.29</td>
<td>22.63</td>
<td>22.96</td>
<td>24.11</td>
<td>24.47</td>
<td>24.84</td>
</tr>
<tr>
<td>Step 11</td>
<td>20.42</td>
<td>23.94</td>
<td>24.30</td>
<td>24.67</td>
<td>25.92</td>
<td>26.32</td>
<td>26.73</td>
</tr>
</tbody>
</table>

### License, Line Longevity

<table>
<thead>
<tr>
<th>License</th>
<th>Line</th>
<th>Longevity 2016-2019</th>
<th>Longevity 2019-2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 5.00</td>
<td>$ 0.00</td>
<td>$ 0.30</td>
<td>$ 0.50</td>
</tr>
<tr>
<td>Rank</td>
<td>Carrier</td>
<td>Per Hour</td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>----------</td>
<td>----------</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Southwest</td>
<td>53.15</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Delta</td>
<td>50.67</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>United</td>
<td>48.75</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>American</td>
<td>47.94</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Alaska</td>
<td>47.44</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Jetblue</td>
<td>45.16</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Hawaiian</td>
<td>39.90</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Frontier</td>
<td>35.27</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Allegiant</td>
<td>35.07</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Spirit</td>
<td>31.91</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rank</th>
<th>Carrier</th>
<th>Per Hour</th>
<th>Union Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Southwest</td>
<td>53.15</td>
<td>AMFA</td>
</tr>
<tr>
<td>2</td>
<td>Delta</td>
<td>50.67</td>
<td>Non Union</td>
</tr>
<tr>
<td>3</td>
<td>Alaska</td>
<td>50.01</td>
<td>AMFA Teamsters</td>
</tr>
<tr>
<td>4</td>
<td>United</td>
<td>48.78</td>
<td>TWU/IAM</td>
</tr>
<tr>
<td>5</td>
<td>American</td>
<td>47.94</td>
<td>Non Union</td>
</tr>
<tr>
<td>6</td>
<td>Jetblue</td>
<td>45.16</td>
<td>IAM Teamsters</td>
</tr>
<tr>
<td>7</td>
<td>Hawaiian</td>
<td>39.90</td>
<td>Non Union</td>
</tr>
<tr>
<td>8</td>
<td>Frontier</td>
<td>35.27</td>
<td>Non Union</td>
</tr>
<tr>
<td>9</td>
<td>Allegiant</td>
<td>35.07</td>
<td>Non Union</td>
</tr>
<tr>
<td>10</td>
<td>Spirit</td>
<td>31.91</td>
<td>Non Union</td>
</tr>
</tbody>
</table>
This Seniority Integration Agreement ("Agreement") is made and entered into by and between the Aircraft Mechanics Fraternal Association ("AMFA") and the Virgin America Technical Operations Seniority Integration Committee ("Virgin Committee").

WHEREAS, On December 14, 2016, Alaska Air Group, Inc. ("AAG") and Virgin America implemented their April 1, 2016 Agreement and Plan of Merger, which resulted in AAG’s acquisition of one hundred percent (100%) of the outstanding shares of Virgin America;

WHEREAS, As a result of the implementation of the Merger Agreement, Alaska Airlines, Inc. ("Alaska Airlines") and Virgin America are now each wholly-owned subsidiaries of AAG.

WHEREAS, AAG plans on merging the operations of both Alaska Airlines and Virgin America and this merger requires an integrated seniority list combining the Mechanics and Related Employees in the service of Alaska Airlines as represented by AMFA, and the Mechanics and Related Employees in the service of Virgin America, Inc., as represented by the Virgin Committee.

WHEREAS, AMFA and the Virgin Committee wish to produce an amicable integrated seniority list;

NOW THEREFORE, AMFA (acting on behalf of the Alaska Airlines Mechanics and Related Employees) and the Virgin Committee (acting on behalf of the Virgin America Mechanics and Related Employees) agree to seniority lists, attached as Exhibits 1–4, constructed according to the following procedures:

1. Lists will be merged as of the effective date of this Agreement, as set forth in paragraph 7, below. Each party warrants that it has taken those actions necessary to ensure the accuracy of the pre-integration seniority lists of the employees it represents.

2. For the purposes of “Company seniority,” as used in Article 9(A) of the AMFA collective bargaining agreement ("CBA"), the Mechanics and Related Employees of Alaska Airlines and the Mechanics and Related Employees of Virgin Airlines shall be integrated into a single
seniority list on the basis of their initial date-of-hire by either Alaska Airlines or Virgin Airlines, as applicable. The integrated Company seniority list is attached as Exhibit 1.

3. For the purposes of “Classification seniority,” as used in Article 9(A) of the AMFA CBA, the lists shall be integrated as follows:

   a. **Aircraft Technicians:** Aircraft technicians employed by Alaska Airlines and by Virgin Airlines, respectively, shall be integrated into a single classification seniority list based on their respective dates of entering into the classification. The integrated Aircraft Technician Seniority List is attached as Exhibit 2.

   b. **Lead Aircraft Technicians:** Lead aircraft technicians employed by Alaska Airlines and by Virgin Airlines, respectively, shall be integrated into a single classification seniority list based on their respective dates of entering into the classification. The integrated Lead Aircraft Technician Seniority List is attached as Exhibit 3.

   c. **Aircraft Tech Trainers:** OJT Aircraft Technicians employed by Alaska Airlines and on-the-job trainers employed by Virgin Airlines shall be integrated into a single classification seniority list as indicated in Exhibit 4, attached.

4. For the sole purpose of seniority integration, if one or more pre-merger Virgin employees and one or more pre-merger Alaska employees in the same classification have the same classification date and same Company seniority date (“seniority tie”) such employees will be placed on the integrated list in order based on chronological age (date of birth). This process will not apply to a seniority tie that exists solely within either the Alaska or Virgin pre-merger seniority lists. In such situations, the respective pre-merger seniority rankings will control.

5. Alaska Airlines and AMFA will post the integrated seniority list and/or otherwise make the list available to all Technicians and related employees in accordance with Article 9(D) of the current Alaska Airlines-AMFA CBA within thirty (30) days following certification of AMFA by the National Mediation Board as the representative of the combined Technicians and related employees. Thereafter, all protests to the integrated list will be filed and processed in accordance with Article 9(D) of the Alaska Airlines-AMFA CBA.

6. No employee will be involuntarily displaced/“bumped” from their positions as a result of the integration. There shall be no systemwide realignment of technician and related group positions, or system rebid, resulting from the integration of the seniority lists that will result in any such displacement/“bump.”

7. This Agreement shall take effect upon membership ratification by the Mechanics and Related Employees of both Alaska Airlines and of Virgin Airlines, as set forth in Section IV of the parties’ October 13, 2017, Seniority Integration Process Agreement.
AIRCRAFT MECHANICS FRATERNAL ASSOCIATION

By: _________________________________  Date: _______________________
    Bret Oesterich, National Director
By: _________________________________  Date: _______________________
    Earl Clark, Region 1 Director
By: _________________________________  Date: _______________________
    Jason Munson, Local 14 ALR
By: _________________________________  Date: _______________________
    Mark Dahl, Local 32 ALR

VIRGIN AMERICA MERGER COMMITTEE

By: _________________________________  Date: _______________________
    Steve Vintch
By: _________________________________  Date: _______________________
    Lonny McGrew
By: _________________________________  Date: _______________________
    Sukhvirpal Sangha
By: _________________________________  Date: _______________________
    Tony Gibson
Policy Statement

Mergers and Seniority Integration

March 14, 2013

1. Scope and Purpose:
   The scope and purpose of this policy is to provide protection for the employment rights of employees in the craft or class of Mechanics and Related Employees represented by the Association. This policy shall be applied when at least two AMFA-represented carriers engage in a merger as defined by this policy.

   A “merger” shall be defined as including any transaction for the combination of multiple air carriers into a single air carrier, which involves the transfer of ownership or control of (i) 50 percent or more of the equity securities (as defined in section 101 of title 11, United States Code) of an air carrier; or (ii) 50 percent or more (by value) of the assets of the air carrier. A “merger” shall also be deemed to include any transaction which has, or, in the determination of the National Executive Council (NEC), may result in a single carrier determination by the National Mediation Board (NMB).

2. Notice of Merger and Activation of Policy
   A. Promptly after learning of management action that would effectuate a merger, the National Director shall notify the NEC and LEC Presidents at the affected airlines of such merger and set in motion this policy and the procedures for settlement of seniority issues. The National Director will hold a joint session or conference call with the NEC and LEC Presidents at the affected airlines to explain the provisions of this policy.

   B. The NEC shall take all measures it deems appropriate and necessary to ensure all maintenance operations, equipment and facilities of each company party to a merger shall remain separated until such time as the Mechanics and Related Employee seniority lists are integrated and the integrated seniority is implemented.

3. Creation of Seniority Integration Committees
   A. Following the joint conference in 2.A, each AMFA-represented airline group shall create a Seniority Integration Committee (SIC) composed of that airline group’s Airline Representatives (ALRs).

   B. Each of the respective SICs shall designate a chairman by majority vote of the committee members.

   C. The National Director or his designee shall be considered an ex officio member of each SIC.
D. Each SIC will establish a reasonable observer policy to permit rank-and-file members to observe the negotiations process. Observer participation may be limited, in the discretion of the SIC, to in order to protect confidential information or preserve an attorney-client privilege.

E. The members of the respective SICs must be members in good standing. Each SIC will have the authority to act for and on behalf of the Mechanics and Related Employees of its respective airline. Each SIC will have the responsibility of keeping its respective LECs and general membership informed with respect to the seniority integration process.

4. Seniority Integration Negotiations

A. Both SICs will work in a timely manner to reach a negotiated agreement providing for seniority integration. In the event that the SICs fail to mutually agree on the scheduling of dates and times for negotiations, the National Director will establish said dates and times.

B. The SICs shall meet no later than sixty (60) days following the NEC’s determination that a merger has occurred and commence efforts to arrive at a mutually satisfactory method of integration and compilation of an appropriate integrated seniority list(s). The SICs shall make a good faith effort to resolve all issues through negotiations. If all issues cannot be resolved, the merger representatives shall make a good faith effort to reduce outstanding issues and limit the issues for arbitration. If negotiations have not resulted in an agreement within one hundred (100) days, either SIC may petition the National Director to commence the arbitration process. The National Director may delay the arbitration process for an additional thirty (30) days at his discretion.

C. The SICs shall resolve any and all disputes and inconsistencies with regard to the employment data exchanged. The representatives shall be empowered to compromise their differences to the extent necessary to reach agreement except that the relative position of the Mechanics and Related Employees on their respective pre-existing seniority lists shall be maintained. Areas remaining in disagreement shall be reduced to writing, stating the contentions of the parties, and shall be resolved, if necessary, by using the arbitration procedures set forth below.

D. The SICs shall make a good faith effort to reach an agreement on a fair and equitable integration of existing seniority lists. Such integration should give full consideration to existing seniority lists based on date-of-entry into the classification with application of appropriate conditions and restrictions designed to:
   1. Preserve jobs.
   3. Avoid windfalls to either group at the expense of the other.
   4. Maintain or improve pre-merger pay and standards of living.
   5. Minimize detrimental changes to career expectations.

E. For the purposes of limiting confrontation and expediting the merger process, the NEC shall, when it deems advisable, appoint a neutral facilitator to assist the merger representatives in arriving at a fair and equitable solution.
F. The merger representatives shall report to the National Director, upon request, on their progress once negotiations begin. If, at any time after receiving the first report, in the opinion of the NEC, satisfactory progress is not being made, the National Director may unilaterally intervene and invoke arbitration.

G. In the event the SICs reach an agreement, said agreement will be submitted to the National Director. The National Director will then submit the agreement to the affected airline members for a ratification vote by the general membership. Each of the affected airline groups must ratify the proposed agreement by a majority of votes cast in order for the agreement to become effective.

H. Should the general membership vote to pass the proposed agreement, the National Executive Council will ensure proper implementation of the combined seniority list(s) as per the agreement.

I. In the event that a proposed agreement is not ratified, the SICs will proceed to arbitration unless the two SICs and the National Director agree that further negotiations would be beneficial.

5. Arbitration

A. Issues to be decided at the arbitration step will be heard by a neutral arbitrator, or, if the two SICs agree, by a panel of three neutral arbitrators. If the SICs are unable to agree on a neutral arbitrator or arbitrators, the National Director will request a list of seven (7) qualified arbitrators, for each position on the panel, from the NMB. The parties will alternately strike names from the NMB list(s) until one individual remains. In the event a selected arbitrator is unable to serve, the National Director shall retrace the strike procedure in reverse order until the vacancy has been filled.

B. In the event the SICs elect to proceed with a single neutral arbitrator, each SIC shall appoint a non-voting member to the Arbitration Board who shall be an AMFA member in good standing employed by that SIC’s airline, but who is not a member of the SIC. The primary role of the non-voting Arbitration Board members is to provide assistance to the neutral arbitrator in achieving a fair and equitable integrated seniority list in accordance with this policy. The neutral arbitrator may utilize the services of the non-voting Arbitration Board members as determined by the neutral arbitrator in his discretion.

C. The first meeting of the Arbitration Board shall be no later than thirty (30) days from the arbitrator designation.

D. Hearing time before the Arbitration Board shall not exceed five (5) full hearing days. Hearings shall be open to all AMFA members in good standing, unless closed by the Arbitration Board for cause.

E. The SICs shall attempt to agree on ground rules for the hearing process, including ground rules for the equitable allocation of hearing time. In the absence of such agreement, all ground rules shall be determined by the Arbitration Board. The Arbitration Board shall in any event have the final authority to establish such procedural and evidentiary rules as deemed appropriate.
F. The Arbitration Board is authorized to render a final and binding Opinion and Award with respect to the integration of existing seniority lists and the application of appropriate conditions and restrictions. In rendering its decision, the Arbitration Board is to be guided by the criteria in § 4.D above. The Arbitration Board is not authorized to render any decision that would alter the relative seniority of individuals within the respective existing seniority lists.

G. The Opinion and Award should be rendered within fifty (50) days of the convening of said Arbitration Board unless extensions are agreed to by the SICs and the National Director.

H. The Award of the Arbitration Board shall be final and binding on all parties to the arbitration and shall be defended by AMFA. The Award shall include any agreements reached during pre-arbitration negotiations and jointly submitted to the Arbitration Board. The Arbitration Board will include in its Award a provision retaining jurisdiction with respect to any disputes regarding the meaning or interpretation of the Award. In the event the Arbitration Board cannot exercise this jurisdiction, interpretation issues will be submitted to the arbitration process outlined in the collective bargaining agreement of the surviving airline.

6. **Interpretations of AMFA Merger Policy**

   Issues as to the application or interpretation of AMFA Merger Policy shall be determined by the NEC until such time as an Arbitration Board has been selected, at which time all procedural and evidentiary determinations shall be rendered by the Arbitration Board.

7. **Extensions**

   The National Director may, for cause, grant extensions of the time limits set forth in this policy.

8. **AMFA National Retention of Records**

   At the conclusion of the seniority integration process, all factual material related thereto which was gathered pursuant to this policy will be turned over to the National Secretary for retention.

9. **Expenses**

   The National Director, with the assistance of the NEC, will make every effort to reach an agreement with the merging airlines to cover the expenses related to this seniority integration process. To the extent the expenses are not covered by the airlines, each airline group will be responsible for its own expenses, including fifty (50) percent of all administrative expenses related to any arbitration process.

10. **Merger with Non-AMFA Carrier**

    A. In the event of a merger with an airline where the Mechanics and Related Employees are not then represented by AMFA, the National Director shall conference with the NEC in a timely manner. The purpose of such conference shall include briefing and orienting the participants on merger-related matters and commencing the creation of a committee for the protection of the employment rights of the AMFA-represented Mechanics and Related Employees, protecting AMFA representation and organizing, and related activities for the
Mergers & Seniority Integration

The purpose of assuring continued AMFA representation at the merged carrier. The meeting shall include a review of AMFA merger and organizing policies.

B. Seniority integration with a non-AMFA carrier shall, to the extent legally possible and practicable, be accomplished in the same manner as provided for with respect to the seniority integration between two AMFA-represented carriers, including appropriate consideration of the criteria listed in § 4.D above.

C. Maintaining AMFA representation rights through the merger and at the merged carrier shall be considered an essential priority under AMFA organizing policy.

Approved: ________________________________
Louie Key, National Director

Date: March 14, 2013