



TRANSPORT WORKERS UNION LOCAL 555

REPRESENTING THE RAMP, OPERATIONS, PROVISIONING, AND FREIGHT AGENTS OF SOUTHWEST AIRLINES
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The Application of Article Fifteen – Reduction in Force

This information is provided to help answer questions about a Reduction in Force (RIF) at Southwest Airlines for the members of TWU Local 555. It is presented in question and answer form that includes the relevant language from the contract. The purpose of this information is simply to educate the membership of Local 555. The Union is not suggesting that this will happen, but due to the current economic conditions, many people have already asked questions related to Article 15 of the contract. We hope that the presented information answers your questions. If you have any additional questions, you can reach out to your Station or District Representative.

1) Q: Who decides if there will be a Reduction in Force?

A: The Company determines staffing and will be the ones to implement a reduction in force including determining the number of employees that will be impacted.

Relevant CBA Language: [Article 2, Paragraph D] The right to manage and direct the work force, subject to the provisions of this Agreement, is vested in and retained by the Company.

2) Q: Who is impacted by the Reduction of Force?

A: Any part time and/or junior employee within a classification at a station in which the Company wants to cut down on the workforce in a particular classification. This could also impact senior employees depending on how much the Company decides to cut in any given classification location. For example, if the company decides that they want to reduce the staffing from ten down to eight agents in an operations department the first to be impacted will be any part-time agents (in reverse seniority order) in that classification followed by the full time agents with the least seniority in that classification.

Relevant CBA Language: [Article 15, Section One, Paragraph A] A reduction in force ("RIF") shall be in reverse order of classification seniority.

[Article 8, Paragraph B] Classification seniority shall determine: 3. Reduction in force

[Article 10, Paragraph O] Part-time Employees will be furloughed at a station or facility before any full-time Employee at that station in that same classification is affected by such furlough.

3) Q: What are the classifications?



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A: Classifications are the separation of the class and craft of work performed. Ramp and provisioning agents are in one classification and operations agents and freight agents are in one classification. If your city has operations and ramp, there are two classifications in your location, ramp and operations. If your city has operations, freight, and ramp there are two classifications in your location, ramp and operations/freight. If your city has ramp, provisioning, operations and freight, there are two classifications in your location, ramp/provisioning and operations/freight. To find out how much seniority you have, consult a current seniority list.

Relevant CBA Language: [Article 8, Paragraph B] The classifications to be recognized for seniority purposes are: 1. Ramp/Provisioning Agents; and 2. Operations/Freight Agents.

4) Q: What is dual seniority?

A: Your seniority in both classifications. As of June 14, 2001, you accrue seniority in both classifications no matter which classification you are in.

Relevant CBA Language: [Article 8, Paragraph B] Furthermore, effective June 14, 2001, Employees under the scope of this Agreement will begin to accrue seniority within both classifications ("R/O Seniority").

5) Q: What options does someone have who has been notified that the Reduction in Force will happen to them?

A: There are 4 options listed in the CBA. Those agents who the company is applying the reduction in force to are called "impacted" and have the following options.

- They can fill a vacancy, if any, as determined by the Company, elsewhere in the system in the same classification and if the company determines that there are no vacancies in the system, they can bump the most junior employee in the system in their same classification. This would require a transfer to the station where the most junior employee in your classification currently works.
- Or they can fill a vacancy in the other classification, if any, as determined by the Company, (ramp/provisioning can fill operations/freight and vice versa - see classification above). If the company determines that there are no vacancies in the other classification in the system then they can displace the most junior employee in the other classification in their city or if they are not senior enough to displace someone in their current city, they can displace the most junior employee in the system. This would require a transfer to the station where the most junior employee in this classification currently works. **Special Note:** If you have the seniority



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to exercise this option, there will be no interview, nor will there be an IPA (Internal Placement Application) process to go through and the position in the other classification will be granted to you simply based on your seniority.

- Or they can be furloughed, which means that they are still on the seniority list (and continue to accrue seniority while on furlough), but they are not being paid, or receiving benefits.
- Or they can resign from the company and receive severance pay. There could be circumstances in which the Company is not required to pay severance that are listed in the contract (see language below).

There are situations where the Company could have a Reduction in Force in one station and classification and actually have vacancies in another city's classification. The number of agents for any city is set and determined by the Company, and therefore any vacancies in the system are determined by the Company.

Relevant CBA Language: [Article 15, Section One, Paragraph B] Employees impacted by a RIF may elect to:

1. Same Classification. Fill a vacancy elsewhere in the system in the same classification or, if no such vacancy exists, displace the most junior Employee in the system in the same classification.
2. Other Classifications. Fill a vacancy in another classification in which they hold seniority or, if no such vacancy exists, displace the most junior Employee in that classification at that location if senior enough, or, if not senior enough, displace the most junior Employee in the system in that classification.
3. Furlough. Accept a furlough at their location.
4. Severance. Resign from the Company and receive severance pay in accordance with Section Two of this Article.

[Article 15, Section Two, Paragraph C] Employees shall receive no severance pay if any one or more of the following conditions exist:

3. The layoff is caused by an Act of God, a war emergency, revocation of the Company's operating certificate or certificates, or grounding of a substantial number of Company aircraft.

6) Q: How will I know if there are vacancies in the system or where the most junior employees are?

A: The company will provide all the impacted employees a list of vacancies in the system and the cities and classifications where the most junior agents are located.

Relevant CBA Language: [Article 15, Section One, Paragraph D] The furlough notification given to the impacted Employees by the Company shall indicate the location of existing vacancies, if any, and the



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potential locations where the most junior Employees are assigned so that the Employees impacted shall be in a position to exercise the options described in Paragraph B of this Article.

7) Q: How do I make my choices known to the company?

A: The contract does state bids must be filed by certified mail to the Company. However, in all the past RIFs, the company has had the impacted employees' fax and/or email in their preferential bids.

Relevant CBA Language: [Article 15, Section One, Paragraph D] The preferential bid shall be filed by certified mail with the Vice President of the appropriate department.

8) Q: Do I only make one choice in my preferential bid?

A: Just like a shift bid, you should make as many choices as you need as the bids will be awarded based on seniority. These choices can be a combination of the options. Your first choice might be to displace someone in the other classification in your city but if you can't get that because someone senior to you chose that your next choice might be to transfer to a particular location in your current classification. And if you can't get that because of seniority you want a furlough. **If you fail to submit a bid, or you do not select enough options to account for your position in seniority, you will automatically be put on a furlough.**

Relevant CBA Language: [Article 15, Section One, Paragraph D] The impacted Employees shall file a preferential bid, listing, in order of the Employee's preference, relocation, reduction, or furlough as soon as possible, but in any event such filing shall be made within fifteen (15) days of the receipt of the furlough notice. The absence of a timely filed preferential bid shall be the equivalent of electing to be furloughed.

[Article 15, Section One, Paragraph E] The Company shall examine all preferential bids filed by impacted Employees and resolve the relocation in order of seniority and preferences expressed.

9) Q: How long do I have to decide which choice I'll take?

A: The contract states fifteen (15) days, however the Company can set this to more days if they choose.



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Relevant CBA Language: [Article 15, Section One, Paragraph D] The impacted Employees shall file a preferential bid, listing, in order of the Employee's preference, relocation, reduction, or furlough as soon as possible, but in any event such filing shall be made within fifteen (15) days of the receipt of the furlough notice. The absence of a timely filed preferential bid shall be the equivalent of electing to be furloughed.

10) Q: How are the preferential bids of the impacted employees processed?

A: The bids from all the impacted employees from all of the cities and classifications will be sorted by seniority and the preference awarded by seniority.

Relevant CBA Language: [Article 15, Section One, Paragraph E] The Company shall examine all preferential bids filed by impacted Employees and resolve the relocation in order of seniority and preferences expressed.

11) Q: What about moving expenses?

A: If you choose to take a position in another city, the company will pay for the move.

Relevant CBA Language: [Article 15, Section One, Paragraph C] The Company shall pay the moving expenses of an Employee who is required to move due to a RIF.

12) Q: What is recall?

A: Recall is the right to get called back to work if you are on furlough, or called back to your original station if you opted to move to another city due to the RIF. When there is an opening at the station you left because of the RIF or took a furlough from, they will be filled by the most senior employee who was forced to move or who took a furlough. Openings at that station's classification will be first offered to everyone who was displaced before any other internal bids or external hiring.

Relevant CBA Language: [Article 15, Section One, Paragraph H] Employees furloughed/relocated shall be recalled in the order of their seniority at the time of reduction in force. No vacancy shall be considered to exist at a location until all furloughed Employees eligible to fill the vacancy at that location have been recalled and all Employees required to relocate from there because of the reduction have been afforded the opportunity of returning.



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13) Q: How long do the recall rights last?

A: Seven (7) years. If you are not recalled after seven (7) years, all recall rights end. If you were on furlough, you will be removed from the seniority list and will no longer have any claims or rights as a Southwest Airlines employee. If you moved to another city, you will remain in that city and only be able to return to your furlough city through the normal bidding of vacancy positions (Article 11).

Relevant CBA Language: [Article 15, Section One, Paragraph K] All recall rights shall expire at the end of seven (7) years from the effective date of the reduction in force.

14) Q: What is the order of recall?

A: When the Company determines that they are going to increase the staffing at the locations that were impacted by a RIF, the recall will be done in order of your seniority at the time of the furloughs. In this situation, there is no regard to status. If you were a part time employee who was furloughed due to being part time, you will be recalled in your classification seniority, even if it means you are recalled to a full-time position. Since the contract states that recall will be in the order of seniority "at the time of reduction in force," that means the recall will be done in that same classification order of seniority.

Relevant CBA Language: [Article 15, Section One, Paragraph H] Employees furloughed/relocated shall be recalled in the order of their seniority at the time of reduction in force.

15) Q: What happens if there are only part-time positions available for a full-time agent?

A: If an impacted full-time employee only has an option to transfer and take a part-time position, and/or in transferring back (during the recall rights time frame) to their original station only has a part-time position the employee will still accrue seniority at the full-time rate.

Relevant CBA Language: [Article 15, Section One, Paragraph L] An Employee transferring because of a RIF who is required to or elects to accept a part-time position shall continue to accrue seniority as a full-time Employee until a full-time position becomes available.

16) Q: What happens if I take the furlough option?

A: You will still be on the seniority list for the duration of the furlough until you get recalled or the seven (7) years expire, but you will not be getting paid, or be receiving any benefits.



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Furloughed Employees retain pass privileges to any point on the Company route for a period of 24 months. **While you are on a furlough you must let the company know how to contact you so that you can be recalled.**

Relevant CBA Language : [Article 15, Section One, Paragraph F] An Employee who has been released due to RIF shall file his address in writing with the Vice President of the appropriate department and shall thereafter promptly advise the Vice President of the appropriate department of any change in address by certified mail with return receipt requested.

[Article 15, Section One, Paragraph J] Employees impacted by a RIF who were not offered employment shall retain pass privileges to any point on the Company route system for a period of up to 24 months.

17) Q: What if I change my mind while on furlough?

A: While on furlough, if you decide that you want to bid another city or cities, you will need to turn in a bid. You will be called in the recalled order when there is an opening. However, all employees from that station you are bidding into need to be recalled before your bid will be considered.

Relevant CBA Language : [Article 15, Section One, Paragraph H] No vacancy shall be considered to exist at a location until all furloughed Employees eligible to fill the vacancy at that location have been recalled and all Employees required to relocate from there because of the reduction have been afforded the opportunity of returning. Employees on furlough who desire to be considered for recall at other than the city from which furloughed must file a permanent bid for that location with the appropriate department.

18) Q: What is severance pay?

A: Severance pay is a sum of money you will receive for agreeing to resign/retire from the Company if you are an impacted employee. The CBA has a formula to figure out the number of weeks of pay that you'll receive if you take the severance option. The maximum under the contract is sixteen weeks of pay. If you are in your fifth year with the company, you'd get two weeks for the first year, one week each for the second, third and fourth year for a total of five weeks of pay. **Remember, it is completed years.** There is also language in the contract that exempts the Company from paying any severance.

Relevant CBA Language : [Article 15, Section Two, Paragraph A] Employees affected by a RIF who elect severance pursuant to Paragraph B. 4. of Section One of this Article shall receive two (2) weeks



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severance pay for the first full year of completed service, and one additional week for each completed year of service thereafter; however, the maximum amount that may be accrued is sixteen (16) weeks. [Article 15, Section Two, Paragraph C] Employees shall receive no severance pay if any one or more of the following conditions exist:

3. The layoff is caused by an Act of God, a war emergency, revocation of the Company's operating certificate or certificates, or grounding of a substantial number of Company aircraft.

19) Q: If I take the furlough option, can I take the severance option later?

A: Yes. If you take the furlough option, you can then take the severance option while on furlough. The amount of severance pay is based on how much time you had when you went on furlough.

Relevant CBA Language: [Article 15, Section Two, Paragraph B] An Employee who elects the furlough option can exercise the severance option within the time limits outlined for furlough. The severance pay shall be based upon the Employee's seniority at the time of the RIF notification. Any Employee that receives severance pay shall forfeit all rights with the Company.

20) Q: Can those employees not impacted volunteer for the options?

A: The company has sought volunteers from the non-impacted employees in the past. The Company has also in the past offered the severance option to non-impacted employees, and even increased the number of weeks of severance pay to 24 weeks to any non-impacted employee who elected this option. If a non-impacted employee volunteers in your location the most senior impacted employee (who would be looking at either transferring to another location or taking a furlough) is no longer impacted, and would be able to remain in place.

Relevant CBA Language: [Article 22, Paragraph A] In order to avoid or lessen a reduction in force at an overstaffed station, the Company may first seek volunteers from that station to transfer to other stations designated by the Company.

21) Q: Can a supervisor use their seniority in a reduction in force to bump a 555 member?

A: No. The language in Article 8, Paragraph I, from the 2001 contract (orange book) that allowed a supervisor to use their seniority in the event of a reduction in force was negotiated out of the 2008 contract (red book), and remains out of our current contract.



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Relevant CBA Language: No current language allowing a supervisor to bump a TWU 555 member.

22) Q: Can an employee who was a ramp agent (or any other position in the scope of our contract) and went inflight come back to the ramp because of a RIF in their new department?

A: Yes. Once someone transfers to a job not covered by our contract, they lose all of their seniority under the contract after 180 consecutive calendar days. They must return within that time-frame.

Relevant CBA Language: [Article 8, Paragraph H, number 6] Loss of Seniority. Employees shall lose their seniority status and their names shall be removed from the seniority lists under the following conditions: They transfer to another position or department in the Company not covered under the scope of this Agreement for a period exceeding one hundred eighty (180) consecutive calendar days.

23) Q: The Contract says that a RIF is done in "reverse order of classification seniority," however the Master Seniority List does not have a "classification seniority," only a SLI seniority date. What is the SLI date?

A: In 2012 when Air Tran and Southwest Airlines merged federal guidelines were followed in regards to the integration of employees. The issue of seniority between Air Tran and Southwest Employees was the subject of binding arbitration. This arbitration ruling resulted in the SLI seniority date, and that was the adjustment made to classification seniority. The SLI seniority date will be used to determine the order of RIF.

Relevant CBA Language: [Article 3, Paragraph B, number 2] In the event the merger, purchase, or acquisition results in the integration of Ramp, Operations, Provisioning, and/or Freight Agents, the parties agree to integrate the two work groups in accordance with Sections 3 and 13 of the Allegheny-Mohawk Labor Protection Provisions, 59CAB22 (1972).

[Article 3, Paragraph B, number 3] The parties agree to submit to final and binding arbitration by an arbitrator from a list approved by the National Mediation Board any disputes not settled in the meetings provided within six (6) months of the effective date of the merger, purchase, or acquisition which involve integration of the Southwest Ramp, Operations, Provisioning and/or Freight Agent Seniority List(s) with the corresponding list(s) of the company being acquired. The costs of the arbitration will be shared equally by the parties, and there shall be only one such arbitration proceeding which will be the sole and exclusive remedy for all such disputes.