#### **ARTICLE 3**

## SCOPE OF AGREEMENT

1. The Company hereby recognizes the Union as the exclusive collective bargaining representative of all Flight Attendant employees.

The name of the Inflight Department was changed to Inflight Operations department. Language was also added to ensure the Union received notice of changes before they are announced to the workgroup. It has been problematic that the Union would only receive a couple hours' notice before. Now the Union will have time to prepare for questions and draft communications.

- 2. Employees covered by this Agreement shall be governed by all Company rules, regulations and orders previously or hereafter issued by proper authorities of the Company which are not in conflict with the terms and conditions of this Agreement and which have been made available to the affected employees and the Union prior to becoming effective. The Union shall be advised of any changes in Inflight Operations Department rules, regulations, or orders governing Flight Attendants at least seven (7) working days before such rules, regulations, or orders become effective, unless the parties mutually agree to a shorter advance notification period. This seven (7) working day requirement will not apply where the Company is required by law to make immediate changes or in other emergency circumstances. In addition, the Union will be given at least three (3) working days notice prior to the rules being communicated to the Employees.
- 3. The right to manage and direct the working forces, subject to the provisions of this Agreement, is vested in and retained by the Company.
- 4. This Agreement will be binding upon the parties hereto, their successors, administrators, executors, and assigns.

## 5. MERGER, PURCHASE, OR ACQUISITION OF ANOTHER COMPANY

In the event of a merger, purchase, or acquisition by the Company of another company, involving that entire company or a substantial portion of that company, the Union and the Company will meet to discuss the impact of the merger, purchase, or acquisition, if any, upon Union represented Employees. The Company will provide the Union with information concerning the proposed merger, purchase, or acquisition at the earliest practicable time, subject to SEC and other applicable laws and regulations, to allow the Union to prepare for those discussions. No confidential business information shall be disclosed unless the

Union agrees to suitable arrangements for protecting the confidentiality and use of such information.

- A. The rates of pay, rules, and working conditions contained in this Collective Bargaining Agreement will not be open for collective bargaining in the event of a merger, purchase, or acquisition of another company, nor will the Union or the Company have any obligation to bargain upon changes thereto, except as provided in Article 37.
- B. In the event the merger, purchase, or acquisition results in the integration of Flight Attendants, the parties agree to submit to final and binding arbitration by an arbitrator from a list approved by the National Mediation Board any disputes between the Union and the Company not settled in the meetings provided above within six (6) months of the effective date of the merger, purchase, or acquisition which involve integration of the Southwest Flight Attendant Seniority List with the flight attendant seniority list 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.
- C. It is understood that the provisions of this Section shall not apply to the Company's purchase of another airline or the assets of another airline that does not result in the integration of Flight Attendants.

# 6. MERGER, PURCHASE, OR ACQUISITION BY ANOTHER COMPANY

In the event of a merger, purchase, or acquisition of the Company by another company, the Union and the Company will meet to discuss the impact upon Union represented Employees of the merger, purchase, or acquisition. The Company will provide the Union with information concerning the proposed merger, purchase, or acquisition at the earliest practicable time, subject to SEC and other applicable laws and regulations, to allow the Union to prepare for those discussions. No confidential business information shall be disclosed unless the Union agrees to suitable arrangements for protecting the confidentiality and use of such information.

### A. Labor Protection Provisions

In the event of a merger, purchase, or acquisition of the Company by another company in which operational integration of Flight Attendants will occur, the integration of the respective Flight Attendant groups will be governed by Sections 3 and 13 of Allegheny-Mohawk, 59CAB22 (1972). Such integration shall occur in a fair and equitable manner within thirty-six (36) months of the effective date of the transaction. The Flight Attendant employee groups will remain separate until such time as the seniority lists are integrated in accordance with this paragraph.

# B. Successorship

The Company will not bring a single or multi-step successorship transaction to final conclusion unless the successor agrees, in writing, to:

- Recognize the Union as the representative of the Employees on the Southwest Flight Attendant Seniority List as of the effective date of the transaction consistent with the Railway Labor Act, as amended.
- 2. Assume and be bound by this Agreement.

#### 7. FLIGHT ATTENDANT EXCLUSIVE FLYING

- A. Cabin passenger service of the Company on all revenue and all miscellaneous flights operated by the Company will be performed only by Flight Attendants whose names appear on the Southwest Airlines Flight Attendant Seniority List.
- B. There will be no subcontracting of work covered by this Agreement (including wet leases) without prior written agreement from the Union. The Company may, however, enter into and maintain standard industry interline agreements for the accommodation of passengers and/or cargo or mail pursuant to standard industry practices (e.g., overbookings) and for transportation of excess baggage and excess cargo or mail.
- C. All present and future cabin passenger service of the Company on aircraft operated by the Pilots on the Pilot Seniority List of Southwest Airlines will be performed exclusively by the Flight Attendants on the Southwest Airlines Flight Attendant Seniority List under the terms of this Article and Agreement.

## 8. **CODESHARE AGREEMENTS**

- A. The Company will not enter into any Codesharing Agreement or operate any Codeshare Agreement Flight(s) that violates any of the provisions of this Article and this Agreement.
- B. "Codeshare Agreement" means an agreement or arrangement between the Company and one (1) or more air carriers under which another air carrier's flights bear the designator code of the Company or the Company's flights bear the designator code of the other air carrier, or both.

- C. "Codeshare Agreement Flight" means a flight of the Company bearing another air carrier's designator code or a flight of another air carrier bearing the Company's designator code under a Codeshare Agreement. A flight will be considered a Codeshare Agreement Flight where the flight has codesharing (i.e., a Company flight bearing the other air carrier's designator code or a flight of the other carrier bearing the Company's designator code) as published by the respective air carrier to the Official Airline Guide (OAG).
- D. The Company will negotiate with all codeshare partners Reciprocal Cabin Seat Agreements (RCSA) for the Flight Attendants on the Southwest Airlines Flight Attendant Seniority List.
- E. The Company will not allow its code to be used on flights of Foreign Air Carriers carrying local revenue passengers or cargo or mail traffic between airports within the United States or its Territories. The Company will not promote or support any change in the laws of the United States that would permit Foreign Air Carriers to engage in cabotage.

### 9. **ONBOARD SALES**

Prior to the Company engaging in future product or service sales conducted or transacted by Flight Attendants onboard any aircraft operated by the Company which would affect the ability of Flight Attendants to fulfill their overall duties and responsibilities, the Company agrees to bargain with the Union concerning the terms and conditions of these additional responsibilities.

#### 10. FOREIGN DOMICILES

This is new language to add protections if Southwest Airlines wanted to open a domicile outside of the United States.

Prior to the Company establishing any Flight Attendant domicile outside of the United States, it shall meet and confer with the Union upon its request and bargain with the Union regarding bidding, relocation expenses, and conditions of employment applicable to the specific situation at least ninety (90) days prior to any bid establishing such domicile. If a Flight Attendant domicile is established outside the United States, Flight Attendants assigned to such domicile shall be covered by this Agreement and shall enjoy all rights of the Railway Labor Act in the same manner as if the Flight Attendants were domiciled within the United States. Disputes concerning SWA Flight Attendants based at a foreign domicile shall be heard by the System Board of Adjustment, as set forth in this Agreement, and the decision of the System Board of Adjustment in such cases shall be enforceable in any court of competent jurisdiction in the United States to the same

extent and in the same manner as other cases arising out of interpretation and application of this Agreement. In any proceeding related to the enforcement of the obligations of this paragraph, the Company will not raise non-applicability of the Railway Labor Act as a defense.

#### 11. ADDITIONAL PROTECTIONS

Any Scope protections not covered by this Agreement which are extended to the Company's Pilot Union will, if applicable, be automatically offered to the Union. If accepted by the Union, such protections will be incorporated into this Agreement.

Language added to match protections the Pilots have in their Contract in regards to information requests. This was formerly Section 10 and was moved to Section 11 because Foreign Domiciles became Section 10.

- A. The Company will provide the Union, upon request, with relevant information necessary for enforcement of this Article.
- B. Subject to the Union's agreement to comply with reasonable restrictions and rules established by the Company for confidential or proprietary information. The Company shall produce such information within two (2) weeks of the request, unless the parties agree that additional time is necessary.

#### 12. **REMEDIES**

Section 11 was added due to Foreign Domicile language being added as Section 10 and moved what used to be Section 10 into Section 11.

- A. Except as provided in Section 5.B. of this Article for resolution of disputes involving integration of seniority lists, the Company and the Union agree to arbitrate on an expedited basis as provided for in Article 20.15, any grievance alleging a violation of Sections 5, 6, 7, 8, 9, 10, or 11 (with the exception of A and B) of this Article, unless otherwise mutually agreed by the Company and the Union. The provisions of the Railway Labor Act shall apply to resolution of any dispute regarding this Article.
- B. Nothing in this Article shall affect any rights and remedies in law or equity as may be available to the parties for enforcement of arbitration awards involving violations of this Article.