



Summary of Recent Changes to Protected Sick Leave for California Ground Ops Contract Employees, and FAQs

To answer questions regarding administrative changes to the law formerly known as "Kin Care," California Sick Leave, and Oakland Sick Leave (collectively, "Protected Sick Leave") in California, the following summary and Frequently Asked Questions ("FAQs") were developed.

Overview

On January 1, 2016, the California Kin Care Law was amended by the State of California to now cover sick leave taken for an Employee's own health condition. Previously, Kin Care only applied to sick leave taken for family members. The amended version of the law now protects sick leave taken for family members *and* Employees. Because of this change, there is no longer a need to have separate banks for each type of Protected Sick Leave, which will now run concurrently.

California stations are required to protect Protected Sick Leave. This is accomplished by automatically protecting absences when an Employee or a covered family member is sick, through an Employee's bank of protected sick hours. Employees will not accrue attendance points for these absences provided they have the protected sick time available and can be paid from their accrued sick bank. Because all Protected Sick Leaves run concurrent with each other, when an absence is reported, it will deplete your Protected Sick Leave as well as your bank of Company-provided sick hours.

Effective January 1, 2017, Southwest adjusted the way Protected Sick Leave hours are allotted to Employees in California.

Previously, the full amount of Protected Sick Leave (36 hours for part-time Employees, 48 hours for full-time Employees, and 72 hours for Oakland Employees) was allotted to Employees all at once on January 1 of each year and could be used starting on that date, provided the Employee had at least that many hours of Company-provided sick leave accrued and available. With the start of 2017, the Company will allocate 24 hours to full and part-time Employees on January 1 of each year, and then 4 additional hours will be allotted at the beginning of each month thereafter until the maximum accrual of 48 hours is reached for full-time Employees, or 36 hours for part-time Employees. In Oakland, 8 additional hours will be allotted at the beginning of each month until the maximum accrual of 72 hours is reached.

While Employees will receive an allotment of Protected Sick Leave hours in this fashion, they may use Protected Sick Leave only if they have a corresponding number of Company-provided sick leave hours accrued and available. In addition, in order to provide the greatest protection to Employees, Southwest will only apply Protected Sick Leave if an Employee has a sufficient amount to cover all hours worked in a day. If an Employee only has enough Protected Sick Leave to cover part of a day's work, normal attendance rules will apply and the protected sick leave bucket will not be reduced.

There is no change to the amount of Protected Sick Leave an Employee accrues each year or the reasons for which an Employee may take the leave.

Questions

Please see the attached Q&A or contact your local leaders with any questions.

Q-When did the amendment to the Kin Care law to cover an Employee's own illness take effect?

A-January 1, 2016.

Q-Why are we making changes in the way we administer Protected Sick Leave?

A-We are making these changes to ensure the Company remains in compliance with California and Oakland laws, and to be consistent with how sick leave is allotted under Company policy and collective bargaining agreements ("CBA"s).

Q-How many Protected Sick Leave days may I utilize during a calendar year?

A- This depends on whether you are in Oakland or another California station. Most contract Employees in cities other than Oakland will have 48 hours. Most contract Employees in Oakland will have 72 hours. These amounts reflect the greater amount of leave provided by the various Protected Sick Leave laws. The days missed from work will be applied to your protected absence if you have enough sick time accrued to cover the absence.

Q-Will I need to have accrued sick time to utilize the Protected Sick Leave?

A-Yes; the laws allow for time off if the Employee has the accrued sick bank to cover the absence.

Q-What happens if I don't have enough sick time to cover my entire Protected Sick Leave absence on a given day?

A-The amount of Company-provided sick time you have available will count toward your absence. Any remaining unpaid time will count toward your attendance record as it currently does, and normal attendance rules will apply. Your Protected Sick Leave bucket will not be reduced unless you have enough hours to cover your entire absence on a given day.

Q-What will happen if I call in sick on a double shift? Will I get paid sick for both shifts?

A-Yes, if you have enough accrued sick time and Protected Sick Leave, you will be paid for the double shift and will be protected from attendance policies. If you do not have enough accrued sick time or Protected Sick Leave, normal attendance rules will apply.

Q-What will happen if I call in sick for my 8-hour shift and I only have 4 hours in my allotment for Protected Sick Leave?

A- Sick time will be paid for the absence. The Protected Sick Leave will not be applied since it will not cover the entire absence, and normal attendance rules will apply. Southwest will only reduce your Protected Sick Leave bucket if you have enough to cover all hours you work on a given day.

Q-What do I need to say when I call in to report a Protected Absence?

A-Simply notify your station as you normally do and let them know if you are calling out sick for yourself or a family member. This information will be recorded on your station's exception log.

Q-Do I need to complete a Protected Sick Leave form?

A-No. The CA Kin Care form, CA sick and OAK sick forms are no longer necessary.

Q-Do I need to report my absence by a certain time?

A-The reporting requirements are the same as those outlined in the TWU contract or IAM work rules, subject to extenuating circumstances like accidents or true emergencies.

Q-When calling in a Protected Absence for my own illness, do I need to bring a doctor's note?

A-Not in most cases. When you have Protected Sick Leave still available to use, a note is usually not necessary. If you decide to bring a note, it will simply be filed as it is now, but it will not count as having used one of your Doctor's notes under the Contract. However, in circumstances where the Company has reason to suspect that Protected Sick Leave is being abused, the Company may ask for a doctor's note.

Q-Will this change the way I report a Kin Care absence?

A-No. If you have Protected Sick Leave hours available, combined with accrued sick leave to cover your absence, the days will be applied automatically by Attendance and Leave. This process generally takes 24-48 hours after the reported absence.

Q-Why can't I choose whether to use Protected Sick Leave?

A-None of these laws have a provision allowing employees to choose whether or not to protect a given absence. In addition, there are provisions stating that employees may not waive the provisions of the laws. Failing to automatically protect such leave could subject the Company to legal liability.

Q-What do I need to do when I want to utilize Protected Sick Leave?

A- Call in as you normally would. If you have protected days available combined with accrued sick time, Protected Sick Leave will be applied by Attendance and Leave automatically to all sick calls within 24-48 hours after the reported absence.

Q-What if I was hired this year? Will I still be able to use the protected days?

A-An Employee is eligible to use Protected Sick Leave after 90 days of employment and if their accrued sick bank will cover the absence.

Q-What if I am an existing Employee who transferred into OAK/CA station, am I eligible to use Protected Sick Leave days?

A-Yes, upon transferring to a California or OAK station, Employees will be given Protected Sick Leave time. If you came from another location with a protected leave law (for example, BOS), your prior use of protected leave during that calendar year will be considered. Assume you are a Ramp Agent who transferred from BOS to LAX, and that you had used 40 hours of protected leave in BOS. Upon transferring to LAX, you would receive an additional 8 hours of Protected Sick Leave.

Q-What if I am an existing CA Employee and transfer into the OAK Station, will I receive more Protected Sick Time?

A-Transfers occurring within the state of California will be matched to the station's monthly rate of accrual.

Q-What happens if I am on OJI? Will my Protected Absence hours be depleted?

A-No. Unless you specifically request to receive pay from this account while on OJI leave for a workplace-related injury, your Protected Sick Leave will remain intact.

Q-Can I use my Protected Sick Leave if I am sick on MOT?

A-Yes. As long as you have the sick time and Protected Sick Leave available, your absence will be paid and protected for a maximum of 8 hours at a regular rate of pay. If you do not have sick time available, normal procedures will be followed and attendance rules will apply.

Q-Why is Southwest making this change to the Protected Sick Leave allotment?

A-We are making this change to ensure the Company remains in compliance with California law and to ensure our practices are consistent with our respective CBAs. The Paid Sick Leave law requires that employers either provide 24 hours of sick leave on January 1, or accrue sick leave at regular intervals based on the number of hours worked. The "Kin Care" law requires that employers allow employees to use one-half of their annual allotment of Company-provided sick leave to care for themselves or family members. The "Kin Care" law does not specify an allotment method, so by default an employer's normal allotment method should apply. Under Southwest's CBAs, contract Employees accrue sick leave on a monthly basis. Therefore, granting 24 hours of Protected Sick Leave on January 1 is consistent with the Paid Sick Leave Law. The monthly allotment of 4 hours Protected Sick Leave thereafter – representing half of each monthly allotment of Company-provided sick leave – until an Employee has been granted 48 hours on July 1 for full-time Employees and 36 hours for part-time, is consistent with both the "Kin Care" law and Southwest's CBAs.

Q-Can I take Protected Sick Leave if I have no sick leave accrued and available in my Company-provided sick leave bucket?

A-No. You must have Company-provided sick leave accrued and available in order to use Protected Sick Leave. For example, if you exhausted all your Company- provided sick leave in December 2016, on January 1, 2017 you would have 24 hours in your Protected Sick Leave bucket. But if your Company-provided sick leave bucket has 0 hours, you would need to accrue such leave before you could use your Protected Sick Leave.

Q-When will I receive allotments of Protected Sick Leave?

A-The following charts show when you will receive your Protected Sick Leave allotments based on whether you are working full-time or part-time, and have Company-provided sick leave accrued and available.

Full-time

Date	Allotment in Protected Sick Leave "Bucket"	
	California	Oakland
January 1	24 hours	24 hours
February 1	4 hours	8 hours
March 1	4 hours	8 hours
April 1	4 hours	8 hours
May 1	4 hours	8 hours
June 1	4 hours	8 hours
July 1	4 hours	8 hours
TOTAL	48 hours	72 hours

Part-time

Date	Allotment in Protected Sick Leave "Bucket"
January 1	24 hours
February 1	4 hours
March 1	4 hours
April 1	4 hours
TOTAL	36 hours

Monthly allotments are placed into your Protected Sick Leave bucket during the first few days of each month as indicated on the above charts.