COLLECTIVE BARGAINING AGREEMENT

Effective October 2, 2014
Expiration October 6, 2022

PRODUCTION AND MAINTENANCE AGREEMENT BETWEEN:
INTERNATIONAL UNION, UNITED AUTOWORKERS, AEROSPACE,
AND AGRICULTURAL IMPLEMENT WORKERS
OF AMERICA (UAW), LOCAL 1069
AND
BOEING ROTOCRAFT
PROTECTING HEROES,
SAVING LIVES

The V-22 Osprey and H-47 Chinook are manufactured at Boeing’s Philadelphia facility safely with pride, dedication and quality. We manufacture the most capable and reliable helicopters for our customer to achieve their mission objectives.

WORKING TOGETHER
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AGREEMENT

This Agreement made and entered into this 2nd day of October, 2014 by and between Boeing Rotorcraft (A division of The Boeing Company) at its centers located at Ridley Township Complexes (Center No. 3 and Center No. 3E) and Wilmington Airport, New Castle County, Delaware (Center No. 6), as existing on the effective date of this Agreement and for any additional plants, centers or complexes the Company may establish in the United States, which are designated by The Boeing Company as being part of Boeing Rotorcraft (A division of The Boeing Company) (hereinafter called the "Company") and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, U.A.W., and its Local 1069 (hereinafter called the "Union").

WITNESSETH

It is the intent and purpose of the parties hereto that this Agreement promote and improve the industrial and economic status of the parties, provide orderly collective bargaining relations between the Company and the Union, and secure a
prompt and fair disposition of grievances so as to promote efficiency and eliminate interruptions of work and interference with the efficient operation of the Company's business.

**NON-DISCRIMINATION**

The parties agree they will not discriminate against any employee with regard to wages, training, promotion, transfer, discipline or other provisions of this Agreement because of Union activity, age, race, color, religion, national origin, status as a disabled or Vietnam era veteran, gender, marital status or the presence of a disability except in the instances where age, gender or the absence of a disability may constitute a bona fide occupational qualification.

The Union and the Company shall each designate a representative to act in an advisory capacity in accordance with the provisions outlined in Article VI - Grievance Procedure and Arbitration.
MANAGEMENT PREROGATIVES

It is recognized that in addition to other functions and responsibilities which are not otherwise specifically mentioned in this paragraph, the Company has and will retain the sole right and responsibility to direct the operations of the Company, and in this connection to determine the number and location of its Centers; the product to be manufactured; the types of work to be performed; the schedules of production; the shift schedules and hours of work; the methods, processes, and means of manufacturing; to select, and hire employees; and to make and apply rules and regulations for production, discipline, efficiency and safety. It shall also have the right and responsibility to demote, discharge or otherwise discipline any employee for just cause, to layoff because of lack of work or other cause, and to transfer and promote employees, unless otherwise hereinafter provided.
ARTICLE I

COVERAGE

For the purpose of this Agreement, the term "employee" as used herein shall apply to and include all hourly production and maintenance employees of Boeing Rotorcraft (A division of The Boeing Company) as listed in the appendices of this Agreement, and employees while on assignment to outside field operations, but excluding guards, professional employees, office clerical employees, salaried clerical employees, all T&O (technical and office payroll) employees, and all supervisory employees, as defined in the National Labor Relations Act, as amended.

ARTICLE II

RECOGNITION

The Company recognizes the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, and its Local 1069 UAW as the exclusive collective bargaining agency for the employees defined in Article I of this Agreement.
ARTICLE III
UNION SECURITY

Section 1. New Employees

Subject to Section 3 below, all employees within the bargaining unit defined in Article I (hereinafter referred to as the Unit) of this Agreement, shall become a member of the Union within thirty-one (31) days following the beginning of such employment in the Unit, or within thirty-one (31) days following the execution of this Agreement, whichever is later, and shall thereafter maintain their membership in good standing in the Union during the life of this Agreement, as a condition of their continued employment.

Section 2. Maintenance of Membership

Subject to Section 3 below, employees of the Company who are within the Unit and who are or become members of the Union on or after the effective date of this Agreement or within thirty-one (31) days following the beginning of their employment in the Unit whichever date is the later, shall, as a condition of employment, thereafter maintain their
membership in good standing in the Union during the life of this Agreement.

**Section 3. Satisfaction of Obligation**

Employees who, under Section 1 or Section 2 of this Article III, are required either to become members of the Union or maintain membership in good standing in the Union may satisfy that obligation by periodically tendering to the Union an amount equal to the Union's regular and usual monthly dues.

**Section 4. Failure to Satisfy Obligations**

In the event an employee who, as a condition of continuing employment, is required under this Article III to become a member of the Union, or maintain his membership in good standing therein, but in any such case does not do so, the Union will notify the Company in writing, through the Employee Relations Office, or through such other office as may be designated by the Company, of such employee's delinquency. The Company agrees to advise such employee that his employment status with the Company is in jeopardy and that his failure to meet his obligation under this
Article III within five (5) days will result in his termination of employment.

Section 5. **Explanation to Employees**

Either the Company or the Union may explain to any employee or call to his attention, at any time, his rights and obligations under any or all provisions of this Article III.

**ARTICLE IV**

**CHECKOFF**

**Section 1. Dues Notification**

The Company shall include the total amount of Union dues (minus initiation or other fees) deducted during the year in the information section of the employee's W-2 Statement for that year.

**Section 2. Deduction of Union Dues and Fees**

The Company agrees to deduct one initiation fee in the sum of ____ dollars and Union dues each month from the earnings of an employee who authorizes such deductions by signing the
authorization form provided for this purpose, and such deductions shall be made in accordance with the provisions of said authorization form. The form of the assignment is set out in Section 6.

The deduction of the monthly dues and the initiation fee shall be made from the first scheduled pay of the month following the month in which a properly executed assignment is received by the Company. Union dues will be deducted monthly thereafter from the earnings received by the employee in the first work week of each month.

In the event an employee's wages, earned during the first payroll period ending in any month, are insufficient to cover the deductions for the current monthly dues, initiation fee or reinstatement fee, the Company will deduct the amounts owing therefore from wages earned during one of the subsequent payroll periods ending in the same month or following month. When requests for deductions are retroactive for the months preceding the current deduction month caused by situations beyond the control of the Company, such retroactive deductions will be made upon receipt of a letter from
the Union certifying that such dues and/or fees are "due and owing" for a specified period of time.

All Union dues and Initiation fee increases or change letters must be submitted on Union Letterhead to the Boeing Payroll department a minimum of 30 (thirty) days prior to the implementation date. In the event the change is not submitted 30 (thirty) days prior, Boeing Payroll will make the changes as soon as practicable.

Section 3. Termination of Company Obligation

The Company's obligation to make such deductions shall terminate automatically upon the termination of the employee who signs the authorization or upon his transfer to a center, unit, or job not covered by this Agreement.

Section 4. Remittance and Statements to the Union

The Company shall on the day of deductions furnish to the Financial Secretary of the Union a written statement
covering, for the current calendar month, the following:

a. the total amount of dues deducted;

b. the total amount of original initiation fees deducted;

c. the total amount of reinstatement fees deducted;

d. the names, employee BEMSID, social security numbers, (Centers and shifts) and amounts from whose wages such deductions have been made;

e. the names of employees from whose wages no deductions were made because their paychecks were insufficient to enable the Company to make appropriate deductions;

f. the Company shall, on the day of deductions, directly deposit those amounts shown under Items (a), (b), and (c) above in a bank designated by the Union.

Section 5. Indemnification of Company

The Union agrees that it will indemnify and save the Company harmless from any
and all liability, claim, responsibility, damage, or suit which may arise out of any action taken by the Company in accordance with the terms of this Article or in reliance upon the authorization mentioned herein.

Section 6. Solicitation, Coercion, Discrimination

There shall be no intimidation, coercion, or discrimination in any way by the Company or its agents or by the Union, its representatives or members against any employee because he is or is not a member of the Union. There shall be no solicitation of employees for Union membership or dues conducted upon the premises of the Company during working hours by the Union, its representatives, or by employees.

Section 7. Authorization for Deductions

AUTHORIZATION FOR CHECK-OFF OF DUES

To Boeing Rotorcraft
(A division of The Boeing Company)

Date:

I hereby assign to Local Union No. 1069, International Union, United Automobile, Aerospace and Agricultural Implement
ARTICLE IV

Workers of America (UAW), from any wages earned or to be earned by me as your employee (in my present or in any future employment by you), such sums as the Financial Officer of said Local Union No. 1069 may certify as due and owing from me as membership dues, including an initiation or reinstatement fee and monthly dues in such sum as may be established from time to time by said local Union in accordance with the Constitution of the International Union, UAW, but not less than $5.00 monthly. I authorize and direct you to deduct such amounts from my pay and to remit same to the Union at such times and in such manner as may be agreed upon between you and the Union at any time while this authorization is in effect. This assignment, authorization and direction shall be irrevocable for the period of one (1) year from the date of delivery hereof to you, or until the termination of the collective agreement between the Company and the Union which is in force at the time of delivery of this authorization, whichever occurs sooner; and I agree and direct that this assignment, authorization and direction shall be automatically renewed, and shall be irrevocable for successive periods of one (1) year each or for the period of each succeeding applicable
collective agreement between the Company and the Union, whichever shall be shorter, unless written notice is given by me to the Company and the Union, not more than twenty (20) days and not less than ten (10) days prior to the expiration of each period of one (1) year, or of each applicable collective agreement between the Company and the Union, whichever occurs sooner. This authorization is made pursuant to the provisions of Section 302(c) of the Labor Management Relations Act of 1947 and otherwise.

(Signature of Employee)

(Address of Employee)

(Type or Print Name of Employee)

(City) (State)

(Date of Signature) (BEMS ID)

(Soc. Sec. No.)

(Date of Delivery to Employer)
ARTICLE IV-A

UAW V-CAP CHECK-OFF

Section 1. Contributions to UAW V-CAP

The Company agrees to deduct from the pay of each employee voluntary contributions to UAW V-CAP, provided that each such employee executes or has executed the following "Authorization for Assignment and Check-off of Contributions to UAW V-CAP" form; provided further however, that the Company will continue to deduct the voluntary contributions to UAW V-CAP from the pay of each employee for whom it has on file an unrevoked "Authorization for Assignment and Check-off of Contributions to UAW V-CAP" form.

Deductions shall be made only in accordance with the provisions of and in the amounts designated in said "Authorization for Assignment and Check-off of Voluntary Contributions to UAW V-CAP" form, together with the provisions of this Section of the Agreement.

A properly executed copy of "Authorization for Assignment and Check-off of Contributions to UAW V-CAP" form for each employee for whom voluntary
contributions to UAW V-CAP are to be deducted hereunder, shall be delivered to the Company before any such deductions are made, except as to employees whose authorizations have heretofore been delivered. Deductions shall be made thereafter, only under the applicable "Authorization for Assignment and Check-off of Contributions to UAW V-CAP" forms, which have been properly executed and are in effect. Deductions shall be made, pursuant to the forms received by the Company, from the employee's second-scheduled pay received in each and every month that the authorization remains in effect.

Section 2. Termination of Company Obligation

The Company's obligation to make such deductions shall terminate automatically upon the termination of the employee who signs the authorization, upon written request, or upon his transfer to a Center, Unit, or job not covered by this Agreement.

Section 3. Remittance to the Union

The Company agrees to remit on the day of deductions, the following
ARTICLE IV-A  
UAW V-CAP CHECK-OFF

a. the total amount of V-CAP contributions deducted.

b. the names, employee BEMSID, social security number and amounts from whose wages such deductions have been made.

c. the Company shall, at the same time directly deposit the amount shown under Item (a) above in a bank designated by the Union.

Section 4.  Indemnification of Company

The Union agrees that it will indemnify and save the Company harmless from any and all liability, claim, responsibility, damage, or suit which may arise out of any action taken by the Company in accordance with the terms of this article or in reliance upon the authorization mentioned herein.

Section 5.  Solicitation, Coercion, Discrimination

There shall be no intimidation, coercion, or discrimination in any way by the Company or its agents or by the Union, its representatives or employees against any employee because he does or does not contribute to UAW V-CAP. There shall be
no solicitation of employees for UAW V-CAP contribution conducted upon the premises of the Company during working hours by the Union, its representatives, or by employees.

Section 6. Authorization for Deductions

AUTHORIZATION FOR ASSIGNMENT AND CHECKOFF OF CONTRIBUTIONS TO UAW-CAP

To Boeing Rotorcraft
(A division of The Boeing Company)

I hereby assign to UAW V-CAP, from any wages earned or to be earned by me as your employee, the sum of: (check one)

☐ $1.00 ☐ $2.00 ☐ Other

each and every month. I hereby authorize and direct you to deduct such amounts from my pay and to remit same to UAW V-CAP at such times and in such manner as may be agreed upon between you and the Union at any time while this authorization is in effect.

This authorization is voluntarily made. I understand that the signing of this authorization and the making of payments
to UAW V-CAP are not conditions of membership in the Union or of employment with the Company, that I have the right to refuse to sign this authorization and contribute to UAW V-CAP without any reprisal, and that UAW V-CAP will use the money it receives to make political contributions and expenditures in connection with federal, state and local elections.

Name(Print)_______________________
Date__________________________
Address_________________________________
City ________________ State______________
Zip ________Signature____________________

ARTICLE V
REPRESENTATION

Section 1. Benefits Representative

The Financial Secretary/Treasurer shall be recognized as the Benefit representative for all Bargaining Unit employees. The functions shall be those established in grievance settlements and practiced during the period prior to this agreement. The Company shall not be
required to pay for time used to resolve benefit problems.

Section 2. Shop Committeemen and Stewards

For the purpose of adjusting grievances under the grievance procedure, as set forth in Article VI, the Union shall be represented as follows:

a. In a ratio of not to exceed one (1) steward for each one-hundred (100) employees of the total employees covered by this Agreement. If there is a major fraction (more than fifty (50) left over, then the Union shall have one (1) additional steward. An alternate steward may be selected for each steward, but he shall function only when the steward for whom he serves as alternate is absent from the plant for the period in excess of the remainder of the shift.

The Union may select additional stewards when there is mutual agreement that a problem area exists which requires steward representation.
b. There shall be a Committee consisting of not more than thirteen (13) members, which shall include, the President of Local 1069 UAW, the Vice-President of Local 1069 UAW, the Recording Secretary of Local 1069 UAW, the Financial Secretary/Treasurer of Local 1069 UAW, the Chairman of the Shop Committee, and eight (8) Shop Committeemen. The duties of the Committee shall be those duties hereinafter provided.

Shop Committeemen may be selected from the employees at each of the agreed upon Centers.

Their duties shall be confined to the Center from which they were selected. When two (2) or more Committeemen are elected from a Center, their area of representation shall be mutually arranged.

The Vice President of Local 1069 UAW and the Shop Committeemen will be assigned to an irregular shift, which starts two (2) hours following the start of their regularly scheduled work shift. The Committee will be compensated for their normal eight (8) hours at their
regular base rate, exclusive of shift differential or overtime payment. Time spent in the conduct of Union business prior to or subsequent to such shift will not be compensated by the Company.

Members of the Committee shall meet with the Manager of Employee Relations (or his designee) and other Management representatives for the purpose of adjusting complaints and grievances as set forth herein.

c. The Chairman of the Shop Committee shall be paid by the Company for forty (40) hours per week at his straight time base hourly rate exclusive of all premiums, shift differentials or overtime allowances.

The Shop Chairman will be available to assist Committee men for the purpose of processing grievances and attending grievance meetings, (as provided in Article VI of this Agreement) and other meetings with Management on problems of mutual concern. If a problem exists in an area, the Shop Chairman shall have access to the area where the problem exists, and he shall promptly notify the manager of the area
in which the problem exists upon his arrival.

Pursuant to the provisions of Article X, Section 5, the Chairman will be entitled to work overtime. If during such scheduled overtime work period his presence is requested through the President of Local 1069, to handle a shop problem, the time so spent shall be recorded on a card by his Supervisor, and also will be registered in the current employee time tracking system by the Shop Chairman. The Shop Chairman shall receive pay for such time at his regular straight time base hourly rate exclusive of all premiums, shift differentials, and overtime allowances.

d. In each Center, the area of the plant which a steward shall represent for the purpose of handling grievances in accordance with the provisions of Article VI, shall be mutually agreed upon between the Company and the Union. The names of stewards shall be furnished to the Company, in writing, by the President of Local 1069 UAW, upon the signing of this Agreement. The plant shall be redistricted not more
frequently than at four (4) month intervals at the request of either the Union or the Company.

e. Shop Committeemen and stewards shall be active employees of the Company. An employee shall not act as a Shop Committeeman or Steward unless at the time of his selection, they have at least one (1) year seniority for a Committeeman and six (6) months seniority for a Shop Steward.

f. Due to an extended absence, the President of the Local Union may appoint a replacement for himself, Chairman of the Shop Committee, Shop Committeeman or Shop Steward provided such appointment is in accordance with the provisions set forth in paragraph b. and d. of this Section.

Section 3. Committeeman Shift

The elimination of a second shift in an area that a Committeeman represents may require the reassignment of the Committeeman to regular first shift hours. When the area represented by a Committeeman is reactivated with a minimum of twenty-five (25) people, the
Committeeman involved will be returned to the irregular hours if requested by the President of the Local Union.

Section 4. Steward's Departure From Work Station

A steward shall, after notice to and permission (which shall not be unreasonably withheld) from a supervisor in charge of his shop, be allowed to leave his job or shop, after making known his destination for the purpose of handling grievances in the manner provided in the grievance procedure as set forth in Article VI. If permission is not given to the steward upon request, and if the grievance is of an emergency nature, the steward may request that the grievance be handled by the nearest available steward. Upon entering a shop other than his own, such steward shall first report to the supervisor in charge of the new shop and make known the purpose of his being there. The time so spent on grievances during his scheduled working hours shall be recorded on a card by his supervisor and will also be registered in the current employee time tracking system by the steward checked out to discuss complaints or grievances, and the steward shall receive pay for such time at his
regular base rate, including shift premium, if any, but exclusive of overtime allowance.

Employees involved in the procedure will also be required to record such time through the current employee time tracking system.

Section 5. Committee Departure from Work Station

A member of the Shop Committee shall, after notice to and permission (which shall not be unreasonably withheld) from his supervisor be allowed to leave his job to process a second step meeting or a third step meeting or attend mutually agreed upon meetings with the designated management representatives. The time spent in attendance at such meetings during his scheduled working hours shall be recorded on a card by appropriate management personnel, and will also be registered in the current employee time tracking system by the Committeeman. A member of the Shop Committee shall be paid at his regular base rate exclusive of overtime allowances, but including shift premium, if any, for such time.
Section 6. Union to Furnish List of Representatives

The President of Local 1069, UAW, shall furnish the Company with a list of its officers, shop committee members and stewards, and shall, as soon as possible, notify the Company, in writing, of any changes therein. No officer, or committeeman, or steward shall be recognized by the Company until such written notification of his appointment shall have been received by the Company from a duly authorized officer of the Union. Such notification shall designate the Center, shift, and the area of the plant, which has mutually been agreed upon per Section 1-b. of Article V, which each shop committeeman and steward represents.

Section 7. Excusal for Union Business

Officers of Local No. 1069, UAW, and members of the Shop Committee may be excused from work without pay for Union business if a request is made in advance by the International Representative or President of the Local Union to the Manager of Employee Relations, or his designee.
Such absences shall be granted subject to the necessities of production.

Section 8.  Representation in Classified Areas

One (1) additional steward area is recognized within a classified area or proprietary program to provide required Union Representation in secured areas. In instances when an employee in a secured area wishes to discuss workplace issues that may lead to a grievance, the Company will provide a private meeting area outside the secured area for such purposes. During such meetings, which may involve the employee and his Committeeman or Shop Chairman, nothing that is classified, restricted, program-sensitive or otherwise protected by government regulations or requirements shall be discussed or disclosed.
The parties agree that avoiding written grievances and the handling of oral grievances is desirable and dependent on the understanding and the continuing cooperation of Management and Union representatives and employees. In this connection, the parties encourage the expeditious consideration of grievances at the point of origin by the bringing together of people with special talents and skills required for a resolution of differences within the framework of the Company-Union Agreement.

Section 1. Grievance Procedure

A grievance is a difference between the Company and any employee concerning working conditions, or the interpretation or application of any provision of this Agreement.

Grievances and requests arising within a department shall, whenever possible, be resolved by the immediate supervisor of the employee who made the grievance or request. If the grievance or request is not
settled and a grievance exists, it shall be processed as set forth in this Article. When any such grievance arises, an earnest effort will be made to settle it in accordance with the following procedure:

**Step 1.** An employee having such a grievance may take it up directly with his Supervisor, or, after giving notice to his Supervisor of the nature of his grievance, with the steward in his area, who shall, with the employee, take it up with the employee's Supervisor without undue delay. When the employee contacts the Supervisor directly and the Supervisor determines that a violation of the Agreement exists, the steward will be given an opportunity to be present when the Supervisor discusses an adjustment of the grievance which adjustment shall be in conformity with the Agreement. It is the intent of this Section to provide a shop steward, upon request, as soon as practicable. If for any reason a delay in obtaining the steward is necessary, the employee will be so advised. A grievance of an employee shall first be presented orally to the employee's Supervisor. When the grievance is presented orally to the Supervisor, every reasonable effort will be made to resolve such grievance promptly, at this point.
When more than one employee is registering the same type of grievance alleging the same identical facts, the shop steward shall process the grievances as a single grievance. Recognizing the value and importance of full discussion in clearing up misunderstandings and preserving harmonious relations, every reasonable effort shall be made to prevent any grievance going beyond Step 1. The following rules shall apply in the steward's investigation of an employee's grievance:

a. In cases where it becomes necessary for the steward to discuss the grievance with another employee located in the steward's area, such meeting will be arranged by the supervisor.

b. In cases where the necessary information can be obtained by or through the Supervisor, such information will be so furnished.

c. In cases where the necessary information must be obtained from employees in another area, such information will be obtained through the steward in the other area. Arrangements will be made through the appropriate Supervisor so that the two
stewards involved will have an opportunity for discussion.

The following rules shall apply when the Company's decision is given to the steward:

a. When mutual agreement is reached and such agreement involves retroactive payment, a copy of the request for payment will be given to the steward and such payment will normally be made within ten (10) work days following such agreement.

b. When mutual agreement is not reached, the steward may request the Committeeman who, after investigation, may, if he considers the grievance valid, appeal such grievance in written form to Step 2 of the grievance procedure.

When the grievance is reduced to writing, it shall set forth in the spaces provided:

a. A statement of the issue and the facts involved.

b. The remedy requested; and

c. The violation, if any, of the Agreement, which is claimed.
ARTICLE VI  GRIEVANCE PROCEDURE

Step 2. The grievance in Step 2 will be discussed with the Committeeman for the area involved, the Supervisor and his next higher level of supervision or their designee, and/or the Industrial Relations Representative. The complaining employee and/or the Shop Stewards may attend this meeting which shall be arranged by the next higher level of supervision or his designee, and shall be held at a mutually agreed upon time but in no event later than three (3) working days after the appeal to Step 2, unless the time is extended by mutual agreement. A decision on such a grievance shall be rendered in writing as soon as possible, but not later than five (5) working days after such meeting, unless the time is extended by mutual agreement. If the grievance involves a complaint of discrimination, the duly appointed member of the Union's Civil Rights Committee and/or a member of the Company's Global Diversity group may participate upon request of either party. If the grievance is not satisfactorily settled at Step 2, the Committeeman may appeal the grievance to Step 3 of the grievance procedure.

Step 3. The grievance in Step 3 shall be discussed as soon as possible but in no event later than ten (10) working days after the appeal to Step 3, unless the time is
extended by mutual agreement of the parties. The Manager of Employee Relations or his designee and other management representatives that he may designate, the involved Committeeman, Chairman of the Shop Committee or his designee, and a Committeeman for purposes of recordkeeping, shall attend the conference. The Manager of Employee Relations, or his designee, shall render a decision in writing on such grievance not later than five (5) work days after such conference. If no agreement is reached in the foregoing steps of the procedure, the Union may appeal the grievance to Step 4 of the grievance procedure. The accredited representative of the International Union shall, upon request made in advance to the Manager of Employee Relations, be permitted to enter any center or other facility for the purpose of observing the condition which gave rise to the grievance, provided such visitation is permitted under the rules issued by the Company or any appropriate governmental agency respecting plant visitors.

**Step 4.** Should the decision rendered by the Company in the Third Step of the grievance procedure be unacceptable to the Union, the Shop Committee Chairman may appeal the grievance for review to the Manager of
Employee Relations. The Manager of Employee Relations and other management representatives he considers necessary to attend, the President of Local 1069, Recording Secretary, the Shop Committee Chairman of Local 1069, the Regional Servicing Representative and a representative of the International Union's Aerospace Department shall meet to discuss the grievance. A meeting requested under Step 4 of the grievance procedure shall be held as soon as possible but not later than thirty (30) days, after receipt of the written appeal, unless mutually extended by both parties. The Manager of Employee Relations, or his designee, shall render a decision in writing not later than ten (10) days after such meeting unless extended by mutual agreement. Should such decision rendered by the Company be unacceptable to the Union, the President of Local 1069 or the International Representative assigned, may appeal the grievance to Arbitration in accordance with the provisions set forth in Section 7 of this Article.

Section 2. Time Limits

For purposes of this procedure, work days shall exclude Saturdays, Sundays and Holidays. The time limits under this
ARTICLE VI  GRIEVANCE PROCEDURE

procedure may be extended by mutual agreement.

Should any appeal from the disposition of a grievance at Step 1 not be taken within five (5) work days from the date of the decision, the matter will be closed and not subject to further discussion and/or appeal. If an appeal is not taken within five (5) work days from the date of the decision at Step 2, the matter shall be considered closed and shall not be reopened for discussion and/or appeal. Any disposition of a grievance given at Step 3 that is either accepted by the Union, or from which no appeal has been taken within ten (10) work days from the date of receipt of the decision, shall be final and conclusive and binding upon all employees, the Company and the Union.

Any grievance, other than one involving discharge or disciplinary layoff, as provided for in Section 6 of this Article, which is not provided for disposition through the grievance procedure described herein within five (5) working days of the occurrence of the condition which it is claimed gave rise to the grievance shall be void, provided that the grievance shall not become void until the expiration of thirty (30) days from the occurrence of the
condition which it is claimed gave rise to it if the occurrence of such condition could not have reasonably have been known to either the employee or the Union.

Section 3. Job Classifications - Existing, New and Substantially Changed

A list of all job classifications, job family groupings, and proper labor grades as existing on the effective date of this Agreement are outlined in the appendices and are made a part of this Agreement. These jobs shall not be changed during the term of this Agreement unless by agreement of the parties.

When work is introduced which is not adequately described in an existing job description, the following procedure will apply when the Company establishes a new job covering such work. When work operations involving a substantially changed job requirement is established by the Company after the effective date of this Agreement and such requirements are not adequately or specifically described in an existing job, revised job descriptions will be established and installed for use as described below:
ARTICLE VI  GRIEVANCE PROCEDURE

a. The President of the Local Union, the Chairman of the Shop Committee, and the Committeeman for the area involved, will be given a copy of the job description, the rate for the job and the point evaluation prior to the effective date of such new job.

b. In the event the Union is in disagreement with the job description, labor grade or family group as established by the Company, within a period not to exceed thirty (30) days, the President of the Union, the Recording Secretary, the Shop Committee, and the accredited representative of the International Union, shall meet with the Manager of Employee Relations, or his designee, and other appropriate management representatives, including the Wage and Salary Section, to discuss clarification that may be necessary.

c. Lacking agreement as outlined in paragraph (b), the Union may within five (5) work days of such meeting, file a grievance on the labor grade only and appeal the matter directly to the 3rd Step of the grievance procedure.
d. If in the opinion of the Union, new jobs should be established (because of added duties, responsibilities, new equipment, etc.,) the Union may process a policy grievance.

e. Paragraphs b. and c. above, do not preclude the Company from putting such jobs into effect prior to reaching agreement with the Union. Any changes resulting from negotiations or arbitration shall become effective as of the date the job was put into effect.

The company has furnished the Union with a copy of the job evaluation plan.

Section 3A. Jobs Classification Committee

A Joint Committee shall be established consisting of four (4) representatives appointed in writing by the Local Union President and four (4) representatives appointed in writing by the Company’s Manager of Employee Relations. The Company and the Union will each appoint a chairman of its group.
ARTICLE VI GRIEVANCE PROCEDURE

The Committee shall, as determined jointly by its Chairman, review the current job classification system in order to maintain the integrity of the system and to develop and implement plans for change that will provide job enhancement, employment security, and productivity improvements.

The Chairman shall jointly recommend the adoption by the Company and the Union changes in the job classification system. Such recommendations, however, shall be wholly advisory and shall not reopen the Collective Bargaining Agreement.

The Committee will study, develop and make recommendations to the Company and the Union for establishment and installation of substantially changed redefined job descriptions to support new or redefined work during the life of the Collective Bargaining Agreement.

The Committee will function through the life of the Bargaining Agreement.
The Company and Union Chairman will establish Committee meeting locations, schedules, and procedures. Meetings shall be held as needed to support and facilitate anticipated changes in production systems during the life of the Bargaining Agreement.

Section 4. Job Assignment Disputes

Should any difference arise between an employee and his supervisor with respect to job assignment, such employee shall perform the work assigned as directed. If the employee fails to perform such assignment as directed, he shall be subject to discharge. After the employee has performed such assignment, he may resort to the grievance procedure. An employee will not be required to perform work on a job that is not reasonably safe or sanitary and that might unduly endanger his health.

Section 5. Corrective Action

Corrective action will be documented on a Corrective Action Memo (CAM). Issuance of a CAM will occur no later than fifteen (15) working days following the date that the occurrence is discovered by management. The timeframe to administer corrective action may be extended by
mutual agreement of the parties. CAMs will be removed from an employees work history file ten (10) months after issuance, excluding leaves of absence and/or layoff status, provided no other similar CAMs are issued during the preceding ten (10) month period.

Section 6. Suspension, Discharge or Disciplinary Layoff

When an employee is suspended pending review or investigation for determination of what, if any, discipline is to be meted out, such investigation will be conducted by the Company in an expeditious manner in order to avoid undue delay in the action. The employee shall have the right to consult with his steward and/or committeeman. Following such consultation, the Union may request a meeting with the supervisor involved for the purpose of reviewing the action taken. The supervisor will not be required during such discussion to make his determination of what discipline, if any, will be taken.

If it is determined that disciplinary action is to be taken, the Company will so advise the Union in writing of the specific reasons therefore.
ARTICLE VI    GRIEVANCE PROCEDURE

The employee through his steward and/or committeeman may then appeal such grievance through the grievance procedure within two (2) work days from the date the action was taken as set forth below:

a. An appeal from a disciplinary layoff shall be discussed commencing with Step 2 of this Article.

b. An appeal from a discharge resulting from "absence for more than three (3) consecutive work days without permission" or "failure to return on his next shift after an authorized leave of absence", shall be processed beginning at Step 2 of this Article. If the grievance is not satisfactorily settled at Step 2, the Committeeman may appeal the grievance within five (5) work days from the date of the 2nd Step decision to the Discharge Board of Review as outlined in Paragraph c. below.

c. Any appeal from a discharge, other than those outlined in Paragraph (b), shall be submitted in writing to the Manager of Employee Relations or his designee where it will be discussed at the Discharge Board of Review without undue delay. The discharge hearing will be attended by the discharged employee, his steward, committeeman,
Chairman of the Shop Committee, an International Representative, and/or the President of Local 1069 or his designee, and Recording Secretary. In attendance for the Company will be the Manager of Employee Relations or his designee with appropriate members of Employee Relations, together with the supervisor who took the discharge action, and such other management representatives that are directly involved in the case.

d. The Manager of Employee Relations or his designee shall render a decision in writing on such grievance not later than five (5) work days after the hearing at the Discharge Board of Review. Thereafter the matter will be processed in accordance with the procedures outlined in Section 7 of this Article. After suspension, discharge or disciplinary layoff, and after leaving his work area, an employee shall have the privilege of seeing the steward and/or committeeman for the area in which he worked if he so desires in an area or office designated by the Company. In the event that it is determined under the method provided for the adjustment of grievances, that an employee had been discharged without just cause, the Company agrees to reinstate such employee, without loss
of seniority and to pay such compensation as may be determined under the grievance procedures. Such compensation shall be at his regular rate for the time he would have otherwise normally worked.

e. It has been the Company’s consistent practice to suspend employees pending review/investigation pursuant to this Article. Employees will be granted an interview prior to removal from Company property. In addition to the employee, attendees will include Union representation, if requested, the employee’s manager and the Employee Relations representative assigned to the area or his designee.

The Company retains its right to suspend pursuant to this Article, but will attempt to limit suspensions to cases in which immediate removal is critical (i.e., insubordination, violence, safety violations). In such cases, the above referenced interview requirement will not apply. An investigation will be made within five (5) working days of the event giving rise to the employee’s removal. The overwhelming number of such investigations will be completed within five (5) working days. For those that extend beyond that time period, the
Company commits to complete them as soon as practicable and to share the results with the Union without delay. While most investigations will be conducted by Employee Relations and the Union, the Company reserves the right to utilize the services of Security or other appropriate agencies as warranted by the circumstances.

f. A Committeeman or Steward will normally not be suspended on the floor of the shop. If a situation arises that indicated the possibility that disciplinary action may be required, the Union representative will first be requested to go to the Employee Relations Office. A meeting will be held between the President of Local 1069 or his designee and other parties in interest, in an effort to correct the situation leading to the incident. Appropriate disciplinary action may be taken at this meeting. In the event the Union representative refuses to accompany the supervisor to the Employee Relations Office, he may be suspended immediately.
Section 7. Arbitration

The only grievance, which may be submitted to arbitration, is a grievance involving the interpretation or application of the provisions of this Agreement, which has been processed through either the Discharge Board of Review or Step 4 of the grievance procedure.

Immediately following the execution of this Agreement the parties will proceed to compile a list and agree upon a panel of five (5) arbitrators. Assignment of cases to arbitrators on the panel shall be rotated in alphabetical order of the last names by the American Arbitration Association after written notification of the appeal by the Union. A copy of such written notice of appeal shall be sent to the Company. The first available date agreeable to all parties will be assigned. The parties may, however, mutually agree on a selection of any one of the arbitrators out of rotation for a particular case.

The jurisdiction of the arbitrator shall be limited to a determination of the facts and the interpretation and application of the specific provisions of this agreement at issue. The arbitrator shall be bound by the provisions of this agreement and shall have
no authority to add to, subtract from, amend or modify any of its provisions, or to rule upon wage scales or management prerogatives. In the event back pay is awarded to an employee, the arbitrator shall direct the specifics of the award as to back pay, and compensation in detail, (including Unemployment Compensation).

The decision of the arbitrator shall be final and binding upon all employees, the Company, and the Union. The compensation and expenses of the arbitrator and arbitration shall be divided equally, provided however, that the Company will bear the expense of the following witnesses: The Recording Secretary, Chairman of the Shop Committee, Committeeman and Shop Steward of the area involved, and (2) employee witnesses. Expenses shall mean only hours lost at the employee’s straight time rate plus shift premium if applicable to a maximum of eight (8) hours per day. The cost of any report or transcript shall be divided equally only if furnished by mutual consent. Each party shall bear one-half of the aggrieved employee’s lost time from work while appearing at proceedings.
In the event the Union does not notify the American Arbitration Association of its intent to arbitrate within ten (10) work days after receipt of the decision at either the Discharge Board of Review or Step 4 of the grievance procedure, such decision shall be binding upon all employees, the Company and the Union.

When the American Arbitration Association is notified of the Union's intent to arbitrate, the arbitration hearing must be held within six (6) months from the date of such notification.

Failure to have the hearing within the prescribed time for any reason other than hereafter provided, will result in the decision at Step 4 becoming final and binding on all employees, the Company and the Union.

Should the Arbitrator that is selected, be unable to conduct the hearing within the prescribed time for reasons other than those created by either of the parties, it is agreed that the hearing will be held on the nearest date that the Arbitrator is available. The six (6) month time limit may also be extended by mutual agreement. The parties agree that the period of time spent in contract negotiations shall not be
counted in computing the six (6) month time limit.

The grievance procedure provided under this Article, shall be the exclusive remedy for the disposition of any claim, dispute or grievance of any kind of any employee against the Company.

Section 8. Mutual Concern Meeting
Grievance Review Meeting

Meetings between representatives of the Union and Company should be held for the purpose of discussing mutual problems at 10:00 AM on the first Wednesday of the month in the Employee Relations Office upon request of either party. In the event either party requests a meeting be held prior to the next regularly scheduled meeting, such meeting will be held at a mutually agreed upon time and place.

In an effort to promote the timely and efficient processing of grievances in accordance with this Article, the parties agree to meet on a quarterly basis to review, discuss and attempt to resolve open grievances. The Company Representatives at this quarterly review will be the Senior Manager of Employee Relations and an Employee Relations Representative. The
Union Representatives at this meeting will be the President, Shop Chairman, Recording Secretary, and area Committeeman of UAW Local 1069.

**ARTICLE VII**

**STRIKE OR LOCK-OUT**

**Section 1. Agreement**

The Union, its officers, and members agree that for the duration of this Agreement there shall be no strikes, sit-downs, slow-downs, stoppages of work, and that there will be no picketing of any kind.

**Section 2. Penalty**

Employees participating in any of the acts specified in Section 1 of this Article shall be subject to discharge by the Company.

**Section 3. Liability**

In the event that there is any strike, work stoppage, or other interference with production, which is not authorized by the Union, the Company agrees that there shall be no liability on the part of the Union, provided that in the event of each such unauthorized action the following conditions are met:
ARTICLE VII

STRIKE OR LOCK-OUT

a. Within not more than twenty-four (24) hours after the occurrence of any such unauthorized action, the Union, its officers and representatives shall publicly disavow same by posting a notice on the bulletin boards throughout the plant:

b. The Union, its officers and representatives shall immediately order its members to return to work, notwithstanding the existence of any wild-cat picket line;

c. The Union, its officers and representatives shall refuse to aid or assist in any way such unauthorized action; and

d. The Union, its officers and representatives will in good faith use every reasonable effort to terminate such unauthorized action.

Section 4. Lockout

The Company agrees that for the duration of this Agreement there shall be no lockouts.
ARTICLE VIII

SENIORITY

The following definitions shall be applied for the purpose of this Article:

a. "Seniority" shall mean length of continuous service with Boeing Rotorcraft (A division of The Boeing Company) computed from the employee's most recent date of hire. The possession of such seniority shall entitle the employee to certain rights hereinafter provided.

b. "Job Occupation" shall mean all job classifications within a job occupation; for example, Assembly is a job occupation which includes the job classifications Assembly–Sheetmetal A and Assembly-Sheetmetal B.

c. "Job Classification" shall mean the job grade within a job occupation; for example, Assembly-Sheetmetal A and Assembly-Sheetmetal B are job classifications within the job occupation, Assembly.
Section 1. Extended Layoff

In the event of extended layoff of employees (over ten (10) work days) for lack of work, employees shall be moved, laid off and recalled by non-interchangeable occupational groups (set out in Appendix A) within their seniority unit in accordance with their seniority, skill and ability, and whenever the skill and ability of two or more employees are equal to do the work then required, seniority shall govern.

Except in an emergency, or for reasons or conditions over which the Company has no control, when there is an extended layoff over ten (10) work days, notice shall be given to the Chairman of the Shop Committee seven (7) work days before such layoff. Any employee who at the time of an extended layoff is subject to being moved to a lower listed job shall have the right to accept layoff in lieu of such move.

Section 2. Surplus Procedure – Non-Interchangeable Occupational Group

In the event of extended layoff, the following procedure shall be followed in the movement or layoff of surplus employees within their seniority unit:
ARTICLE VIII

SENORITY

a. First, probationary employees in the non-interchangeable occupational group holding jobs equal to or lower-rated than the job classification in which the surplus exists, shall be laid off provided that there are available employees remaining in such group with seniority who are qualified and willing to perform the work of the probationary employees then occupying such jobs.

b. Thereafter, surplus employees in any job classification where the surplus exists shall be moved within the same non-interchangeable occupational group (listed in Appendix A) to the next lower listed job classification in which they have enough seniority to displace the least senior employee. In the event the surplus employee agrees he cannot perform the work in the next lower listed job classification, he may elect, at the time he is declared surplus, to select a lower listed job classification providing he has the seniority to displace the least senior employee therein.
Section 3. Surplus Procedure - Interchangeable Occupational Unit

In the event of an extended layoff, any employee, other than a probationary employee who does not have sufficient seniority to remain in his non-interchangeable occupational group shall have the right to be moved to any job selected by the Company within the interchangeable occupational unit set out in Appendix B. The Union shall be given notice when the Company selects a job for such employees. The employee with the least seniority within the interchangeable occupational unit will be laid off, regardless of the job classification in which the surplus occurs.

Any employee who is subject to being moved or laid off because a surplus of employees exists in his non-interchangeable occupational group shall have the right to accept a layoff instead of being moved to a job within the interchangeable occupational unit.

In the event of an extended layoff as a result of a surplus in the interchangeable occupational unit, the least senior employee within the interchangeable occupational
unit will be laid off regardless of the job classification in which the surplus exists. The least senior employee within the job classification where the surplus exists will be moved to that job classification from which the least senior employee was laid off.

Section 4. Temporary Layoff

In the event of a temporary layoff of ten (10) work days or less, employees with the least seniority will be laid off by job classification within their respective shop units. Whenever there is an increase in the work force after a temporary layoff, the reverse of the procedure set forth above shall be followed. The Company will give notice of a temporary layoff to the Chairman of the Shop Committee. When the temporary layoff provisions of this Article have been utilized and events make it necessary to convert the temporary layoff to an extended layoff, the Company may make the adjustments of personnel necessary to comply with the terms of the extended layoff provisions without liability by the Company to any employee or the Union.

In the event that the Company converts the temporary layoff to an extended layoff,
it shall give notice to the Shop Committee Chairman. The conversion shall be made as soon as possible and in no event later than ten (10) work days from the time of such notice to the Shop Committee, unless the time shall be extended by mutual agreement of the parties.

Section 5. Recall Rights and Procedure – Non-Interchangeable Occupational Group

a. Whenever there is an increase in any non-interchangeable occupational group after an extended layoff, employees will be recalled in the following order:

1. Individuals who had either held the job classification in which additional employees are required or had elected to be moved to such job classification at time of surplus but lacked sufficient seniority to displace a less senior employee will be grouped together by seniority for purposes of recall.

2. After all employees covered in paragraph 1. above have been offered an opportunity to return, the Company shall then offer recall to those individuals who had elected at
the time of their surplus not to be moved to the job classification in which additional employees are required.

The following rules shall apply if an employee refuses recall in accordance with paragraphs 1. and 2. above:

1. If an employee refuses recall to a job classification lower than his highest rights, he shall not be given another opportunity for recall to that job classification.

2. If an employee refuses recall to his highest rights such refusal shall result in his loss of seniority if he is on layoff status or if he is on move status he shall lose all recall rights to such job classification and his seniority shall be attached to the job classification he was holding at the time of his refusal.

Exception to the above rules will be in the case of an employee who at the time of surplus accepted an equal or lower grade job classification and was subsequently laid off from such equal or lower grade job classification for inability to perform the work. Such employee shall have recall
rights only to higher listed job classifications from which he has been either surplused from or had elected to be moved to at the time of surplus but lacked sufficient seniority to displace a less senior employee.

b. Before new employees are hired in any non-interchangeable occupational group, employees in such group who have been moved or are still laid off shall first be recalled as provided above.

c. No employee shall be eligible by reason of his seniority to be recalled or moved to a higher rated job than he held prior to the surplus moves.

Section 6. Recall Rights and Procedure—Interchangeable Occupational Unit

a. Whenever there is an increase in the interchangeable occupational unit after an extended layoff, employees will be recalled in the following order:

1. Individuals who had either held a job classification in the pool or had elected to be moved to a job classification in the pool at the time of sur-
plus but lacked sufficient seniority to displace a less senior employee will be grouped together by seniority for purposes of recall.

2. After all employees covered in paragraph 1, above have been offered an opportunity to return, the Company shall then offer in seniority order those individuals who had elected at the time of their surplus not to be moved to the interchangeable occupational unit.

Failure to respond or accept recall to any job in the interchangeable occupational unit will result in loss of seniority with no further recall rights, except where an employee possesses prior rights to a non-interchangeable occupational group, in which case he shall retain recall rights only to his non-interchangeable occupational group.

The interchangeable occupational unit is considered a single job for purposes of layoff and recall, and employees who have been moved between jobs as a result of a surplus within the interchangeable occupational unit will not be considered as being on move status.
Exception to the above rule will be in the case of an employee who was laid off from a job in the interchangeable occupational unit for inability to perform the work. In such case, the employee shall not be given an opportunity for recall to that job classification.

b. Before new employees are hired in the interchangeable occupational unit, employees in such unit who are still on layoff shall first be recalled as above.

Section 7. Management Exempt

The Company may establish a list of employees who shall be exempt from movement or layoff irrespective of seniority, provided that the total number of such exempt employees working at any specified time shall never exceed fifty (50).

This Section shall apply to the following:

a. Students and graduates of technical and professional schools;

b. Employees who are needed in the development of tooling or manufacturing work on a new project or scheduled expansion;
c. Employees who have a specialized knowledge of a particular job that is presently being performed or will be performed in the near future;

d. Employees whose services are required when the working forces are reduced because no other employee with more seniority possesses the required skill, license or experience to perform the necessary work satisfactorily.

The Company will furnish to the Chairman of the Shop Committee, a list of the employees to which this Section applies. The list may be revised from time to time to meet the changing production requirements of the Company.

Section 8. Union Representatives - Preferred Seniority

Officers of the Local Union (who are active employees of the Company) - Shop Committeeman, Stewards, and the Chairman of the Union Civil Rights Committee shall have preferred seniority in their occupational group for layoffs and recalls only; provided, that such employees have the ability to do the available work.
Exception to the above shall be where any Federal or State Law requires officers to be involved in Contract Administration to maintain preferred seniority, only those officers so involved will be permitted to utilize their preferred seniority.

The President of Local 1069 UAW, Vice President Local 1069, Financial Secretary/Treasurer Local 1069, Chairman of Shop Committee Local 1069, and Committeeman shall work during day shift for the purpose of meeting with Management representatives in connection with handling employee's complaints and grievances. This clause will apply only for the period of term of office.

Stewards or members of the Committee shall not be transferred out of their respective area except by Agreement between the Company and the Union, as long as there is work available which they are qualified to perform in their job classification.
Section 9. Liability for Errors in Layoff and Recall

Notwithstanding any other provisions of this Contract:

a. The Company will be liable for any error on a separation layoff, up to a maximum of four (4) workweeks prior to the date such error is brought to its attention. In the event there is a delay by the Company in the correction of such error after it has been brought to its attention, the Company will assume the additional liability involved.

b. On any errors in recall, the Company shall not be liable except for a maximum of four (4) workweeks prior to the date of the bringing of the error to its attention. In the event there is a delay by the Company in the correction of such error after it has been brought to its attention, the Company will assume the additional liability involved.
Section 10. Promotions

When openings occur in higher labor grades and there is no employee with a prior right to such job classification, they will be filled on the basis of skill and ability being the determining factors, with seniority being given full consideration and prevailing when skill and ability are equal. Selection of available qualified employees for openings that occur will be in the following sequence:

a. From within the next lower job classification within the job occupation within the seniority unit.

b. From within the next lower job classification within the non-interchangeable occupational group within the seniority unit.

c. From among the employees who have filed a written request therefore. No employee may have more than eight (8) total requests on file at any one time. Such requests will not be considered until five (5) days after the date of filing. Any employee not selected pursuant to this paragraph shall be so advised promptly.
Any employee who fails to file a Promotion, Lateral, or Demotion Request within five (5) days prior to the sign-off date of any Review List shall not be considered for such opening.

d. From among those employees who have filed a Reactivation Request in accordance with Section 11 of this Article.

e. Lacking available qualified employees under the above procedure, the Company will fill such openings by hiring new employees.

Section 11. Request for Consideration

a. When openings occur in any non-interchangeable occupational group in a labor grade higher, equal or lower than the job classification held by the employee, and there is no employee with a prior right to such job, the Company will consider requests in accordance with Section 10, Paragraph C, of this Article, to such opening on the basis of skill and ability being the determining
factors, with seniority being given full consideration and prevailing when skill and ability are equal, provided the employee has filed a written request on a form furnished by the Company.

b. Promotions, Demotions, or Lateral Requests will become null and void in accordance with the following provisions:

1. If at any time such request has been on file for more than one (1) year.
2. If a request is granted.
3. If the employee is placed on layoff status.
4. If the employee is terminated.

c. An employee upon layoff may request to be considered for job openings provided such employee maintains recall status as stated in Article VIII.

In the event an employee requests such consideration, the following rules shall apply:

1. Effective on the date of layoff or within ten (10) working days after the effective date of such surplus, the employee may request to be
considered for job classifications he is qualified to perform by reporting to the Employment Office and completing the request forms as provided by the Company which must also include the employee's qualifications for each job classification.

The classifications requested shall not include any job classification the employee maintains active recall rights in accordance with Article VIII of this Agreement.

The above request shall be rendered null and void upon recall in accordance with Article VIII of this Agreement.

2. Upon selection to a job classification from layoff status, the employee shall retain recall rights for eight (8) workweeks in accordance with Article VIII of this Agreement. After eight (8) workweeks, the employee will acquire his full seniority in the new job classification to which he was selected and forfeit all recall rights to those classifications established at time of layoff.
3. In the event a job classification has been processed for outside hire in accordance with Article VIII, Section 10 of the Agreement prior to the date of such request, the employee shall not be considered for such job classification unless the Company is unable to hire an employee within thirty (30) days. The Union shall be notified when requirements are processed for outside hire.

4. If an employee after selection is unable to perform, he shall forfeit all requests and maintain recall rights to the job classifications established prior to layoff.

Section 12. Seniority Retention

a. Any employee who has been disqualified in the past for inability to perform the required work either voluntary or involuntary will become eligible for future opening regarding transfers or promotions based on current skill, ability, training, licenses, and certifications immediately following successful completion of a Boeing-recognized training program deemed relevant by Boeing Management. This
training includes recognized Boeing related experience.

Any employee who has been disqualified a second time, either voluntary or involuntary will become eligible for future openings regarding transfers or promotions based on current skill, ability, training and licenses, certifications and seniority (2) years from the date of disqualification from the job classification in which the disqualification occurred. Above training, licenses and certifications must be deemed relevant by Boeing Management.

Any employee who has been disqualified a third time, either voluntary or involuntary will be barred from any future considerations for transfer or job openings in the disqualified job classification for the term of their employment with Boeing.
b. Upon promotion to a job classification in a higher labor grade or transfer to a different job classification, the employee will retain seniority for eight (8) workweeks in the job classification from which he was promoted or transferred. After eight (8) workweeks, the employee will acquire his full seniority in the new job classification to which he was promoted or transferred, after which time he will be considered for promotion or transfer to other jobs that are equally or higher rated, in accordance with the appropriate procedure.

Section 13. Field Assignment

Any classified employee while on assignment to outside field operations is not subject to the layoff and recall provisions of this Article. If an employee who has been selected for an offsite assignment is offered a promotion or lateral transfer prior to the departure date of the offsite assignment, he shall have the option of accepting either the promotion or the offsite assignment. If an employee who has been selected for an offsite assignment is offered recall and such recall is effective on the same date as the offsite assignment, he shall have the option of accepting either the
recall or the offsite assignment. If the employee refuses recall, he shall not forfeit rights to the job classification. If the employee refuses the offsite assignment, he will be removed from the offsite list and he must resubmit his name for future offsite assignments. When such assignment to outside field operations is completed he shall be eligible in line with his seniority to return to the job classification which he held at the time of his assignment, with accumulated seniority for the period while he was on such assignment. He will be assigned to the same shop, shift and plant whenever possible. This Section will not apply if an employee's seniority is broken by termination of employment.

Employees will be assigned to outside field operations from the Outside Field Operations Assignment List, which the Company will maintain by designating for the list such job classifications as the Company may determine are required for its field operations.

Any employee who was moved from such job classification or within such job classifications who is willing to accept any such assignment may submit his name for the Outside Field Operations Assignment List on the form provided, (Personnel
Records Section will make every effort to return the employee's copy to him within five (5) working days), where it shall be placed within the job classification/s according to his seniority date, and shall remain so placed until he removes it or refuses any field assignment offered by the Company, or his classification is changed. If his classification is changed, he will be required to resubmit his name for the offsite list if he desires further consideration.

If the employee either requests the removal of his name from the list or refuses any field assignment of over two (2) weeks that is offered by the Company, his name shall be removed from the list for ninety (90) days after such request for removal or such refusal. After such ninety (90) day period, the employee must again submit a request for offsite assignment if he desires to again be eligible for such assignment.

The parties recognize and agree that it is impracticable to conduct outside field operations with all senior employees and that seniority alone cannot be the sole determining factor for assignment to outside field operations. Therefore, the Company will make such assignments from the list, giving appropriate consideration to the
seniority of the employees within the job classifications required for the assignments and to the manpower requirements in the plants.

The following procedure will apply in regard to offsite requirements:

a. An offsite list will be published during the first workweek of each month. The Union will be provided with copies of the list.

b. Field assignments of less than two (2) weeks need not be made from the published offsite list under circumstances such as time limitation, special skill requirements (if employees are not available on the offsite list), and/or continuity. The Company will make every effort to make such assignments from the offsite list.

Records of overtime on offsite will be applied in the following manner:

a. Employees who are assigned to an offsite location where employees are already stationed will be averaged in with the overtime of those employees on location.
b. Employees, upon return to their home base, will have the overtime actually worked while on offsite, transferred to their home base overtime records and converted to "hours paid", i.e., eight (8) hours worked will be shown as twelve (12) hours, reflecting a time and one-half rate, etc. This conversion formula will apply to all overtime for all employees who return from offsite.

c. Employees returning from offsite and assigned to their former classification, shop and shift, who are within a two-week period from the date of their return, reassigned to another shop or shift, will carry the overtime hours earned while on offsite to their new assignment. Such hours will be added to the average overtime hours existing in the newly assigned shop or shift. If such reassignments occur after two weeks from the date of his return from offsite, they will be averaged into the overtime records in the new area, without regard for the overtime hours worked while on offsite.
d. When circumstances prevent an employee from being assigned immediately upon return from offsite to his former status or location, his offsite overtime paid hours will be added to the average of the overtime hours in the newly assigned classification or location.

e. The Company will be responsible to provide overtime records upon offsite employee’s return.

f. The Company will notify the Union in advance of each offsite trip, and establish a selection period of five (5) working days and a "cut-off date". The offsite team will be assembled from the offsite list of the current month in which the Union is notified of an impending offsite assignment. The Union will be advised of the trip as soon as a tentative contract with the customer is negotiated. Names of employees selected for field assignment and the reasons for any deviation from the field assignment list will be supplied in writing to the Union as soon as possible, and in no event later than ten (10) days prior to the field trip departure date. In the event that it is found an employee has been unjustly bypassed for a field
assignment, he will be paid the difference between the in-plant and field service rate and all overtime hours lost. If the trip does not take place within thirty (30) days from the selection period when a team of seventy-five (75) employees or less is selected, or for sixty (60) days when more than seventy-five (75) employees are selected, a revised offsite list will be used.

g. Names submitted for the offsite list will be added to the list that is published during the first work week of the month following the month that the employee submitted his name. If the specific skill requirements for a field trip are exhausted and/or additional manpower is required, it will be selected from those employees who have submitted their names subsequent to the published list that is being used. Thereafter, the Company may select employees who are qualified and willing to accept such assignment.

h. Employees absent due to personal or sick leaves of absence, vacations, offsite assignments, or disciplinary layoffs during the selection period will not be considered for that particular assignment should they return during
the last three (3) days of the selection period.

i. Should it become necessary to consider additional names to fill the offsite requirement and the selection continues beyond the normal selection period, the Company will give consideration to those employees who have returned from their absence and whose names appear on the appropriate list. The Company, however, will not displace any employee selected with an employee who has returned from absence subsequent to the selection period.

j. All employees will be required to complete the scheduled tour of the offsite assignment; however, if an employee fails to complete his commitment without justifiable reason, his name will be removed from the offsite list for six (6) months. If an employee is sent home due to an incident while on offsite, and is assessed discipline less than discharge, he may be removed from the offsite assignment list.
k. Should an employee be completely processed for an offsite assignment and elect to refuse such assignment just prior to the departure time for such assignment without justifiable reason, he will be removed from the offsite assignment list and he may not request to appear on such list for at least six (6) months from the date of such refusal. Employees being processed for a specific trip will be required to fulfill that trip before consideration for any other trip that may be in process stage at the same time.

l. Employees who are on offsite locations on a predetermined scheduled tour, and while still on the offsite location are asked if they wish to extend their tour, will have the option of acceptance or refusal. Should they refuse, their names will not be removed from the list unless they are replaced by a less senior employee.

m. Offsite assignments outside the Continental United States that are considered "combat zones" will be
scheduled on a voluntary basis from the offsite list. Refusals for these trips will not result in the removal of his name from the list.

n. Each employee who is selected for an offsite assignment shall be advised by the Company, in writing, prior to any commitment on his part to undertake the assignment as to the published policy or policies and the particular provisions thereof that are to be applied to him in connection with the assignment if he takes it. If he takes the assignment, later revisions of such published policies or parts thereof will not cause any change in the reimbursement provisions specified in the advice. Implementation of any revised or additional policies in connection with travel allowances applicable to offsite assignments shall not occur until the change or addition has been discussed with the Union and consideration given to all suggestions of the Union.
Section 14. Accumulation of Seniority while on Layoff

Seniority shall be retained and will accumulate during layoffs. Any employee may choose to decline a job offered while he is on layoff, if such job is lower listed than the job from which he was laid off. If the employee declines such job offer, he shall have no further recall rights to that job classification. If an employee fails to respond or notify the Company of his rejection of the offer within five (5) work days after the date of the dispatch by courier or certified letter notice of recall sent to the employee's last address as shown by Company records, he shall have recall rights only to that job from which he was laid off in his non-interchangeable occupational group. Proper notice from employee to the Company will consist of any one (1) of the following actions:

a. Dispatch by courier or,

b. Certified letter, return receipt requested

Section 15. Loss of Seniority

An employee will lose seniority, and employment will cease, for any of the following reasons:
a. If employee quits or resigns.

b. If employee is discharged for just cause.

c. If an employee who has been laid off fails to accept an offer to return to the highest grade job classification to which he has recall rights, or fails to report after accepting any job offered within five (5) work days after the date of the dispatch by courier or certified letter is sent to the employee's last address as shown by Company records, this period may be extended by the Company if the employee gives a reason satisfactory to the Company.

An eligible employee, who refuses recall when advised by the Company that said recall shall be for a period of less than thirty (30) days, shall not lose seniority rights as a result of such refusal. The Company shall notify the Union when an employee refuses recall in accordance with this provision.

d. If employee fails to keep current address information on file through Total Access, and by such failure the Company is unable to contact the employee by dispatch by courier or certified mail.
e. If employee fails to return to work on his next shift after an authorized leave of absence. The time for such return will be extended by the Company if the employee gives a reason satisfactory to the Company.

f. If an employee with ten (10) or more years of seniority (at time of layoff) is on layoff or on leave of absence for more than six (6) years. If an employee with five (5) but less than ten (10) years of seniority (at time of layoff) is on layoff for more than five (5) years. If an employee with less than five (5) years of seniority (at time of layoff) is on layoff for more than thirty-six (36) months. In no event, except for Union Leave of Absence, shall seniority rights continue beyond those specified above.

g. Effective June 1, 2006, an employee on Medical Leave of Absence (including Occupational Disability Leave), in excess of thirty (30) consecutive months, except that, employees on such Leave of Absence on the effective date of this contract will continue to accrue seniority in accordance with the language applicable at the time of their leave of absence.
h. If employee is absent for more than three (3) consecutive work days without permission unless such employee presents a reason, which is satisfactory to the Company.

i. Acceptance of other employment for pay while on leave of absence unless expressly permitted by leave of absence.

Section 16. Probationary Employees

All new employees will be considered on probation for a period of ninety (90) days. Probationary employees may be transferred, laid off or discharged during such ninety (90) day period without recourse to the grievance procedure. There shall be no responsibility for the re-employment of probationary employees if they are discharged or laid off during this period. After serving a probationary period of ninety (90) days on the active payroll, which must be served within a consecutive six (6) month period, the names of such employees shall be placed on a Seniority list with a seniority date of ninety (90) days immediately prior to the date of completion of their probationary period.

The New Employee Orientation established in January 1987 shall continue.
The Union shall be notified in advance, and upon completion of the Company's orientation, the Union shall have the opportunity to meet with the new employees. The President, Financial Secretary and the Chairman of the Shop Committee shall conduct said meetings. However, due to their availability, the President of Local 1069 may appoint another Union Official.

Section 17. Seniority List

The Company will keep a seniority list. This seniority list shall be revised and made available to the Union on a weekly basis.

The seniority list shall contain each employee's name, occupational group, plant, shift, seniority date and BEMS ID.

Each week the Union shall receive copies of the complete seniority list containing the above information. Each quarter a copy of the seniority list will be posted outside the appropriate food service area in each plant.

Each month the Company shall supply the Chairman of the Shop Committee a list of employees who have acquired seniority
and who have lost seniority, employees who have been granted leaves of absence for military service, employees transferred in or out of the Bargaining Unit, and employees who have returned from military leave.

Section 18. Transfer Out of Unit

Effective October 2, 2014 the following shall apply to any employee accepting a position outside the bargaining unit.

a. Any employee who transferred out of the Bargaining Unit into a salaried position prior to 10/2/2014 will maintain the seniority accrued, but will no longer accrue after that date.

b. Any employee who transferred from a Bargaining Unit position into a salaried position prior to October 2, 2014 may only return to the Bargaining Unit if their current salaried position is declared surplus prior to April 1, 2015. Any employee returning to the Bargaining Unit may return to the position they held when they transferred out of the Bargaining Unit, provided the job is populated and they have seniority to hold.
c. Any employee transferring from the Bargaining Unit to a salaried position after the date of this agreement will have the right to return to their previous position in the Bargaining Unit within eight (8) weeks of their transfer. Employees returning to the Bargaining Unit within the eight (8) weeks will retain their seniority.

Section 19. Production Work Restrictions-Supervision

Supervisory employees shall not be permitted to perform any production work except in the following types of situations:

a. When regular employees are not immediately available, or absent from work.

b. In the instruction or training of employees.

c. In emergencies.

d. In developing production processes.

This clause will not be used to displace a production employee on a full-time job.
Section 20. Shift Preference

It is recognized and agreed that it is impossible to operate with all senior employees on the day shift and that seniority alone cannot be the sole determining factor in making shift transfers. The Company further agrees to the principle that requests of senior employees for shift transfers should be given full consideration. It is agreed that when an employee has been employed on his shift for six (6) months, he may request a transfer to another shift to a job within his job classification and Center; and if such job is held by a less senior employee in the same classification for at least six (6) months, the transfer shall be made within thirty (30) days of the request for such transfer. However, the Company will not be required to transfer more than 10% of the personnel in each job classification, in each Center, on any shift in any calendar month. This option can only be exercised by an employee twice in each year by filing a written request with his foreman during the period, April 15th to April 30th and October 15th to October 30th. The transfers shall be made starting May 15th and November 15th following the respective period of filing and continuing until May 14th and November 14th of the following
year. Any employee who files such a written request within the period specified, and at such time is not eligible for transfer will be considered for transfer at such later date within the year as he becomes eligible.

Exception to the above shall be for those employees classified as Boiler Operators, who may only request a shift transfer once each year during the April 15th to April 30th period.

An employee who is transferred to the shift he desires, in accordance with the above procedure, and within eight (8) workweeks following such transfer is reassigned involuntarily to another shift may, within fourteen (14) calendar days thereafter, file a shift preference request to be returned to his desired shift. Upon filing such request, the employee will be immediately considered eligible for transfer in accordance with the provisions and limitations set forth above.

**Section 21. Placement of Incapacitated Employees**

An employee who has been incapacitated as a result of an occupational injury or disease while in the employ of the Company may be employed in other work in
the Center which he can do without regard to any seniority provisions of this Agreement.

Section 22. Employees Hired on Same Calendar Day

Effective March 1, 1996, the seniority of employees hired on the same calendar day will be in alphabetical order based on the employee's name as of March 1, 1996. Thereafter, the seniority of employees hired on the same calendar day will be in alphabetical order as of the employee's date of hire.

Section 23. Temporary Loan

The Company may temporarily loan employees to perform work assignments in other occupations subject to the following conditions:

a. There has not been a surplus within the six (6) weeks preceding such temporary assignment in the job classification into which the employees are to be temporarily assigned.

b. The employees may be so assigned for a period not to exceed ninety (90) calendar days, after which they will be removed from such temporary assignment unless
mutual agreement to continue the temporary assignment has been reached between the Company and the Union.

c. No employees will be temporarily reassigned to the same job classification for a period of thirty (30) calendar days following the completion of a temporary assignment, except by mutual agreement between the Company and the Union. It is further understood that if the Company and the Union fail to agree to continue a temporary assignment beyond the ninety (90) calendar day period set forth above and the Company elects to recall employees to such job classification, employees on temporary loan may remain until the employees to be recalled are available for replacement. Such replacements will be on a one-to-one basis and the Company shall not be liable for any back wages to the employees recalled to such job classification. If the Company and the Union agree after the ninety (90) day period that the temporary assignment to such job classification may continue, the Company will, unless agreement to the contrary is reached, temporarily assign employees by seniority order who are on the active payroll and who have recall rights to
such job classification in order to complete the temporary assignment.

d. The provisions of this Section 23 shall not restrict the Company's rights to temporarily have employees in one occupation perform work in another occupation for periods of one day or less.

e. The Company shall notify the Union committeeman and/or steward when temporarily loaning any employees under this Section.

Section 24. Employee Transfer

Individuals shall not be transferred from shift to shift, or plant to plant, without regard to seniority when such transfer can be proven to be made capriciously or for a punitive purpose. In the event the Union believes that an individual has been transferred either from one shift to another, or one plant to another, for either of the aforementioned reasons and brings it to the attention of the Company, such situations will be looked at very closely and unless the reason for such transfer can be proven to be a valid production requirement, the transfer will be rescinded. Employees shall not be moved from their preferred shift or
location when such move can be proven to be made capriciously or punitive.

For the purpose of this Article only, the definition of plant shall be that plants 3-57 and 3-60 are considered as a single plant.

Section 25. Temporary Assignment

An employee who is working in his proper classification but is temporarily assigned to another location for a period of no longer than eight (8) weeks

ARTICLE IX
LEAVE OF ABSENCE

Section 1. Temporary Personal Leave of Absence

A Temporary Leave of Absence may be granted by an employee’s senior manager for personal reasons to an employee for a period of no less than three (3) days and not to exceed thirty (30) days. Seniority will accumulate during this Leave of Absence.
Section 2. Medical Leave of Absence

Effective June 1, 2006, Medical Leaves of Absence including Occupational Disability Leaves of Absences will be granted for a maximum duration of thirty (30) consecutive months. An employee given a leave of absence as stated above will not lose seniority accrued at the time of taking such leave and seniority shall continue to accumulate during said leave. Employees on a Medical Leave of Absence on the effective date of this contract will continue to accrue seniority in accordance with the language applicable at the time of their leave of absence.

Section 3. Probationary Employees

Employees serving in their probationary period are not subject to the provisions of extended Leave of Absence and any time lost because of sick leave shall not be credited toward their probationary period.

Section 4. Maternity Leave of Absence

Female employees, who request Leaves of Absence because of pregnancy, shall be granted such leave, which shall extend for three (3) months after delivery. Thereafter, the employee shall return to work, forfeit
seniority or request a sick leave under the provisions of Section 2 of this Article. The Company may require a pregnant employee to take a Leave of Absence if the employee is physically unable to perform her job. Such a medical determination will be made in the same manner as set forth in Section 2 of this Article for return to work from medical Leaves of Absence. Seniority of employees on leave under this Section will accumulate during the period of such Leave.

Section 5. Military Leave of Absence

This section applies to those employees who are members of, or apply to be members of, the uniformed services of the United States or who have performed, apply to perform, or have an obligation to perform service, in these instances, a military leave of absence would occur. The Company will comply with all state, federal laws, and regulations that apply to reemployment of employees returning from a leave of absence after active US uniformed services.
Section 6. Peace Corps Leave of Absence

A seniority employee entering the Peace Corps shall, upon prior written request and submission of evidence satisfactory to the Company, receive a Leave of Absence for the period of his service in the Peace Corps, but not to exceed three (3) years.

If the employee returns to work within thirty (30) days after completion of his service with the Peace Corps, he shall be reinstated at work in line with his seniority rights, in the classification in which he was engaged last, prior to his Leave of Absence. His seniority shall accumulate throughout the period of his Leave of Absence.

Section 7. Union Leave of Absence

Upon written request from the International Union or the President of Local 1069, the Company will grant a Leave of Absence for the duration of the term of office or temporary appointment, for employees (not to exceed seven (7) employees at one time), who are elected or appointed to temporary or long term, full time Union offices. Such Leaves of Absence may be renewed for additional terms of
office or appointments. Seniority will accumulate during such Leave of Absence.

Section 8. Public Office Leave of Absence

Any employee with seniority, elected or appointed to an essentially full-time Federal, State or Local public office, may make written application for a Leave of Absence for the period of his first term of active service in such public office. If such leave is granted, additional Leaves of Absence for service in such office may be granted at the option of Management upon written application by the employee.

Any employee granted such Leave of Absence shall be entitled to reinstatement at the then current rate of pay, to such work as he may be entitled on the basis of the seniority provisions of this Agreement. Seniority will accumulate during the period of such Leave of Absence.

Failure to return to work on his next regular shift upon termination of the Leave of Absence will result in termination, unless permission is obtained for extension of the time for the employee to report for work.
ARTICLE X

WAGES AND HOURS

Section 1. Overtime Rates

Overtime rates will be paid as follows through March 26, 2015:

a. Time and one-half will be paid for:
   1. All time worked in excess of eight (8) hours but less than ten (10) hours in any one (1) day.
   2. All time worked in excess of forty (40) hours in one (1) workweek for which overtime has not already been earned.
   3. All work performed outside of regularly scheduled shift hours.
   4. The first ten (10) hours of work performed on Saturday except in the case of any shift beginning in the preceding day and continuing into Saturday.

   a. For the purposes of this Section, the sixth day in a scheduled workweek for Boiler Operators will be considered as Saturday in calculating overtime.
b. Double time will be paid for:

1. All time worked in excess of ten (10) hours in any one (1) day including Saturday.

2. All time worked in excess of eight and one-half (8-1/2) hours in any one (1) day including Saturday for those third shift employees who are assigned to a six and one-half (6-1/2) hour shift.

3. All work performed on Sunday except in the case of any shift beginning in the preceding day and continuing into Sunday.

   a. For the purposes of this Section, the seventh day in a scheduled work week for Boiler Operators will be considered as Sunday in calculating overtime.

c. Triple time will be paid for:

1. For the first eight (8) hours of work performed on the holidays specified in Article XIII except in the case of any shift beginning in the preceding day and continuing into the holiday. Hours worked in excess of eight (8) hours on a holiday will be paid at double time.
d. When two or more types of overtime or premium compensation are applicable to the same hours of work, only the higher rates of compensation shall be paid. In no case shall overtime or premium compensation be duplicated or pyramided.

Section 1A. Overtime Rates – Effective 3/27/15

1. Effective March 27, 2015, when an employee has been compensated for forty (40) straight hours during the work week, subsections (a) through (d) above will apply to overtime compensation. Compensated hours include all time paid by the Company.

2. Effective March 27, 2015, when an employee is not compensated for forty (40) straight hours during the work week, subsections (A) through (D) will apply to overtime compensation. Compensated hours include all time paid by the Company.
A. Time and one-half will be paid for:
   a. All time compensated in excess of eight (8) hours but less than ten (10) hours in any one (1) regularly scheduled day.
   b. All work performed outside of regularly scheduled shift hours excluding days of rest.

B. Double time will be paid for:
   a. All time worked in excess of ten (10) hours in any one (1) regularly scheduled day.

C. Hours worked on First Day of Rest, will be paid at straight time to fulfill the forty (40) hour compensated time requirement. If necessary, hours worked on the Second Day of Rest will be paid at straight time to fulfill the forty (40) hour compensated time requirement.
D. Once an employee has been compensated for forty (40) straight time hours, any remaining hours worked on the First Day of Rest less than (10) hours will be paid at time and one half; any hours worked in excess of ten (10) will be paid at double time.

3. Once an employee has been compensated for forty (40) straight hours, any remaining hours worked on the Second Day of Rest will be paid at double time.

4. All hours worked on a holiday will be paid at double time, in addition to receiving holiday pay at straight time.

5. When two or more types of overtime or premium compensation are applicable to the same hours of work, only the higher rates of compensation shall be paid. In no case shall overtime or premium compensation be duplicated or compounded.
Section 2. Shift Differentials

a. The Company shall pay all hourly-rated employees who are assigned to the second shift $1.00 per hour in addition to the base hourly rate.

b. The Company shall pay all hourly-rated employees who are assigned to the regular third shift (six and one-half (6-1/2) working hours) $0.75 per hour in addition to the base hourly rate.

c. Hourly-rated employees on a regular third shift, the regular shift hours of which are limited to six and one-half (6-1/2) working hours, who work a full six and one-half (6-1/2) hours on that shift shall receive therefore eight (8) hours pay. All work performed on such third shift over six and one-half (6-1/2) hours shall be considered overtime and shall be paid for at time and one-half.

d. The Company shall pay all hourly-rated employees hired prior to January 1, 2007 who are assigned to a special third shift (eight working hours) ten percent (10%) per hour in addition to the base hourly rate.
e. The Company shall pay to all hourly-rated employees hired on or after January 1, 2007 on a special (eight working hours) third shift $1.00 per hour in addition to the base hourly rate.

f. Boiler Operators assigned to a non-regular workweek (other than Monday through Friday) shall have seventy-five $.75 cents per hour added to their base hourly rate. This seventy-five (75) cents per hour premium shall also apply to any other employees designated in advance by mutual agreement between the Company and the Union to be assigned to such a non-regular workweek.

Section 3. Labor Grades

The labor grades are set forth in the Appendix C annexed hereto and made a part hereof.

Section 4. Job Descriptions

The Company will make available to the Union an adequate number of detailed job description sheets covering all hourly-rated jobs included in the Bargaining Unit as set forth in Article I hereof, for distribution to all stewards and committeemen.
Section 5. Overtime Distribution

The Company agrees that it will make a demonstrable good faith effort to make equal distribution of overtime work among the available qualified employees within shops, plants and on each shift.

a. Initially the Company will offer overtime work to employees in the job classification who are regularly employed in such work within the shop, plant and on the shift involved.

b. Thereafter, probationary employees within the job classification within the shop, plant and on the shift may be worked.

c. Thereafter, employees on temporary assignment within the shop on the shift and in the plant where the overtime is to be performed will be given an opportunity to work.

d. Thereafter, employees on temporary loan to the required job classification working in the shop, on the shift and in the plant where the overtime is to be performed will be given an opportunity to work.
e. In the event the Company is unable to fulfill its overtime requirements as outlined above, it will then offer the work to employees in the required job classification who are working in other shops, on the shift and in the plant where the overtime work is required.

f. In the event the Company is unable to fulfill its overtime requirement as outlined above, the supervisors may offer the work to any employee from any location who they feel are qualified to perform the overtime assignment.

Records shall be maintained for each shop by shift and plant showing the name, date, classification and overtime hours worked by employees. Such records shall be maintained in an available part of the Shop and made available to the employee or his steward upon request. Work performed on a holiday shall be shown as double for the first eight hours worked.

An employee shall be considered to have worked if he is offered and declines overtime, or is absent from work when he would have been offered overtime work.
Absences due to bereavement, excused Union business, vacation or leave of absence up to thirty (30) days, will not be charged as worked.

When an employee changes classification, shop, shift or plant, his overtime hours will be averaged with those employees in his new position or location.

Section 6. Representation on Weekends and Holidays

When more than twenty-five (25) but less than one hundred and fifty (150) employees on a shift in a plant in a Center are assigned overtime work on Saturdays, Sundays or Holidays and a regular steward or alternate is not among the employees so assigned, then the Union may designate one (1) of such employees who shall function as a steward for that overtime period.

The Union may designate one (1) additional representative from each additional one hundred (100) employees in excess of one hundred and fifty (150) assigned to such overtime work in any plant on each shift. There shall not be
more than one (1) person acting as steward on overtime work in any one area. If the number of regular stewards or alternate stewards who are assigned such overtime work on any shift shall exceed the number of representatives provided for in this Section, the Union shall designate which stewards shall function as such on that shift.

The only grievances that may be handled by the above representatives are those, which arise during the overtime period when they are employed.

Section 7. Report-in Time

Any employee reporting for work, who has been working on the previous work day and has not been notified not to report for work shall be given four (4) hours work at his applicable rate. If the Company has none of his regular work for him, it may use his services in other capacities, which he is able to perform for such four (4) hours. In lieu of giving him four (4) hours work, the Company may elect to give such employee four (4) hours pay at his base hourly rate. This provision shall not apply in the case of any stoppage of work, strike or slowdown or conditions beyond the control of the Company.
Section 8. Call-in Time

When an employee is called in to perform emergency work, he shall receive four (4) hours work at the applicable rate. If the Company cannot utilize his services for the full period on his regular work, his services may be utilized in other capacities, which he is capable of performing.

Section 9. Employee Injuries

Employees who are injured in the factory and who are sent home on the day of injury by a medical professional, shall receive pay for the balance of their scheduled work shift on that day at their regular base hourly rate, including shift premium if any, but less any overtime allowances they would have otherwise earned had they worked.

Section 10. Jury Duty

When an employee is summoned to serve on jury duty on a regularly scheduled working day, he shall receive eight (8) hours pay at his base rate. Fees received for jury duty will not be deducted from such pay. Proof of such service satisfactory to the Company must be produced before this Section shall apply.
Section 11. Witness Pay

An employee subpoenaed as a witness in a Federal or State court of law will be paid eight (8) hours pay at his current straight time base rate, including Cost of Living allowance for each regular work day for which he is paid a daily witness fee. Witness fees will not be deducted from such pay. This Section will not apply in instances where the employee is called as a witness on his own behalf in an action in which he is a party, or where he voluntarily seeks to testify as a witness. The employee will furnish to the Company evidence satisfactory to the Company showing his attendance as a witness that meets the requirements of this Section.

Section 12. Compensation for Military Reserve Duty

An employee who is a member of a reserve component of the Armed Forces or the National Guard who is required to enter active annual training duty or temporary special services, shall be paid his regular straight time earnings, including shift differential and cost of living allowance where applicable, up to a maximum of ten (10) work days each calendar year. Employees with military orders to serve
additional days of duty will be excused on unpaid authorized Leave of Absence. The amount due the employee under this Section 12 shall be reduced by the amount received from the government body identified with such training duty or services, for the period of such duty (up to the maximum period mentioned above). Such items as subsistence (does not include allowance for quarters), uniform and travel allowance shall not be included in determining pay received from state or federal government.

**Section 13. Workweek**

The standard workweek schedule established by the Employer shall consist of five (5) working days of eight (8) hours each, Friday through Thursday (6-1/2 hours on the graveyard shift), excluding Saturday and Sunday exclusive of meal periods. Employees on a standard workweek shall have Saturday and Sunday observed as their days of rest.

The workweek shall consist of seven (7) consecutive days beginning on Friday and ending on Thursday, except for those Maintenance employees referenced in Section 2.f. above who regularly work on Saturday and Sunday, whose standard
work schedule shall consist of five (5) consecutive work days, plus two (2) days of rest, which shall be treated as their Saturday or Sunday.

Section 14. Shifts and Lunch Periods

Each employee shall be assigned to a definite shift with designated The first and second shift shall each be an eight hour and thirty minute period, which shall include a thirty minute unpaid lunch period. The third shift shall be a seven hour period which shall include a thirty minute unpaid lunch period, with the exception of a special third shift of an eight hour and thirty minute period which shall include a thirty minute unpaid lunch period for those Maintenance type employees assigned to this special shift. Exceptions to the above designated shifts are the shifts assigned to the Boiler Operators. The shift for each Boiler Operator shall be an eight-hour period and all eight hours shall be worked.

The designated time of beginning each shift shall be:

- First Shift–between 5:00 AM and 9:00 AM
- Second Shift–between 1:30 PM and 6:00 PM
- Third Shift – between 10:00 PM and 1:30 AM
Section 15. Paydays

For employees working in states where mandatory direct deposit is permitted by law, paychecks will be delivered via direct deposit on Thursday of every second week, covering all wages, including overtime, earned through Thursday of the preceding week, except when other circumstances intervening beyond the Company’s control make such practice impossible. For employees working in other states, paychecks shall be delivered via direct deposit on or before Thursday of every second week, or placed in the U.S. mail on or before Thursday of every second week, covering wages, including overtime, earned through Thursday of the preceding week, except when holidays or circumstances intervening beyond the Company’s control make such practice impossible.

Section 16. Rest Periods

The Company shall provide for two (2) 10-minute rest periods at appropriate intervals – one (1) rest period before and one (1) rest period after lunch.
ARTICLE XI
RATES OF PAY

Section 1. Definitions

The meanings of certain terms used in this Article XI and elsewhere in this Agreement are stated below:

a. Base Rate: An employee's hourly rate of pay determined under the applicable provisions of Sections 2 and 3, excluding all allowances, differentials, adjustments, bonuses, awards and premiums.

b. Base Rate Ranges: The minimum and maximum rates of pay for each labor grade established under Section 2.

c. Promotion: An employee reclassified from one job classification to another job classification in a higher labor grade.

d. Demotion: An employee reclassified from one job classification to another job classification in a lower labor grade.

e. Lateral Transfer: An employee reclassified from one job classification to another job classification in the same labor grade.
f. Reactivated: An employee returned from layoff to any job classification in which he does not possess recall rights in accordance with Article VIII.

g. Recall from Layoff: An employee on the inactive payroll who is recalled in accordance with Article VIII.

h. Recall from Move Status: An employee on the active payroll who is recalled in accordance with Article VIII.

i. Effective Date of Increases: The actual effective date of all changes and rates of pay identified in this agreement will be the beginning of the first pay period following the effective date of any change. Exceptions to this will be temporary assignments.

j. An employee who is placed on Temporary Loan to a classification to which he has recall and which he has previously held will be paid at a rate not less than he was making at the time he previously held such classification.
Section 2. Base Rate Ranges

a. Effective October 2, 2014, base rate ranges in Table 1 set forth below will be effective for employees with a union seniority date prior to October 2, 2014. The rate range maximums in effect will be increased by the COLA in effect on October 2, 2014, the COLA in effect on October 6, 2017 and by the COLA in effect on July 8, 2022 in accordance with Section 4. In addition, the rate range maximums will be increased in accordance with Section 3.b.1, 3.b.3, 3.b.5 and 3.b.7. Labor grade I01, 1JD and 1JR will be administered in accordance with LOU #21.
Table 1

<table>
<thead>
<tr>
<th>Labor Grade</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>14*</td>
<td>$21.27</td>
<td>$44.76</td>
<td>$21.27</td>
<td>$45.66</td>
</tr>
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<td>13</td>
<td>$20.71</td>
<td>$43.76</td>
<td>$20.71</td>
<td>$44.64</td>
</tr>
<tr>
<td>12</td>
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<td>$42.60</td>
<td>$19.76</td>
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</tr>
<tr>
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<td>$41.51</td>
<td>$18.81</td>
<td>$42.34</td>
</tr>
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<tr>
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</tr>
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<td>$10.10</td>
<td>$31.21</td>
</tr>
<tr>
<td>1JD</td>
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<td>$10.10</td>
<td>$16.70</td>
<td>$10.10</td>
<td>$17.03</td>
</tr>
</tbody>
</table>

*Labor Grade 14 for Flight Test Crew Chiefs will become effective May 1, 2015.

The base rate ranges in Table 2 will apply to employees entering the bargaining unit with a union seniority date on or after October 2, 2014. The rates in Table 2 will be increased in the amount of the GWI in accordance with Section 3.b.7; in addition to the COLA in effect on October 6, 2017 and by the COLA in effect on July 8, 2022.
## Table 2

<table>
<thead>
<tr>
<th>Labor Grade</th>
<th>Rate Range Effective October 2, 2014</th>
<th>Single Rate</th>
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<tbody>
<tr>
<td>14*</td>
<td>$38.80</td>
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<td>13</td>
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</tr>
<tr>
<td>11</td>
<td>$32.89</td>
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<td>10</td>
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<td>9</td>
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<td>$28.83</td>
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<td>7</td>
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</tr>
<tr>
<td>1</td>
<td>$16.21</td>
<td></td>
</tr>
</tbody>
</table>

*Labor Grade 14 for Flight Test Crew Chiefs will become effective May 1, 2015.

Employees hired into the Non-Interchangeable Occupational Groups with a union seniority date after October 2, 2014 will be paid at the lesser of the Single Rate in Table 2 (referred to as “Single Rate”) for his classification or $1.00 less than the lowest paid employee’s base rate (as set forth in Table 1) in his classification on date of hire.

Employees hired into the Interchangeable Occupational Group with a...
union seniority date after October 2, 2014 will be paid at the lesser of the Single Rate in Table 2 (referred to as “Single Rate”) for his classification or the equivalent of the lowest paid employee’s base rate (as set forth in Table 1) in his classification on date of hire.

Each employee subject to Table 2, paid below the Single Rate for his classification, will have his base rate analyzed each March 1, June 1, September 1 and December 1. In the event the lowest paid employee’s base rate from Table 1 in his classification is no longer below the Single Rate for his classification, any employee hired after October 2, 2014 in that classification will be brought up to the Single Rate in effect at that time. Any adjustment to the base rate shall be made effective the first full pay period in the month following the scheduled analysis.

Employees with a union seniority date before October 2, 2014 to include recalls, will be managed according to Table 1.

b. Recalls from Layoff: Effective October 2, 2009, an employee who is recalled from layoff will have the following base rate:
1. If the employee is recalled or reactivated to the same labor grade from which he was laid off, he will be paid the base rate and the COLA in effect on the date of his layoff, provided that, if COLA has been added to base rates and made a part thereof since the employee's layoff, the COLA in effect on the date of the employee's layoff shall be added to his base rate and made a part thereof.

2. If the employee is recalled or reactivated to either a higher or lower labor grade than the one from which he was laid off, his base rate will be determined first by treating him as though he had been recalled to the same labor grade under Section 2.d.(1), and then reclassified under Section 3.c.

c. Returns from Leaves of Absence: An employee on approved Leave of Absence who returns to the active payroll will have the following base rate:

1. If the Leave of Absence was granted due to industrial injury or industrial illness, military service, or to accept a full time union position, the
employee's base rate will be equal to the base rate he would have had if he had not been on a Leave of Absence.

2. If the Leave of Absence was granted for any other reason, his base rate will be determined as though he had been recalled or reactivated under Section 2.d.

Section 3. Base Rate Changes

a. Seniority Increase Steps: All employees on the active payroll and in the Bargaining Unit that are still receiving Seniority Increases as of the ratification of this agreement shall receive a one-time increase to their base rate of sixty-eight cents (68¢) per hour effective October 2, 2014, thereby reducing the maximum number of Seniority Increase Steps by two (2), subject to the maximum of their labor grade, on the start of the first full pay period following ratification of this agreement. Thereafter, on the six (6) month anniversary of the date of hire or date of the last Seniority Increase, employees below the rate range maximum for their labor grade shall, subject to such maximum, receive a Seniority Increase to their base rate of fifty cents (50¢).
Employees with a seniority date less than the ratification of this agreement shall automatically progress to the base rate maximum upon their fifteenth Seniority Increase Step. Seniority Increase Steps for employees entering the bargaining unit with a union seniority date on or after the ratification of this agreement: On the six (6) month anniversary of the date of hire or date of the last Seniority Increase, employees below the Single Rate for their classification shall, subject to such Single Rate, receive a Seniority Increase to their base rate of fifty cents (50¢). Employees will not automatically progress to the Single Rate upon their fifteenth Seniority Increase Step.

Employees on an approved Leave of Absence will continue to accrue time towards their next six (6) month Seniority Increase Step for the first ninety (90) days of the Leave. Employees recalled or reactivated from layoff within one (1) year will be credited with any time they had prior to their layoff towards their next six (6) month Seniority Increase.
b. GWIs or Lump Sums in Lieu of GWIs:
GWIs or Lump Sums will be granted for employees on the active payroll and in the Bargaining Unit, including those on an approved Leave of Absence for ninety (90) days or less on such dates specified below as follows:

1. Effective October 2, 2014, any employees at or below the rate range maximum (Table 1) or Single Rate (Table 2) in effect for their classification will have their base rates increased by Section 4.c. and then by application of a three (3%) percent GWI. An employee cannot exceed the maximum of their rate range or Single Rate upon application of a GWI and if applicable, will receive the remaining amount of the GWI in a lump sum payment.

Employees who are above the rate range maximum will receive a four (4%) percent lump sum in lieu of any GWI. Lump sums in lieu of GWIs will be calculated based on an employee’s pure base rate (plus shift differential and lead pay if applicable) in effect on date of GWI, multiplied by Lump Sum
percentages above, then multiplied by 2080. The lump sum payment will be paid within thirty (30) calendar days following ratification of this agreement.

2. Effective October 9, 2015, any employees below the rate range maximum (Table 1) or Single Rate (Table 2) in effect for their rate range will have their base rates increased by application of a two (2%) percent GWI. An employee cannot exceed the maximum of their rate range or Single Rate upon application of a GWI and if applicable, will receive the remaining amount of the GWI in a lump sum payment.

Employees who are paid at or above the rate range maximum (Table 1) or Single Rate (Table 2) will receive a three (3%) percent lump sum in lieu of any GWI. Lump sums in lieu of GWIs will be calculated based on an employee’s pure base rate (plus shift differential and lead pay if applicable) in effect on date of GWI, multiplied by Lump Sum percentages above, then multiplied by 2080. The lump sum payment
will be paid within thirty (30) calendar days of October 9, 2015.

3. Effective October 7, 2016, any employees at or below the rate range maximum (Table 1) or Single Rate (Table 2) in effect for their classification will have their base rates increased by Section 4.c. and then by application of a two (2%) percent GWI. An employee cannot exceed the maximum of their rate range or Single Rate upon application of a GWI and if applicable, will receive the remaining amount of the GWI in a lump sum payment.

Employees who are above the rate range maximum will receive a three (3%) percent lump sum in lieu of any GWI. Lump sums in lieu of GWIs will be calculated based on an employee’s pure base rate (plus shift differential and lead pay if applicable) in effect on date of GWI, multiplied by Lump Sum percentages above, then multiplied by 2080. The lump sum payment will be paid within thirty (30) calendar days following October 7, 2016.
4. Effective October 6, 2017, any employees below the rate range maximum (Table 1) or Single Rate (Table 2) in effect for their rate range will have their base rates increased by application of a three (3%) percent GWI. An employee cannot exceed the maximum of their rate range or Single Rate upon application of a GWI and if applicable, will receive the remaining amount of the GWI in a lump sum payment.

Employees who are paid at or above the rate range maximum (Table 1) or Single Rate (Table 2) will receive a four (4%) percent lump sum in lieu of any GWI. Lump sums in lieu of GWIs will be calculated based on an employee’s pure base rate (plus shift differential and lead pay if applicable) in effect on date of GWI, multiplied by Lump Sum percentages above, then multiplied by 2080. The lump sum payment will be paid within thirty (30) calendar days of October 6, 2017.
5. Effective on October 5, 2018, any employees at or below the rate range maximum (Table 1) or Single Rate (Table 2) in effect for their classification will have their base rates increased by Section 4.c. and then by application of a three (3%) percent GWI. An employee cannot exceed the maximum of their rate range or Single Rate upon application of a GWI and if applicable, will receive the remaining amount of the GWI in a lump sum payment.

Employees who are above the rate range maximum will receive a four (4%) percent lump sum in lieu of any GWI. Lump sums in lieu of GWIs will be calculated based on an employee’s pure base rate (plus shift differential and lead pay if applicable) in effect on date of GWI, multiplied by Lump Sum percentages above, then multiplied by 2080. The lump sum payment will be paid within thirty (30) calendar days following October 5, 2018.
6. Effective October 4, 2019, any employees below the rate range maximum (Table 1) or Single Rate (Table 2) in effect for their rate range will have their base rates increased by application of a three (3%) percent GWI. An employee cannot exceed the maximum of their rate range or Single Rate upon application of a GWI and if applicable, will receive the remaining amount of the GWI in a lump sum payment.

Employees who are paid at or above the rate range maximum (Table 1) or Single Rate (Table 2) will receive a four (4%) percent lump sum in lieu of any GWI. Lump sums in lieu of GWIs will be calculated based on an employee’s pure base rate (plus shift differential and lead pay if applicable) in effect on date of GWI, multiplied by Lump Sum percentages above, then multiplied by 2080. The lump sum payment will be paid within thirty (30) calendar days of October 4, 2019.
7. Effective October 2, 2020, any employees at or below the rate range maximum (Table 1) or Single Rate (Table 2) in effect for their classification will have their base rates increased by Section 4.c. and then by application of a two (2%) percent GWI. An employee cannot exceed the maximum of their rate range or Single Rate upon application of a GWI and if applicable, will receive the remaining amount of the GWI in a lump sum payment.

Employees who are above the rate range maximum will receive a three (3%) percent lump sum in lieu of any GWI. Lump sums in lieu of GWIs will be calculated
based on an employee’s pure base rate (plus shift differential and lead pay if applicable) in effect on date of GWI, multiplied by Lump Sum percentages above, then multiplied by 2080. The lump sum payment will be paid within thirty (30) calendar days following October 2, 2020.

8. Effective October 1, 2021, any employees below the rate range maximum (Table 1) or Single Rate (Table 2) in effect for their rate range will have their base rates increased by application of a two (2%) percent GWI. An employee cannot exceed the maximum of their rate range or Single Rate upon application of a GWI and if applicable, will receive the remaining amount of the GWI in a lump sum payment.

Employees who are paid at or above the rate range maximum (Table 1) or Single Rate (Table 2) will receive a three (3%) percent
lump sum in lieu of any GWI. Lump sums in lieu of GWIs will be calculated based on an employee’s pure base rate (plus shift differential and lead pay if applicable) in effect on date of GWI, multiplied by Lump Sum percentages above, then multiplied by 2080. The lump sum payment will be paid within thirty (30) calendar days of October 1, 2021.

c. Base Rates After Reclassification: Subject to the base rate ranges provided for in Section 2.a., Table 1, employees who are promoted or recalled from move status will have their base rate increased by fifty-six cents (56¢) for each labor grade they are promoted or recalled, and employees who are demoted will have their base rate decreased by fifty-six cents (56¢) for each labor grade they are demoted.

Subject to the Single Rate provided for in Section 2.a., Table 2, employees who are promoted or recalled from move status will have their base rate increased to the single rate in effect for the labor grade they were promoted or recalled to, and employees who are
d. Temporary Loans

1. Subject to the base rate ranges provided for in Section 2.a., Table 1, employees temporarily loaned to a higher labor grade will have their base rate increased by fifty-six cents (56¢) for each labor grade above the labor grade held immediately prior to such loan. Employees temporarily loaned to an equal or lower labor grade for the convenience of the Company, shall retain his current hourly rate of pay.
2. Subject to the Single Rates provided for in Section 2.a., Table 2, employees who are temporarily loaned will have their base rate increased to the single rate in effect for the labor grade they are loaned in to. Employees temporarily loaned to an equal or lower labor grade for the convenience of the Company, shall retain his current hourly rate of pay.

Section 4. Cost-of-Living Adjustment

a. Employees covered by this Agreement shall receive COLA to the extent such adjustments become effective under and in accordance with all of the terms, conditions and limitations stated in this Section 4.

b. Determination of COLA

1. Determination of the potential COLA shall be made in reference to the new series "All City Average of the Consumer Price Index for Urban Wage Earners and Clerical Workers" published by the Bureau of Labor Statistics, U.S. Department of Labor, with the following base
ARTICLE XI  
RATES OF PAY

period: 1982-84 = 100, such index being referred to herein as the BLS Index.

2. During the life of this Agreement, subject to the provision stated below, a potential COLA shall be computed by using: (1) 234.419 (the three-month average of the BLS Index (rounded to three decimals) for June, July, August, 2014 as the base, and (2) the formula 1 cent = .075 percent change in the appropriate three-month average of the BLS Index, as shown in the table below.

<table>
<thead>
<tr>
<th>EFFECTIVE DATE OF POTENTIAL ADJUSTMENT</th>
<th>BASED UPON THE AVERAGE OF THE THREE MONTH BLS CONSUMER PRICE INDEXES FOR:</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 2, 2015</td>
<td>September, October, November 2014</td>
</tr>
<tr>
<td>July 3, 2015</td>
<td>March, April, May 2015</td>
</tr>
<tr>
<td>October 9, 2015</td>
<td>June, July, August 2015</td>
</tr>
<tr>
<td>January 1, 2016</td>
<td>September, October, November 2015</td>
</tr>
<tr>
<td>April 8, 2016</td>
<td>December 2015, January, February 2016</td>
</tr>
<tr>
<td>July 1, 2016</td>
<td>March, April, May 2016</td>
</tr>
<tr>
<td>October 7, 2016</td>
<td>June, July, August 2016</td>
</tr>
<tr>
<td>January 13, 2017</td>
<td>September, October, November 2016</td>
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<td>April 7, 2017</td>
<td>December 2016, January, February 2017</td>
</tr>
<tr>
<td>July 14, 2017</td>
<td>March, April, May 2017</td>
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<tr>
<td>October 6, 2017</td>
<td>June, July, August 2017</td>
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<tr>
<td>January 12, 2018</td>
<td>September, October, November 2017</td>
</tr>
<tr>
<td>April 6, 2018</td>
<td>December 2017, January, February 2018</td>
</tr>
<tr>
<td>July 13, 2018</td>
<td>March, April, May 2018</td>
</tr>
<tr>
<td>October 5, 2018</td>
<td>June, July, August 2018</td>
</tr>
</tbody>
</table>
ARTICLE XI

RATES OF PAY

EFFECTIVE DATE OF POTENTIAL ADJUSTMENT     BASED UPON THE AVERAGE OF THE THREE MONTH BLS CONSUMER PRICE INDEXES FOR:

January 11, 2019     September, October, November 2018
April 5, 2019        December 2018, January, February 2019
July 12, 2019        March, April, May 2019
October 4, 2019      June, July, August 2019
January 10, 2020     September, October, November 2019
April 3, 2020        December 2019, January, February 2020
July 10, 2020        March, April, May 2020
October 2, 2020      June, July, August 2020
January 8, 2021     September, October, November 2020
April 2, 2021        December 2020, January, February 2021
July 9, 2021         March, April, May 2021
October 1, 2021      June, July, August 2021
January 7, 2022     September, October, November 2021
April 1, 2022        December 2021, January, February 2022
July 8, 2022         March, April, May 2022

3. Any quarterly COLA shall be added to or subtracted from any quarterly COLA already paid during the life of this Agreement, subject to Section 4, provided, however, a COLA generated in any particular quarter shall be payable only to those employees who, on an Effective Date of Potential Adjustment, are on the active payroll or on Leave of Absence for less than ninety (90) days or any Production and Maintenance employee on an Occupational Leave of Absence.
ARTICLE XI  RATES OF PAY

4. If the BLS Index is revised or discontinued, the parties shall attempt to determine an appropriate Index figure by agreement and, if agreement is not reached, the parties shall request the Bureau of Labor Statistics to make available a BLS Index in its present form for the appropriate date or dates and calculated on a comparable basis.

c. COLA shall not be added to or subtracted from any employee's base rate, except as herein provided.

Effective October 2, 2014, the COLA being paid to employees on that date under Section 4, shall be added to the employee’s base rates and made a part thereof. Effective on October 6, 2017, the COLA being paid to employees on that date under Section 4, shall be added to the employee’s base rates and made a part thereof. Effective on July 8, 2022, the COLA being paid to employees on that date under Section 4, shall be added to the employee’s base rates and made a part thereof.

Any COLA payable during the life of this Agreement shall be added only to each employee's straight time hourly
earnings. The applicable COLA shall be included in computing overtime payment, third-shift bonus, vacation and holiday payment, sick leave payment and report time payment.

Section 5. Certifications & Licenses

Following the effective date of this agreement, employees awarded an FAA approved Airframe and/or Power Plant Certificate (A&P) will receive a one-time lump sum payment of $1,000 for each of the certificates up to a maximum of $2,000 for being awarded both the Airframe & Power Plant Certificate.

Section 6. Flight Crew Risk Payments

During selected flight test exercises, Flight Test Management will decide as to whether flights on a program may involve additional risk. During these flights, Flight Test Management may decide to pay flight crew risk payments to both pilots and crew participating in the flights. When a decision is made to pay risk payments, all members of the flight crew, including pilots and crew, will be paid the risk payments. Flight Test Management will determine the amount of risk payment
The decision to pay and the amount paid is not subject to the grievance and arbitration procedure.

**Section 7. Production Lead**

The decision to assign an employee as a production lead shall be at the sole discretion of the company. An employee so assigned prior to April 3, 2015 shall be paid a premium of $0.75 per hour. An employee so assigned as of April 3, 2015 shall be paid a premium of $1.25 per hour.

**Section 8. Ratification Bonus**

Each employee on the active payroll on date of ratification, including those on leave of absence, will receive a lump sum payment of ten thousand dollars ($10,000). Payment will be made within 30 days following ratification of the agreement.

**ARTICLE XI-A**

**LAYOFF BENEFITS**

**Section 1. Establishment of Plan**

The Company will establish a Layoff Benefit Plan to provide for lump sum or income continuation benefits as set forth in
this Article. Such Plan will apply to employees who are laid off with an effective date on or after October 2, 2014.

**Section 2. Eligibility**

All bargaining unit employees who have at least one year of Company service and who are involuntarily laid off from the Company (other than a temporary layoff under Article VIII.4) are eligible to receive the benefit described in Section 3 below upon signing a general release of claims in a form approved by the Company, provided, however, the following employees shall not be eligible for the benefit: employees who upon their layoff become employed by a division, subsidiary or affiliate of the Company; employees who are laid off from the Company because of a merger, sale or similar transfer of assets and are offered employment with the new employer; employees who are laid off because of an act of God, natural disaster or national emergency; employees who are laid off because of a strike, picketing of the Company's premises, work stoppage or any similar action which would interrupt or interfere with any operation of the Company; and employees who terminate employment for any reason other than layoff, including, but not limited to,
resignation, dismissal, retirement, death, or leave of absence. If a benefit is paid to an employee who is not eligible, the Company may recover the payment from the employee, including deducting the amount from any sums due the employee.

Section 3. Amount and Payment of Benefit

An eligible employee's total lump sum or income continuation benefit shall equal one week of pay (i.e., 40 hours at the employee's base rate plus cost-of-living adjustment in effect on the date of layoff, but excluding any shift differentials or other premiums) for each full year of Company service as of the employee's layoff date, subject to a maximum benefit of 26 weeks of pay. Eligible employees may elect either of the following:

a. Lump Sum Benefit

1. Benefits will be paid as a lump sum following the effective date of layoff. Employees who elect this option will forfeit all seniority and recall rights under Article VIII.
b. Income Continuation

1. Income continuation benefits will be paid in 80-hour increments, subject to an employee's total benefit, on regular paydays beginning with the second payday following the effective date of layoff. Income continuation benefits shall immediately cease upon the earlier of any of the following events: exhaustion of the employee's total income continuation benefit; re-employment with the Company or any of its divisions, subsidiaries or affiliates; failure to respond with his acceptance within five (5) work days after dispatch by courier or certified mail of a notice of recall from layoff; failure to report to work on the date designated by the Company; or change in the employee's employment status from layoff to resignation, dismissal, retirement, death, or leave of absence. Employees who elect this option will retain seniority and recall rights as described in Article VIII.

2. Subject to continuation of the Plan, no employee shall be paid either a lump sum benefit or an income
continuation benefit more than once during any three-year period; provided, however, if an employee is re-employed by the Company before payment of the employee's total income continuation benefit and is subsequently laid off in such three-year period under conditions which make the employee eligible for a benefit, any unused benefit will be payable to the employee under the procedures established by this Article.

Section 4. Benefit Not Applicable for Other Purposes

Except as expressly provided in an employee benefit plan, periods for which an employee receives income continuation benefits shall not be considered as compensation or service under any employee benefit plan or program and shall not be counted toward Company service. Benefits under this Article shall be excluded from bargaining unit gross earnings for purposes of Article XI-A of this Agreement.
ARTICLE XII
VACATIONS

Section 1. Eligibility

All regular full-time employees on the active payroll of the Company shall be entitled to vacation with pay as follows:

a. An employee who on their seniority anniversary date completes twenty (20) or more full years of seniority shall receive four (4) weeks (160 hours at base rate) vacation with pay.

b. An employee who on their seniority anniversary date completes ten (10) but less than twenty (20) full years of seniority shall receive three (3) weeks (120 hours at base rate) vacation with pay.

c. An employee who on their seniority anniversary date completes one (1) full year but less than ten (10) years of seniority shall receive two (2) weeks (80 hours at base rate) vacation with pay.
Section 2.  Pro-Rata Pay

Employees whose continuous active service is interrupted prior to their seniority anniversary date because of layoff, retirement, extended sick leave, death, or induction into the military service shall receive pro-rata vacation pay for each month of continuous active service completed during the vacation earning year in which the interruption occurs in accordance with Section 1 of this Article. If continuous active service is interrupted for any other reason, pro-rata vacation will not be paid.

Any employee who is on an approved medical Leave of Absence or occupational Leave of Absence in excess of 30 days shall have the option of receiving pro-rated vacation.

In the event an employee elects to receive pro-rated vacation, he shall be compensated upon request as outlined above.
Section 3. Computation of Vacation With Pay

a. Credit toward vacation with pay and/or pro-rata vacation pay will be accrued daily and will be awarded weekly.

b. Continuous absence of over ninety (90) calendar days or more for any reason will be deducted when vacation allowance is calculated. However, absence for occupational disability will not be deducted during the vacation year when the occupational disability occurs.

Section 4. Vacation Scheduling

All vacations must be pre-scheduled and pre-approved by management before the end of the employee’s shift immediately in advance of the start of the vacation. An employee must use at least one-hour minimum of vacation up to a maximum of the hours which are in the employee’s vacation account at the time of scheduling except when used in connection with Family Medical Leave Act (FMLA) designated absences. An employee who reports for work and who subsequently is excused from work by management due to an emergency in the last hour of their shift
may use increments of tenths of vacation hours for the balance of that shift provided that the hours used shall not exceed those hours which are in the employee’s vacation account at the time of such approval. Vacation periods shall be determined and scheduled by the Company. If vacations are staggered, the Company will, whenever practicable, give consideration to the seniority of an employee in the designation of the time for his vacation. Vacation scheduling will normally commence on or before April 1st.

Unless the Company is involved in a critical program imposed by the customer, an approved scheduled vacation may be cancelled by the Company only with thirty (30) calendar days prior notice to the employee.

A period of temporary shutdown in June, July, or August of at least one (1) week may be designated as the vacation period if the employees affected are notified by posted notice or otherwise at least ninety (90) days in advance. Normally, the determination as to whether a shutdown is planned will be made by the end of January at which time the Union will be notified.
Section 5.  Vacation Pay

Vacation pay shall be computed at the employee's base rate plus shift differential when applicable, but exclusive of all other premiums or overtime allowances, in effect at the time vacation is taken or at the time continuous active service is interrupted.

Section 6.  Holidays During Vacation Period

When one or more of the holidays set out in Article XIII falls within an eligible employee's vacation period, he shall be granted additional day/days of paid vacation on the first scheduled work day/days following his vacation.

Section 7.  Vacation Credit Year

Employees will automatically carry over unused vacation hours to a maximum of one (1) year of vacation credit hours. Any unused vacation in excess of one year’s earnings of the succeeding year’s award date shall be lost.
Section 8. **Pay in Lieu of Vacation**

Under normal circumstances, the Company desires that eligible employees take their vacation, but where necessary, the Company may ask an employee or employees not to do so. In such instances, employees may request pay in lieu of vacation hours denied.

Section 9. **Vacation Accrual**

Employees will accrue vacation according to the following methodology:

- Seniority Date to Seniority Date
- Awarded: Weekly based on Years of Seniority
- Carryover: Up to total year’s award
  (Request form has been eliminated.)
- Usage Eligibility: May use as awarded-weekly
  - 1 to 9 Years  0.219179  Daily
  - 10 to 19 Years  0.328768  Daily
  - 20 Years & Up  0.438351  Daily

Section 10. **Use of Vacation and Sick Leave**

The use of vacation in connection with the use of sick leave is set forth in Article XIV, Sick Leave, Section 4.
ARTICLE XIII
HOLIDAYS

Section 1. Dates on Which Observed

Hourly-rated employees shall be paid for the holidays listed below, except as otherwise hereinafter provided.

<table>
<thead>
<tr>
<th>HOLIDAYS</th>
<th>DATE OF OBSERVANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2014 HOLIDAYS</strong></td>
<td></td>
</tr>
<tr>
<td>Thanksgiving Day</td>
<td>Thursday, 27 November 2014</td>
</tr>
<tr>
<td>Friday after Thanksgiving</td>
<td>Friday, 28 November 2014</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Wednesday, 24 December 2014</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Thursday, 25 December 2014</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Friday, 26 December 2009</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Monday, 29 December 2014</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Tuesday, 30 December 2014</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Wednesday, 31 December 2014</td>
</tr>
<tr>
<td><strong>2015 HOLIDAYS</strong></td>
<td></td>
</tr>
<tr>
<td>New Year's Day</td>
<td>Thursday, 01 January 2015</td>
</tr>
<tr>
<td>Memorial Day</td>
<td>Monday, 25 May 2015</td>
</tr>
<tr>
<td>Independence Day</td>
<td>Friday, 03 July 2015</td>
</tr>
<tr>
<td>Labor Day</td>
<td>Monday, 07 September 2015</td>
</tr>
<tr>
<td>Thanksgiving Day</td>
<td>Thursday, 26 November 2015</td>
</tr>
<tr>
<td>Friday after Thanksgiving</td>
<td>Friday, 27 November 2015</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Thursday, 24 December 2015</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Friday, 25 December 2015</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Monday, 28 December 2015</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Tuesday, 29 December 2015</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Wednesday, 30 December 2015</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Thursday, 31 December 2015</td>
</tr>
</tbody>
</table>
### 2016 HOLIDAYS

<table>
<thead>
<tr>
<th>Holiday</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Year's Day</td>
<td>Friday, 01 January 2016</td>
</tr>
<tr>
<td>Memorial Day</td>
<td>Monday, 30 May 2016</td>
</tr>
<tr>
<td>Independence Day</td>
<td>Monday, 04 July 2016</td>
</tr>
<tr>
<td>Labor Day</td>
<td>Monday, 05 September 2016</td>
</tr>
<tr>
<td>Thanksgiving Day</td>
<td>Thursday, 24 November 2016</td>
</tr>
<tr>
<td>Friday after Thanksgiving</td>
<td>Friday, 25 November 2016</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Friday, 23 December 2016</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Monday, 26 December 2016</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Tuesday, 27 December 2016</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Wednesday, 28 December 2016</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Thursday, 29 December 2016</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Friday, 30 December 2016</td>
</tr>
</tbody>
</table>

### 2017 HOLIDAYS

<table>
<thead>
<tr>
<th>Holiday</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Year's Day</td>
<td>Monday, 02 January 2017</td>
</tr>
<tr>
<td>Memorial Day</td>
<td>Monday, 29 May 2017</td>
</tr>
<tr>
<td>Independence Day</td>
<td>Tuesday, 04 July 2017</td>
</tr>
<tr>
<td>Labor Day</td>
<td>Monday, 04 September 2017</td>
</tr>
<tr>
<td>Thanksgiving Day</td>
<td>Thursday, 23 November 2017</td>
</tr>
<tr>
<td>Friday after Thanksgiving</td>
<td>Friday, 24 November 2017</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Friday, 22 December 2017</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Monday, 25 December 2017</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Tuesday, 26 December 2017</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Wednesday, 27 December 2017</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Thursday, 28 December 2017</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Friday, 29 December 2017</td>
</tr>
</tbody>
</table>

### 2018 HOLIDAYS

<table>
<thead>
<tr>
<th>Holiday</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Year's Day</td>
<td>Monday, 01 January 2018</td>
</tr>
<tr>
<td>Memorial Day</td>
<td>Monday, 28 May 2018</td>
</tr>
<tr>
<td>Independence Day</td>
<td>Wednesday, 04 July 2018</td>
</tr>
<tr>
<td>Labor Day</td>
<td>Monday, 03 September 2018</td>
</tr>
<tr>
<td>Thanksgiving Day</td>
<td>Thursday, 22 November 2018</td>
</tr>
<tr>
<td>Friday after Thanksgiving</td>
<td>Friday, 23 November 2018</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Monday, 24 December 2018</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Tuesday, 25 December 2018</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Wednesday, 26 December 2018</td>
</tr>
<tr>
<td>Winter Break</td>
<td>Thursday, 27 December 2018</td>
</tr>
</tbody>
</table>

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ARTICLE XIII

HOLIDAYS

Winter Break  Friday, 28 December 2018
Winter Break  Monday, 31 December 2018

2019 HOLIDAYS

New Year's Day  Tuesday, 01 January 2019
Memorial Day  Monday, 27 May 2019
Independence Day  Thursday, 04 July 2019
Labor Day  Monday, 02 September 2019
Thanksgiving Day  Thursday, 28 November 2019
Friday after Thanksgiving  Friday, 29 November 2019
Winter Break  Tuesday, 24 December 2019
Winter Break  Wednesday, 25 December 2019
Winter Break  Thursday, 26 December 2019
Winter Break  Friday, 27 December 2019
Winter Break  Monday, 30 December 2019
Winter Break  Tuesday, 31 December 2019

2020 HOLIDAYS

New Year's Day  Wednesday, 01 January 2020
Memorial Day  Monday, 25 May 2020
Independence Day  Friday, 03 July 2020
Labor Day  Monday, 07 September 2020
Thanksgiving Day  Thursday, 26 November 2020
Friday after Thanksgiving  Friday, 27 November 2020
Winter Break  Thursday, 24 December 2020
Winter Break  Friday, 25 December 2020
Winter Break  Monday, 28 December 2020
Winter Break  Tuesday, 29 December 2020
Winter Break  Wednesday, 30 December 2020
Winter Break  Thursday, 31 December 2020

2021 HOLIDAYS

New Year's Day  Friday, 01 January 2021
Memorial Day  Monday, 31 May 2021
Independence Day  Monday, 05 July 2021
Labor Day  Monday, 06 September 2021
Thanksgiving Day  Thursday, 25 November 2021
Friday after Thanksgiving  Friday, 26 November 2021
Winter Break  Friday, 24 December 2021
Winter Break  Monday, 27 December 2021
Winter Break  Tuesday, 28 December 2021

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ARTICLE XIII                                      HOLIDAYS

Winter Break                                      Wednesday, 29 December 2021
Winter Break                                      Thursday, 30 December 2021
Winter Break                                      Friday, 31 December 2021

2022 HOLIDAYS

New Year’s Day                                    Monday, 03 January 2022
Memorial Day                                       Monday, 30 May 2022
Independence Day                                  Monday, 04 July 2022
Labor Day                                          Monday, 05 September 2022

Section 2. Unworked Holidays

An employee shall receive eight (8) hours pay at his regular base hourly rate exclusive of all premiums, bonuses or overtime allowances for each such holiday not worked provided he meets the following conditions:

a. The employee would otherwise have been scheduled to work on such day if it had not been observed as a holiday, and

b. The employee must have worked on the last scheduled work day prior to and on the next scheduled work day after such holiday. Provided that an employee may be excused from this requirement if he submits evidence satisfactory to the Company that he was absent because of jury duty, death in the immediate family, or
illness starting within the three (3) days preceding or on the day following the holiday.

Section 3. Eligibility for Holiday Pay

The Company may, at its option, observe the holidays listed in this section above by not operating its plants, departments or sections thereof or it may schedule such holidays as regular work days. An employee who is scheduled for work on any holiday and who fails to report for and perform such work shall not receive pay for the holiday.

Employees shall remain eligible for payment of holiday pay for the first continuous ninety (90) calendar days of any approved leave of absence.

An employee eligible for holiday pay under these provisions, who is scheduled to work and performs work on a holiday, shall receive pay for such work only in accordance with the applicable provisions of Article X of this Agreement.

In the event an employee performs work on a holiday and the hours worked are less than eight (8) hours, he shall receive triple time pay for all hours worked and straight
time pay for the difference between the hours worked and eight (8) hours.

Section 4. Non-Regular Workweek Holidays

Based on discussions during the 2009 negotiations, it is agreed that those employees who are on a non-regular workweek will have their holidays moved in compliance with Article X and Article XIII of the Collective Bargaining Agreement.

ARTICLE XIV
SICK LEAVE

It is understood that the purpose of the sick leave provisions of this Article is to provide monetary compensation to employees who are entitled to such payment during periods of illness up to a maximum of five (5) work days, and to encourage regular attendance on the job.
Section 1. Eligibility

A new employee will accrue sick leave hours daily, and upon completion of one (1) year of continuous active service, will be awarded a maximum of forty (40) hours. However, absence for occupational disability will not be deducted when determining the (1) year of continuous active service.

Employees whose continuous active service is interrupted after completion of one (1) year because of layoff, retirement, extended sick leave, death, or induction into the military service shall be entitled to receive pay for their unused sick leave credit. If continuous active service is interrupted for any other reason, pro-rata sick leave will not be paid.

Section 2. Computation of Sick Leave Credit

a. Credit toward sick leave will be accrued daily.

b. Continuous absence of ninety (90) calendar days or more for any reason will be deducted when sick leave credit is calculated. However, absence for occupational disability will not be
deducted during the sick leave credit year when the occupational disability occurs.

Section 3. Pay for Sick Leave

a. Except as provided in Section 3-b, unused sick leave up to a maximum of five (5) work days will be accumulated for all employees. When an employee has accumulated a credit in excess of five (5) work days by January 1st of any calendar year, he shall be paid an amount equal to his unused sick leave in excess of five (5) work days.

b. Unused sick leave up to a maximum of ten (10) work days may be accumulated by any employee if he files a written request between December 1st and December 10th of any calendar year. Such request can only be changed between December 1st and December 10th of any calendar year. When such employee has accumulated sick leave credit in excess of ten (10) work days by January 1st of any calendar year, he shall be paid an amount equal to his unused sick leave in excess of ten (10) work days.
c. Pay for one (1) day's sick leave shall be equivalent to eight (8) hours at the employee's regular base rate of pay plus shift differential if applicable at the time it is used. Exception will be in the case of an employee who has less than eight (8) hours of sick leave credits remaining in his account. Such employee will be paid the remaining number of hours, upon request, when granted sick leave pursuant to Section 4 of this Article.

d. Sick leave pay for absence due to illness shall not be in excess of five (5) days in any one calendar year except where an employee has exercised his option under the provisions of Section 3-b.

Section 4. Use of Sick Leave Credit

a. Sick leave is not a form of vacation. An employee who reports for work and who subsequently is excused from work by management due to illness will be permitted to use sick leave hours for the balance of that shift provided that the hours used shall not exceed those hours which are in the employee's sick leave account at the time of such excusal. Any employee who fails to report to work at their scheduled start time and instead reports to work at a later time during
their scheduled shift will be permitted to use sick leave for no less than two (2) hours provided that the hours used shall not exceed those hours which are in the employee’s sick leave account at the time of reporting to work.

b. In order to be entitled to sick leave pay, an employee must notify the Company prior to the start of their shift. The employee, or a person authorized to do so on his behalf, shall call his supervisor and advise of such absence due to illness.

c. Sick leave is not a form of vacation, and only in justifiable cases will sick leave be approved to come directly before or after vacation. For an employee to obtain approval for such paid sick leave, a written request must have been filed by the employee with the Company setting out the reasons therefore and enclosing substantiating evidence acceptable to the Company.

d. Effective January 1, 2016, during the seven day waiting period of a continuous leave of absence, an employee may receive up to one hundred percent (100%) of their weekly salary by using accrued sick
leave, if available. If no sick leave is available, an employee may use vacation or take this time as leave without pay. During weeks two (2) through twenty-six (26), an employee may supplement his short-term disability benefits with his accrued sick leave or vacation up to one hundred percent (100%) of his weekly salary.

ARTICLE XV
BEREAVEMENT PAY

In the event of the death of the spouse, same-sex domestic partner, child, mother or father, sister or brother, father-in-law or mother-in-law, brother-in-law, sister-in-law, stepparent or a stepparent of a current spouse, stepchild, stepsister or stepbrother, grandparents of a current spouse, grandparents, grandchildren, son-in-law, and daughter-in-law, or same sex domestic partner of any employee covered by this Agreement, such employee shall be granted an excused absence of three (3) working days at his base rate of pay; exclusive of all premiums, shift differentials or overtime allowances, for the purpose of attending the funeral and conducting other associated activities. “Same-sex domestic partner”
means any same-sex domestic partner that would be an eligible dependent under the health benefit plan.

The Company may require proof of death prior to payment.

ARTICLE XVI
GROUP BENEFIT PLANS

Section 1. Eligibility and Effective Date of Coverage

The provisions of Article XVI of this Agreement shall be amended as described below for employees in active service or on authorized Union Leave of Absence on January 1, 2016, unless otherwise stated. For employees on other approved leaves of absence or layoff, revised Medical and Dental benefits will be effective January 1, 2016 if still eligible for such coverage, and all other amendments (except for Union Leave of Absence) will be effective upon their return to active service.

The provisions of the Group Benefit Plans as they apply to current employees or to employees who retire during the term of this Agreement will remain in full force and effect through December 31, 2015.
Beginning January 1, 2016, the Company will provide all eligible bargaining unit employees with the Health Care and Insurance (medical, dental, life, short-term disability, basic long-term disability, accidental death and dismemberment, and access to employee-paid supplemental life, supplemental accidental death and dismemberment and a 10% (ten percent) supplemental long-term disability buy-up) and Health Care, supplemental life, and supplemental accidental death and dismemberment for their eligible dependents under the same terms, conditions and limitations described in the Summary Plan Description for Philadelphia non-bargaining unit employees as amended from time to time at the sole discretion of the Company. Employees who retire during the term of this Agreement and for the term of the Agreement, the Company will provide the Retiree Medical Plan, access to the TRICARE Supplement plan and HMO(s) as provided to Philadelphia non-bargaining unit retirees and their eligible dependents. The medical plan for Medicare-eligible retirees and their eligible dependents will be the Boeing Medicare Supplement Plan and a Medicare Advantage HMO. Retirees will retain the medical eligibility provisions in effect in the October 2, 2009 Agreement.
Employees hired on or after January 1, 2007 will not become eligible for post-retirement medical benefits.

Section 2. Group Life and Accidental Death and Dismemberment Plans

Group Life and Accidental Death and Dismemberment coverage is provided to active P&M employees and summarized as follows:

<table>
<thead>
<tr>
<th>Life Plan</th>
<th>Accidental Death &amp; Dismemberment Plan (Principal Sum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 ¼ times base pay</td>
<td>$25,000</td>
</tr>
</tbody>
</table>

If a covered employee should become totally disabled for longer than six full calendar months at any time before age sixty-five and while covered under this plan, the Company will continue to pay the premium for the employee’s life insurance coverage until the earlier of:

a. The end of the month in which the employee attains age sixty-five, or

b. The end of the month in which the employee no longer is totally disabled.
Section 3. Survivor Income Benefit Plan

Survivor Income Benefit Coverage (Transition and Bridge Benefits) is provided for eligible participants who become eligible for benefits prior to January 1, 2016 as follows. The Plan will be discontinued January 1, 2016.

a. The monthly Transition Benefit for a qualified survivor not eligible for unreduced Social Security Benefits is $270. If the qualified survivor is eligible for unreduced Social Security Benefits, the monthly benefit is $180.

b. The monthly Bridge Benefit for an eligible surviving spouse is $270.

Section 4. Short-Term and Long-Term Disability Plans

Short-Term and Basic Long-Term Disability Plan benefits are available to all employees as follows. Employees may purchase an additional 10% (ten percent) supplemental long-term disability coverage. Subrogation (third-party liability) will apply to the short-term and long-term disability plans.
<table>
<thead>
<tr>
<th>Benefit Period – Short-term disability</th>
<th>Benefit Amount – Short-term disability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 1</td>
<td>7-day waiting period; no benefits paid under the short term disability plan</td>
</tr>
<tr>
<td>Weeks 2 through 13</td>
<td>80% of your weekly wage</td>
</tr>
<tr>
<td>Weeks 14 through 26</td>
<td>60% of your weekly wage</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Benefit period – Long-term disability</th>
<th>Benefit Amount – Long-term disability</th>
</tr>
</thead>
<tbody>
<tr>
<td>After 26 weeks</td>
<td>Long-Term Disability Plan that pays 50% (plus, 10% supplemental) of your monthly wage up to the plan monthly benefit maximum and benefit period</td>
</tr>
</tbody>
</table>
During the 7-day waiting period, accrued sick leave may be used. If no sick leave is available, vacation or leave without pay may be used. During weeks 2 through 26, disability benefits may be supplemented up to 100% (one-hundred percent) of the employee’s base wage using accrued sick leave or vacation.

The maximum duration of short term disability benefits is 26 weeks. The maximum duration of long-term disability benefits is until age 65 if disability begins when age 59 or younger. If disability begins at age 60 or over, the maximum benefit period varies from a maximum of 60 months at age 60 to a minimum of 12 months at age 69 or over. Benefits will cease the earlier of when the employee is no longer totally disabled or the benefit maximum duration is reached.

Short-term disability and long-term disability plan benefits are reduced by certain other income as described in the plan documents.
Section 5. Medical Benefits

The current medical benefits coverage for eligible employees and dependents is continued through December 31, 2015. The following coverage revisions are effective January 1, 2016, unless otherwise stated in this article. The provisions of the revised Medical Plan are described in a separate document titled Health Care Plans (summary plan description).

Medical Plan Options

1. The Company will offer to active employees the following medical plan options:
   - Traditional Medical Plan
   - Advantage+ health plan with a Health Savings Account
   - HMO Plan

2. The Company will offer to employees who retire under the term of this Agreement and are non-Medicare eligible the following medical plan options:
   - Traditional Medical Plan
   - HMO Plan
   - Access to the TRICARE Supplement Plan
3. The Company will offer to employees who retire under the term of this Agreement and are Medicare eligible the following medical plan options.

- Boeing Medicare Supplement Plan
- Medicare Advantage HMO Plan

Active Employee Plans

During the term of this agreement, the following plans will be available to eligible active employees and their covered dependents described in Section 1, above.

1. Traditional Medical Plan

The provisions of the revised Medical Plan are described in a separate document titled Health Care Plans (summary plan description).

2. Advantage+ Health Plan with a Health Savings Account

The Advantage+ health plan with a health savings account meets Federal guidelines for a high-deductible health plan. Provisions of the plan are described in a separate document titled Health Care Plans (summary plan description).
3. **HMO Medical Plan**

HMO plan(s) will be offered. Benefits will be subject to the provisions of the plan as administered by the service representative.

**Retiree Medical Plans**

During the term of this agreement, the following plans will be available to eligible retirees and their eligible dependents described in Section 6, Paragraphs 3 and 4, below.

1. **Traditional Medical Plan for non-Medicare Eligible Retirees**

The Traditional Medical Plan for non-Medicare eligible retirees will be the same as the plan offered to active employees.

2. **HMO Plan for non-Medicare Eligible Retirees**

HMO plan(s) will be offered for non-Medicare eligible retirees will be the same as the plan offered to active employees. Benefits will be subject to the provisions of the plan as administered by the service representative.
3. **TRICARE Supplement Plan for non-Medicare Eligible Retired Military**

Access only to a TRICARE Supplement Plan will be provided to non-Medicare eligible retirees of the seven uniformed services: Army, Marine Corps, Navy, Air Force, Coast Guard, Commissioned Corps of the Public Health Service, and the Commissioned Corps of the National Oceanic and Atmospheric Association. TRICARE Supplement Plan benefits will be subject to the provisions of the plan as administered by the service representative for uniform service retirees.

4. **Medicare Advantage HMO Plan for Medicare Eligible Retirees**

A Medicare Advantage HMO plan will be offered. Benefits will be subject to the provisions of the plan as administered by the service representative for eligible retirees.

5. **Boeing Medicare Supplement Plan for Medicare Eligible Retirees**

The Boeing Medicare Supplement Plan provides a supplement to Medicare benefits and includes an Employer Group Waiver prescription drug plan which qualifies as a Medicare
prescription drug plan. Vision care is excluded. The individual annual deductible will be $200.

**Section 6. Cost of Medical Plans**

The cost of medical plans for active employees and their dependents will be paid as follows.

<table>
<thead>
<tr>
<th>Plan Options</th>
<th>Effective 1/1/14</th>
<th>Effective 1/1/15</th>
<th>Effective 1/1/16</th>
<th>Effective 1/1/19 and after</th>
</tr>
</thead>
<tbody>
<tr>
<td>Network Dental Plan</td>
<td>$0</td>
<td>$0</td>
<td>When applicable and at the same percentage as Philadelphia non-bargaining unit employees</td>
<td>$0</td>
</tr>
<tr>
<td>Advantage + health plan</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Traditional Medical Plan</td>
<td>10%</td>
<td>10%</td>
<td>12%</td>
<td>14%</td>
</tr>
<tr>
<td>HMO</td>
<td>10%</td>
<td>10%</td>
<td>12%</td>
<td>14%</td>
</tr>
</tbody>
</table>

The Company will share the cost for medical and dental benefits for covered bargaining unit employees and their eligible dependents. Employee monthly
medical, and dental plan contributions when applicable, will be based on UAW 1069 rates, including contributions that may be required for not participating in company-established annual health improvement activities. Rates and the resulting contributions are generally reviewed annually and may be amended from time to time as rates change.

The health improvement activities associated with this contribution provision may change from year to year and will be generally applicable on an enterprise-wide basis. The additional contributions will be as follows: For either employee-only coverage or employee + child(ren) coverage, the additional contribution will be $20 per month if the employee does not complete the online assessment and screenings.

- For either employee + spouse or same gender domestic partner coverage or employee + spouse or same gender domestic partner and child(ren) coverage, the additional contribution will be $40 per month if both the employee and spouse or same gender domestic partner do not complete the health assessment and screenings or $20 per month if only the employee or spouse or same gender domestic partner
completes the online assessment and screenings.

- The additional contribution associated with tobacco use will be: $50 per month for each employee or spouse or same gender domestic partner who is a tobacco user and does not satisfy requirements designated by the company or alternatives required by applicable law.

1. The employee is required to contribute an additional $100 each month for medical coverage under the Group Benefit Plans to enroll a spouse or same-gender domestic partner if the spouse or same-gender domestic partner is eligible for medical coverage under another employer-sponsored plan and waives such coverage. This $100 contribution will not be required for a spouse or same-gender domestic partner who waived coverage under another employer-sponsored plan prior to eligibility for medical coverage under the Group Benefit Plans, provided the spouse or same-gender domestic partner enrolls at the other plan’s next enrollment period or, if earlier, at an
enrollment date allowed by the other plan.

2. During the term of this Agreement, medical benefit costs for eligible retirees (as described in Paragraph 4 below) and their eligible dependents will be paid as follows:

A. The Company will provide medical coverage for the duration of this Agreement for retirees, their spouses, same-gender domestic partners, and eligible dependents, surviving spouses and eligible dependents of the following categories, except as described in Paragraph E below:

i. Of a pensioner who begins to receive a Company pension during the term of this Agreement.

ii. Of an active employee who dies during the term of this Agreement while eligible to retire.

iii. Of an employee who was eligible for retiree medical at termination of employment, but elected to defer retiree medical
while covered under another plan. The employee must enroll within (60) day of loss of other coverage.

Where coverage can be integrated with Medicare – Part B for retirees, it will be so integrated and the Company will freeze the payment of Medicare – Part B premium of $88.50. To be eligible for the premium of $88.50, the retiree must commence his/her pension prior to October 1, 2014, be enrolled in a company-sponsored medical plan and be enrolled in Medicare – Part B. The spouse of an eligible retiree must be enrolled in a company-sponsored medical plan and Medicare – Part B. A retiree whose pension commencement date is on or after October 1, 2014 will not be eligible for the Medicare – Part B premium.

B. For employees who were hired before January 1, 1993, and retire after September 1, 2005 and during the term of this Agreement, retired employees will pay five percent of the plan rate for the medical plan the retired employee chooses. The Company pays the cost of the plan in excess of retired contributions.
C. For employees who are hired on or after January 1, 1993, and retire during the term of this Agreement, retired employees will pay the plan rate for the medical plan the retired employee chooses minus three and one-third percent per year of vesting service (to a maximum reduction of ninety-five percent). The Company pays the cost of the plan in excess of retired employee contributions.

D. Company contributions will be made only if such retiree authorizes deduction of the required contributions to cover the balance of such costs, if any, from the monthly retirement benefit payment or makes timely monthly payments of the required contributions.

E. The retired employee is required to contribute $100 a month to enroll a dependent spouse or same-gender domestic partner for Retiree Medical coverage if the spouse or same-gender domestic partner is eligible for coverage under another employer-sponsored plan as an active employee and waives such coverage. In no case will the retired employee be required to contribute more than the greater of the amount
required in Paragraph 2.B. or 2.C. above, or this paragraph, to enroll such spouse or same-gender domestic partner.

3. For the term of this Agreement, eligibility provisions for employees who retire during the term of this Agreement will be as follows:

A. If by January 1, 2007, the employee attains age 55 with 10 or more years of vesting service under a Company-sponsored pension plan or, age 65 with five years of vesting service under a Company-sponsored pension plan, the employee will be eligible for retiree medical benefits.

B. If the employee who was hired prior to January 1, 2007 has not satisfied the age and service requirements as listed above, the employee must be age 55 or qualify for disability retirement and have 15 years of vesting service under a Company-sponsored pension plan to be eligible for retiree medical benefits.

C. If an employee is hired on or after January 1, 2007, the employee will not be eligible for retiree medical benefits at retirement. The employee
will be considered hired before January 1, 2007 if:

- The employee is on an authorized leave of absence on December 31, 2006 and returns to active employment directly from that authorized leave of absence.

- The employee is on layoff on December 31, 2006 and returns to active employment within the employee’s recall rights period.

- The employee is an active employee on December 31, 2006, goes on an authorized leave of absence, and returns to active employment directly from the authorized leave of absence.

- The employee is an active employee on December 31, 2006, is laid off, and returns to active employment within the employee’s recall rights period.

4. If an employee who was hired prior to January 1, 2007, retires with either a pension benefit commencement date or a retiree medical eligibility date on or after January 1, 2007, the employee’s dependents not covered at the time of retirement (including a new spouse or
dependent child) cannot be enrolled later unless they were eligible for coverage on the employee’s retirement date and waived coverage because they had other employer-sponsored coverage in effect.

5. The Affordable Care Act (ACA) will levy excise taxes or fees for plans over certain statutory thresholds beginning in 2018. Beginning in 2017 for the 2018 plan year, and thereafter on an annual basis for each year that the excise tax or fees will be levied, the Company will, following reviews with the Union, make any necessary design changes to the active employee and retiree medical plans and/or changes in plan offerings to avoid excise taxes or fees related to the ACA. In the event any taxes, including excise taxes or fees, are levied on the Company for healthcare benefits as mandated by state or Federal legislation and design changes and/or changes in plan offerings are not sufficient to avoid such taxes or fees, the Company will ensure the payment of such taxes or fees but, to the extent permitted by applicable law, the covered employee/retiree will be responsible for his or her portion of such taxes and fees (including any additional related taxes,
fees and expenses) that applies to the employee/retiree’s plan choice and enrollment tier. If this situation occurs, the Company will provide the Union with advance notice of the details of this approach, as determined by the Company in its sole discretion in accordance with applicable law.

Section 7. Enrolling in the Medical Plans

In designated locations, the Company provides employees with a choice among medical plans. The Traditional Medical Plan and Advantage+ health plan offers enhanced benefits when a member of its network is used. HMO Plans also rely on selected networks of providers.

Employees receive enrollment instructions at the time of employment and may elect medical coverage under one medical plan during the first 31 days of employment or by the date indicated on the enrollment worksheet, if later. All family members, including the employee, must be enrolled in the same medical plan.
The Company provides medical coverage as follows:

1. Employees who live or work in an HMO service area may enroll in the traditional Medical Plan, Advantage+ health plan or HMO.

2. Employees who live or work in an HMO service area may enroll in the Traditional Medical Plan, Advantage+ health plan or HMO.

3. If an active employee fails to enroll by the date indicated on the enrollment worksheet, the employee automatically will be enrolled in employee-only coverage in the plan designated by the Company.

4. If a non-Medicare eligible employee retires during the term of this Agreement and fails to enroll by the date indicated on the enrollment worksheet, the retiree will be automatically enrolled in the same medical plan and coverage level as previously enrolled in as an active employee. If the active plan is not available to the retiree he or she will be automatically enrolled in the Traditional Medical Plan.
5. If a Medicare-eligible employee retires during the term of this Agreement and fails to enroll by the date indicated on the enrollment worksheet, the retiree will be automatically enrolled in the same medical plan and coverage level as previously enrolled in as an active employee. If the active plan is not available the retiree will be enrolled in the Boeing Medicare Supplement Plan. If the retiree elects a Medicare Advantage plan and the required CMS form is not approved, the retiree will be defaulted to the Boeing Medicare Supplement Plan.

6. Each employee with a spouse or same-gender domestic partner must provide information regarding coverage available through another employer to determine whether or not special contributions are required to enroll the spouse or same-gender domestic partner. If the employee does not authorize a required contribution, the spouse or same-gender domestic partner will not be enrolled for medical coverage. Thereafter, the employee will not be able to enroll the spouse or same-gender domestic partner until the earlier of:
a. The next annual enrollment period.

b. The employee experiences a special enrollment event or a qualified status change as defined by Federal rules.

The Company will require periodic verification of data.

Transfer between Plans:

Transfer between plans is permitted only during annual enrollment periods, following a change of residence, or the employee experiences a special enrollment event or qualified status change as defined by Federal rules.

1. **Annual enrollment period**

   The Company establishes an annual enrollment period before January 1 each year when employees may change medical plans.

2. **Change of residence**

   An employee who moves either into or out of an HMO service area has 60 days from the date the company receives the notice of address change to select among
approved alternative plans. It is the employee’s responsibility to notify the Company of this change within the 60-day period.

Section 8. Medical Coverage – During Layoff

In the event of layoff, medical coverage for employees and dependents will continue until the employee is covered by any other group medical plan either as an employee or as a dependent, but in no event beyond three months.

Section 9. Dental Plan

A Company-paid Network Dental Plan will continue to be provided to active employees and their eligible dependents.

Section 10. Vision Care Plan

Vision care benefits will continue to be provided to active employees and their eligible dependents.
Section 11. Miscellaneous

a. The details of the Group Life, Accidental Death and Dismemberment, Short-term Disability, Long-term Disability, Medical, Dental and Vision Care coverages are set out in the Health Care Plans and the Disability, Life, and Accident Plans Summary Plan Descriptions which will be available to all participants.

b. The Group Life, Accidental Death and Dismemberment, Short-term Disability, Long-term Disability, Medical, Prescription Drug, Dental and Vision Care Plans will be administered by the Company, or an administrative agent selected by the Company. The Group coverage starting date for a new employee shall be on the first day of the month after the first day of employment. Recalled employee benefit coverage shall become effective on the date the employee is reinstated to the active payroll if the employee is recalled within the recall rights period.

c. Employees who are not enrolled in a medical plan may enroll during the annual enrollment period designated by the Company, or the employee
experiences a special enrollment event or qualified status change as defined by Federal rules.

d. The parties hereto recognize that circumstances may dictate the advisability of a change in the present practice of administering the benefits hereunder with the present insurance carriers or administrative agents. In the event that a change becomes desirable with respect to group benefits, the Company will notify the Union as soon as practicable and in any event prior to the effective date of such change.

e. If an employee is on a leave of absence, coverage may continue as described below:

1. For a medical leave of absence, coverage may be continued as follows:

(a) Medical and dental coverage for the employee and dependents continues to the end of the month. Thereafter, COBRA medical and dental coverage continues for the employee and dependents for up to an
additional six months by paying the active contribution rate. For the next 24 months of COBRA coverage, the employee contributes the active contribution rate for medical and dental and 100 percent for covered dependents as well as 100% for employee and dependent dental.

(b) Short-term disability continues for 26 weeks Company paid; after 26 weeks, coverage ends.

c) Basic life insurance continues for 6 months Company paid; after 6 months, coverage may continue an additional 24 months employee paid unless totally disabled.

d) Accidental death and dismemberment coverage continues for 6 months Company paid; after 6 months coverage ends.

(e) Basic long-term disability coverage continues for 6 months Company paid, employee pays full cost of supplemental
coverage; after 6 months coverage continues while receiving benefits at no cost; no self-pay option.

2. For a nonmedical leave of absence, coverage may be continued as follows:

(a) Medical coverage for the employee and dependents continues through the end of the month of the leave. Thereafter, COBRA medical coverage continues for three months at active employee contribution rates, then at 100% of the company cost for the next 21 months.

(b) Dental coverage for the employee and dependents continues through the end of the month of the leave. Thereafter, COBRA dental coverage continues for three months at active employee contribution rates, then at 100% of the company cost for the next 21 months.
(c) Short-term disability, accidental death and dismemberment, life insurance, and basic long term disability coverage continues for 3 months at 100% of the company cost; after 3 months, coverage ends. The supplemental long-term disability may be continued for 3 months by paying the full cost.

3. For a union leave of absence while serving as an Officer of the Local Union:

(a) Medical, dental, short-term disability, accidental death and dismemberment, life insurance, and basic and supplemental long-term disability coverages continue at active contribution rates for the duration of the leave.
f. The Company will not pay applicable plan costs for any employee during the time said employee is on layoff except as provided in Section 8 above.

g. If during the term of this Agreement there is mandated by federal or state government a program that affords similar benefits (such as but not limited to medical, dental and vision care benefits) to those that are afforded by this Agreement, benefits afforded by this Agreement will be replaced by such federal or state program. The Company will comply with the provisions for the furnishing of such program to the extent required by law.

h. In the event the Affordable Care Act (ACA) is repealed, amended, or additional regulatory guidance becomes available, the Company may, at its sole discretion, revert to plan provisions that existed prior to implementation of the changes, or make other changes as needed.
ARTICLE XVII
VOLUNTARY INVESTMENT PLAN

Section 12. Group Benefit Plans Not Subject to Grievance Procedure

No matter respecting the provisions of these plans shall be subject to the Grievance Procedure established in this Agreement.

ARTICLE XVII
VOLUNTARY INVESTMENT PLAN

Section 1. Continuation of Plan

Subject to the approval of the Commissioner of Internal Revenue and of other cognizant governmental authorities, as more particularly hereinafter specified, a Voluntary Investment Plan (hereafter called the Plan) entered into by Boeing Rotorcraft, a division of The Boeing Company and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America and its Local 1069, shall be continued in accordance with the terms, conditions and limitations of the plan, subject to amendments as provided in Section 2, below.
Section 2. Changes in Plan

Subject to action by the Company’s Board of Directors and to the approvals specified in Section 4, all provisions of the Plan in the form now in effect as to the employees within the unit to which this Agreement relates remain unchanged with the exception of the following amendments. These changes replace the provisions of the October 2, 2009 agreement.

a. Company Matching Contributions

Effective January 1, 2017, employees will be eligible for a company matching contribution to the Plan of 75% (seventy-five percent) of the employee’s combined pre-tax and after-tax contributions, up to the first 8% (eight percent) of base pay.

b. Company Retirement Contribution for Employees Hired or Rehired Before January 1, 2014

Employees hired or rehired (as defined in Section 4.10 of the Voluntary Investment Plan) before January 1, 2014, will be eligible for a Special Company Retirement Contribution under the Plan, effective January 1, 2017. Each pay period the Company will contribute to the Plan the following
percent of the employee’s Eligible Pay for that period. Employees will immediately be 100 percent vested in this Special Company Retirement Contribution.

<table>
<thead>
<tr>
<th>Contribution Period</th>
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<tr>
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<tr>
<td>Jan 1, 2018 – Dec 31, 2018</td>
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<td>Jan 1, 2019 – Dec 31, 2019</td>
<td>7%</td>
</tr>
<tr>
<td>Jan 1, 2020 and thereafter</td>
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</table>

c. Company Contribution for Employees Hired or Rehired on or after January 1, 2014.

Employees hired or rehired (as defined in Section 4.10 of the Voluntary Investment Plan) on or after January 1, 2014, will continue to be eligible for an additional Company Contribution (renamed on January 1, 2017 as Special Company Retirement Contribution) under the Plan of 4% (four percent) of the employee’s Eligible Pay. Employees will immediately be 100 percent vested in this company contribution. An
employee eligible for the Special Company Retirement Contribution who subsequently becomes rehired after January 1, 2014, will be eligible for the 4% (four percent) Company Contribution upon rehire, and will no longer be eligible for the Special Company Retirement Contribution described in b. above.

d. Base Pay and Eligible Pay Defined


Section 3. Employee Plan Participation and Administration

Employees will be eligible to participate as, to the extent, and under the terms provided in the official VIP plan document. In the event of any conflict between this Article XVII and the official VIP plan document, the official VIP plan document will prevail in every case. The Company, through the persons and process specified in the VIP plan document, reserves the right to amend the VIP (i) to satisfy all requirements of applicable law and regulations, including without limitation the Internal Revenue Code of 1986, the
Employee Retirement Income Security Act of 1974 and the federal securities laws, all as amended from time to time; and (ii) to unilaterally alter, amend, and/or modify any or all terms of the VIP at its sole discretion. Notwithstanding the foregoing, the Company will not discontinue the VIP or change either the amount of the additional Company Contribution (or the Special Company Retirement Contribution as renamed January 1, 2017) or the rate at which matching contributions are allocated to employees covered by this Agreement, during the term of this Agreement, without the concurrence of the Union.

Section 4. Approval of Plan

Approval of the Plan by the Commissioner of Internal Revenue as referred to in Section 1, means a continuing approval sufficient to establish that the Plan and related trust or trusts are at all times qualified and exempt from income tax under Section 401(a), Section 401(k) and other applicable provisions of the Internal Revenue Code of 1986 and that contributions made by the Company under the Plan are deductible for income tax purposes in accordance with the law. The cognizant governmental authorities referred to in Section 1 include, without limitation, the Department of Labor and
the Securities and Exchange Commission, and their approval means their confirmation with respect to any matter within their regulatory authority that the Plan does not conflict with applicable law.

Section 5. Continuation Beyond Agreement

The Company shall not be precluded from continuing the Plan in effect as to employees within the unit to which this agreement relates, after expiration or termination of this agreement, subject to the terms, conditions, and limitations of the plan.

Section 6. Participant Contributions Not Applicable For Other Purposes

It is acknowledged that the election of a member to convert a portion of his or her base pay under the terms of the Plan will be effective for purposes of the Plan and will reduce the member’s compensation insofar as certain payroll taxes may be applicable. However, for all other employment related purposes, including all of the member’s rights and privileges under this labor agreement, his or her base pay or compensation will be considered as though no election had been made.
ARTICLE XVIII
RETIREMENT PLAN
NON-CONTRIBUTORY RETIREMENT PLAN

The provisions of the Retirement Plan are set out in a separate document entitled “Non-Contributory Retirement Plan.”

The "Non-Contributory Retirement Plan” executed by Boeing Rotorcraft, a Division of The Boeing Company, and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) and its Local 1069 in the form now in effect as to the employees within the unit to which this Agreement relates shall remain in full force and effect except as amended below:

- **Increase in Monthly Benefit Rate**
  The monthly benefit rate will be increased to $95.00 per month for all years of credited service for employees who terminate employment on or after January 1, 2016 (including those who retire from the employ of the Company on January 1, 2016).
• Pension Accruals to Cease and Vesting of Accrued Benefits

All pension accruals under the Non-Contributory Retirement Plan (the “Plan”) will cease effective 11:59 p.m. on December 31, 2016. After December 31, 2016, no further benefits will accrue under the Plan. Benefits for current employees who are participants in the Plan will be determined based on their pension accrual calculated as of December 31, 2016. This cessation of pension accruals will not result in the loss of any pension benefits accrued through December 31, 2016. Benefits accrued as of December 31, 2016 will remain obligations of the Plan and its related trust on behalf of existing Plan participants and will be paid in accordance with the terms of the Plan. Plan participants on the active payroll, or on an authorized leave of absence of 90 days or less on December 31, 2016, will become 100% (one-hundred percent) immediately vested in their accrued benefit effective December 31, 2016. Service performed after December 31, 2016, will not be counted for any purpose except for eligibility for early retirement benefits, eligibility for early retirement with Level Income Special
Allowance (LISA) under Section 3.2 and eligibility for disability benefits under Article IV of the Plan, respectively, and as otherwise required by law.

Disability Retirement recalculations at age 65 will be computed with imputed benefit service as accrued through the earlier of their age 65 birth date or December 31, 2016.

- For retirees in payment status and subsequently rehired into the Controlled Group after December 31, 2016, the monthly Non-Contributory pension payment will not be suspended or recalculated.

- The Company may amend the Plan to merge it with any other pension plan maintained by the Company. Any such merger will not adversely affect the benefits accrued by Plan participants as of December 31, 2016. The Company may amend the Plan, from time to time, as it determines in its sole discretion to be necessary or appropriate to implement the cessation of pension accruals described in the paragraph above or to maintain the Plan’s tax-qualified status or otherwise comply with applicable law. In the event of a
partial termination of the Plan (as defined under section 411(d)(3) of the Code), the rights of Participants affected by the partial termination will, to the extent funded, automatically become fully vested, but only to the extent required by statute and regulation.

The parties agree that the Plan shall continue in effect through December 31, 2016, that the amendments to the Plan negotiated by the Company and the Union shall be effective January 1, 2016 or on such later date as stated. The parties further agree that, pursuant to Section 9.1.(b) of the Plan, the Company shall have the right, during the term of the Agreement, to make any amendment to the Plan, or any related trust, made necessary by the Employee Retirement Income Security Act of 1974 (“ERISA”) and to make any such amendment effective as required by ERISA.
ARTICLE XIX
BULLETIN BOARDS

Section 1. Use of Bulletin Boards

The Company will erect Bulletin Boards to be used by the Union for posting notices.

A copy of all such notices shall be given to the Manager of Employee Relations (or his designee) before posting and shall be countersigned by the President of the Local Union. There shall be no other distribution or posting by employees of notices, pamphlets, advertising or political matter, or any kind of literature upon Company property, except as the parties may from time to time otherwise agree.

Distribution of the official newspaper of Local 1069, UAW, may be made outside the secured areas of the plants.

Section 2. Number and Location of Boards

The number and location of such Bulletin Boards shall be decided by the Company after consultation with the Union.
ARTICLE XX
SAFETY AND HEALTH

Section 1.  Objective

The Company shall continue to make reasonable provisions for the safety and health of its employees during the hours of their employment.

The Union agrees that it will encourage its members to work safely and to cooperate to the fullest extent with the Company's safety regulations, in order to avoid accidents and eliminate any hazardous conditions within the plant.

Section 2.  Use of Safety Devices

Safety protective devices and wearing apparel for the safety of employees during working hours shall be supplied by the Company where the Company requires use of such devices or apparel as a condition of employment. Accordingly, with regard to safety shoes, the Company agrees to provide employees up to $100.00 per year toward the purchase of steel-toed safety shoes where such shoes are mandatory due to regulatory compliance or Company discretion.
Section 3. Safety Committee

a. There shall be a Safety Committee composed of the Manager of Safety (or his designee), and a representative of the Manager of Employee Relations and a committee of not more than ten (10) employees who have been appointed by the Union.

b. The Safety Committee will meet once a month for the purpose of making recommendations on safety and health conditions and for the purpose of making safety tours when mutually agreed upon by the Manager of Safety and the Chairman of the Union Safety Committee. The time for the safety tour, when taken, will be mutually agreed upon with the Manager of Safety and the Chairman of the Union Safety Committee.

c. Any member of the Safety Committee who is assigned to the second and third shifts will be paid at the applicable straight time rate for time spent in attending the monthly safety meeting as required in Article XX - Safety and Health. Such employee will be excused after completing eight (8) hours of paid time on the day of such meeting.
Section 4. Work Assignments

a. An employee shall not be discharged for refusing to work on a job if his refusal is based on the claim that said job is not safe or might unduly endanger his health, until a determination has been made by the Manager of Safety or a qualified member of his staff and/or the Medical Director as to whether the job is safe or unsafe.

b. In the event of any refusal covered in Section 4.a, the Union's Safety Committee member for the area, the Shop Steward and Committeeman will be released for consultation with the employee, the Manager of Safety or a qualified member of his staff and/or the Medical Director.

c. Pending such determination, the employee will be given suitable work elsewhere in the plant, if such work is available. If no suitable work is available he shall be sent home. The time lost by the employee when so sent home shall not be paid for by the Company.
ARTICLE XXI

JOB EROSION COMMITTEE

Controversies between the Company and the Union, arising out of Union jurisdictional claims as to employees properly to be included in the collective bargaining unit defined in Article I, of this Agreement, and to work assignments of unrepresented individuals, shall be discussed by a Joint Committee. Such Committee shall be composed of the President of Local 1069, the Chairman of the Shop Committee, and the Committeeman for the area involved, the UAW International Representative, the Manager of Employee Relations and the appropriate Department Head, or his designee. The purpose of such discussions shall be to attempt to resolve any such controversies or disputes involving jurisdictional claims, and non-bargaining unit employees performing Production & Maintenance work.
ARTICLE XXII

MISCELLANEOUS

Section 1.

Nothing in this Agreement shall in any way limit the Company in the enforcement of its legal rights under state or federal law or shall affect the Company's obligation to comply with the laws, regulations, or directives of the state or federal governments.

In the event that any provision of this Agreement shall be held to be invalid under state or federal law, the validity of its remaining provisions shall not be impaired and the parties agree to commence negotiations within thirty (30) working days of such determination relative to the invalidated language only.

Section 2.

In construing and interpreting the language of this Agreement in reference to the masculine, such as "he", "him", "his", shall include reference to the feminine.
This Agreement shall remain in full force and effect until midnight at the close of October 6, 2022, and thereafter for yearly periods unless notice is given in writing either by the Company or the Union to the other party, not less than sixty (60) days prior to the expiration of any such period, of its desire to modify, amend or terminate the Agreement. In the event that such notice is given, the parties shall begin negotiations within forty-five (45) days prior to such October 6, 2022.

If the parties are unable to reach agreement by midnight at the close of October 6, 2022, they may respectively resort to strike or lockout in support of their positions, not sooner than ten (10) days after October 6, 2022. Such action can be taken only if, after October 6, ten (10) days written notice is served on the other party of its intention to do so. During the ten (10) day period following the service of such notice, the contract will remain in full force and effect. The contract shall terminate after such ten (10) day period unless specifically extended by written agreement.
The Union, in consideration of the benefits, privileges, and advantages provided in this Agreement and as a condition to the execution of this Agreement, suspends meetings in collective bargaining negotiations with the Company during the life of this Agreement with respect to any further demands, including pension or insurance for employees or with respect to any question of wages, hours, or working conditions, except as otherwise herein specifically provided, or as may be dealt with as a grievance under Article VI hereof.

The notice referenced in the first paragraph shall be sent by certified mail addressed, if to the Union, to Local 1069, International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 1000 East 4th Street, Eddystone, Pennsylvania 19022; and if to the Company, to Boeing Rotorcraft (A division of The Boeing Company), Boeing Center, P.O. Box 16858, Philadelphia, Pennsylvania 19142.
# APPENDIX A

MANUFACTURING SENIORITY UNIT NON-INTERCHANGEABLE OCCUPATIONAL GROUPS

<table>
<thead>
<tr>
<th>FAMILY NAME</th>
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<td></td>
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<td>Flight Test Crew Chief</td>
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<td>30. Maintenance Electrical</td>
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<td>38.</td>
<td>Locksmith</td>
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<td>53A07 Supplyman-Facilities</td>
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<tr>
<td>59.</td>
<td>Blueprint PCA</td>
<td>59A01 Blueprint Control Clerk</td>
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</table>

* Labor Grade increase effective 5/1/2015

**These positions will be reclassified as Labor Grade 6 effective with the implementation of Table 2 for employees hired after ratification date of this Agreement.

*** Reference LOU regarding EI

**** Labor Grade increase effective 1/3/2015
# INSPECTOR SENIORITY UNIT
## NON-INTERCHANGEABLE OCCUPATIONAL GROUPS

<table>
<thead>
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<td>80A13</td>
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<td>Inspector-Magnetic &amp; Penetrant</td>
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<td>Assembly Specialty</td>
<td>83A09</td>
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<td>Inspector-Non-Destructive Test - Apprentice</td>
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# APPENDIX B

**MANUFACTURING SENIORITY UNIT**

**INTERCHANGEABLE OCCUPATIONAL UNIT**

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<td>AIR CONDITIONING MECHANIC A</td>
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<td>18</td>
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*These positions will be reclassified as Labor Grade 6 effective with the implementation of Table 2.

**Labor grade increase effective 1/3/2015.

***Labor grade increase effective 5/1/2015.
APPENDIX D

DEACTIVATED JOB CLASSIFICATIONS

In connection with the Collective Bargaining Agreement of this date between the Company and the Union, it is agreed that the Company will deactivate and remove the following unpopulated job classifications from the Collective Bargaining agreement. These job classifications are unpopulated and there is no intention to repopulate them, as either this type of work is no longer performed at the Philadelphia site or future work will be performed exclusively by the “A” classification. Should there be a need in the future for skills represented by these job classifications, the job classification will be automatically reinstated.
<table>
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<td>Maintenance Electrician B</td>
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<tr>
<td>Alodizer and/or Dichromater</td>
<td>Maint. Electronics Man B</td>
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<td>Bandsaw Operator A</td>
<td>Maintenance Inspector</td>
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<td>Bandsaw Operator B</td>
<td>Maintenance Mechanic B</td>
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<tr>
<td>Breakdown Fabrication Man B</td>
<td>Maintenance Metalman B</td>
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<td>Breakdown Man Tool &amp; Die B</td>
<td>Maintenance Pipefitter-Plumber B</td>
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<td>Masker &amp; Cleaner</td>
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<td>Burrer</td>
<td>Material Handler (Labor Pool)</td>
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<td>Milling Operator – All Around</td>
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<td>Developmental Mechanic B</td>
<td>Millwright B</td>
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<tr>
<td>Die Molder and Finisher</td>
<td>Mockup Electrician</td>
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<td>Dip Line Attendant</td>
<td>Mockup Mechanic</td>
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<td>Drill Sharpener</td>
<td>Multiple Action Press Operator B</td>
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<td>Operator-Brake A</td>
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<td>Operator-Power Hammer</td>
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<td>Overhead Crane Operator</td>
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<td>Fabric Man</td>
<td>Packager</td>
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<td>Fabric - Mockup</td>
<td>Pattern &amp; Model Builder</td>
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<td>Payroll Coordinator</td>
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<td>Process Helper</td>
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<td>Flight Test Mechanic B</td>
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<td>Punch Press Operator B</td>
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<td>Radial Drill Press Operator</td>
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<td>Riveter</td>
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<td>Heat Treater - Steel Production</td>
<td>Router Operator-All Around</td>
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<td>Router Operator</td>
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<td>Setup Coordinator - Machining</td>
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<td>Inspector-Detail, Sheetmetal B</td>
<td>Setup Developer - Drilling</td>
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<td>Inspector-Fabrication Development</td>
<td>Setup Developer - Grinding</td>
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<tr>
<td>Inspector-Machined Parts</td>
<td>Setup Developer - Milling</td>
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<td>Inspector-Magnetic &amp; Penetrant B</td>
<td>Setup Man-Turning</td>
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<tr>
<td>Inspector-Mechanical Assembly B</td>
<td>Sewing Machine Operator</td>
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<td>Inspector-Mechanic Functional Test B</td>
<td>Shear Operator</td>
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<td>Inspector-Process Control B</td>
<td>Stretch Forming Machine Operator</td>
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<tr>
<td>Inspector-Receiving &amp; Shipping B</td>
<td>Tool Crib Attendant</td>
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<td>Inspector Research/Development</td>
<td>Tool Cutter Grinder B</td>
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223
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<thead>
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<th>Job Classification</th>
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<tbody>
<tr>
<td>Inspector-Tooling B</td>
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<td>Tool Procurement man B</td>
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<td>Job Assembler-Milling</td>
<td>Upholstery Helper</td>
</tr>
<tr>
<td>Job Assembler-Turning</td>
<td></td>
</tr>
<tr>
<td>Layout Man</td>
<td>Utilityman-Tools and Jigs</td>
</tr>
<tr>
<td>Machinist B</td>
<td>Welder-Arc</td>
</tr>
<tr>
<td>Maintenance Carpenter Mason B</td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX E
2002 – 2014 Job Combinations

The following job combinations would allow the Company additional flexibility in assigning tasks and would add to the Union’s desire to have a more rewarding and stable job environment, while allowing Boeing Philadelphia to be more cost competitive.

2014

The following Job Classifications shall be combined as follows effective April 3, 2015:

- **Material Support, Family Group 1, (Labor Grade 8)**
  - Clerk Shop (Labor Grade 3)

- **Senior Machinist, Family Group 20, (Labor Grade 12)**
  - Machinist (Labor Grade 10)

2009

The following Job Classifications shall be combined as follows:

- **Aircraft Technician, Family Group 10 & 11, (Labor Grade 10)**
  - Aircraft Mechanic (Labor Grade 9)
  - Aircraft Electrician (Labor Grade 9)
- Electrician Auto Checkout (Labor Grade 10)
- Tube Bender & Mockup (Labor Grade 7)
- Aircraft Assembler (Labor Grade 7)

**Material Support, Family Group 1, (Labor Grade 8)**
- Automotive Equipment Operator (Labor Grade 5)
- Crane Rigger (Labor Grade 6)
- Material Handler A (Labor Grade 7)
- Surplus and Salvage Processor (Grade 8)
- Tool Procurementman A (Grade 8)
- Toolkeeper (Labor Grade 6)
- Senior Automotive Equipment Operator (Labor Grade 6)

**Maintenance Worker, Family Group 35, (Labor Grade 6)**
- Automotive Equipment Operator (Labor Grade 5)
- Maintenance Oiler (Labor Grade 4)
- Tank and Spray Booth Cleaner (Labor Grade 2)
- Millwright A (Labor Grade 9)
- Laborer (Labor Grade 2)

**Maintenance Carpenter, Family Group 7, (Labor Grade 10)**
- Maintenance Carpenter/Mason Painter (Labor Grade 10)
Maintenance Carpenter/Mason Painter (IDS) (Labor Grade 10) - Toolmaker Wood – 2 employees will move to Toolmaker A (Labor Grade 11)

- **Inspector - Operational Support, Family Group 82, (Labor Grade 12)**
  - Inspector - Receiving and Shipping A (Labor Grade 8)
  - Inspector - Operational Support (Labor Grade 12)

- **Breakdown Man Tool & Die, Family Group 20, (Labor Grade 13)**

2008

- **Inspector - Magnetic & Penetrant, Family Group 81 (Labor Grade 12)**

- **Inspector - Magnetic & Penetrant (Apprentice), Family Group 81 (Labor Grade 11)**

- **Inspector - NonDestructive Test, Family Group 85, (Labor Grade 13)**

- **Inspector - NonDestructive Test (Apprentice), Family Group 85 (Labor Grade 12)**
2005

- **Inspector-Preflight, Family Group 80, (Labor Grade 13)**
  - Inspector Preflight (Labor Grade 13)

- **Inspector-Final Assembly, Family Group 80 (Labor Grade 11)**
  - Inspector-Final Assembly (Labor Grade 11)
  - Inspector-Fuselage Assembly (Labor Grade 8)

- **Inspector-Nondestructive Test, Family Group 85, (Labor Grade 11)**
  - Inspector-Nondestructive Test (Labor Grade 11)

- **Inspector-Magnetic & Penetrant, Family Group 81 (Labor Grade 8)**
  - Inspector-Magnetic & Penetrant (Labor Grade 8)

- **Inspector-Operational Support, Family Group 82, (Labor Grade 12)**
  - Inspector-Precision (Labor Grade 11)
  - Inspector-Cal/Cert A (Labor Grade 12)
  - Inspector-Tooling (Labor Grade 12)

- **Inspector-Mech / Funct Test, Family Group 84, (Labor Grade 12)**
  - Inspector-Mech / Funct Test (Labor Grade 12)
- **Inspector-Assembly / Specialty, Family Group 83, (Labor Grade 9)**
  - Inspector-Composites (Labor Grade 9)
  - Inspector-Detail Sheetmetal A (Labor Grade 9)
  - Inspector-Mechanical Assembly A (Labor Grade 8)
  - Inspector-Process Control A (Labor Grade 8)
  - Inspector-Plating, Finishing & Fabrication (Labor Grade 7)

- **Process Heat Treater - Family Group 17, (Labor Grade 8)**
  - Processman (Labor Grade 8)
  - Heat Treater Steel (Labor Grade 8)
  - Heat Treater Aluminum (Labor Grade 5)
  - Alodizer/Dichromater (Labor Grade 2) (Will be deactivated)

- **Toolmaker A - Family Group 21, (Labor Grade 11)**
  - Jig & Fixture Builder A (Labor Grade 11)
  - Tool Template A (Labor Grade 11)

- **Toolmaker B - Family Group 21, (Labor Grade 8)**
  - Jig & Fixture Builder B (Labor Grade 8)
  - Tool Template B (Labor Grade 8)
CNC related responsibilities in the Drive Shaft Cell will be performed by a Senior Machinist.

**2002**

- **TieBar Shotpeen Mechanic - Family Group 27, (Labor Grade 7)**
  - Bench Mechanic A (Labor Grade 7)
  - Punch Press Operator A (Labor Grade 6)
  - Shotpeener (Labor Grade 6)

- **Senior Rotor Blade Mechanic - Family Group 15, (Labor Grade 9)**
  - Blade Balancer (Labor Grade 8)
  - Weight Control Mechanic (Labor Grade 9)
  - Whirl Tower Operator - Rotor Blades (Labor Grade 9)

- **Senior Machinist – Family Group 20, (Labor Grade 12)**
  - Breakdown Man Tool & Die A (Labor Grade 13)
  - Jig Borer Operator (Labor Grade 11)
  - Machinist A (Labor Grade 10)
  - Machinist Assembler (Labor Grade 11)
  - Tool & Die Maker A (Labor Grade 12)
• **Sheetmetal Mechanic B – Family Group 13, (Labor Grade 7)**
  o Sheetmetal Mechanic B (Labor Grade 7)
  o Sheetmetal Worker B (Labor Grade 6)
  o Spotwelder (Labor Grade 7)

• **Sheetmetal Mechanic A – Family Group 13, (Labor Grade 10)**
  o Resistance Welding Certification Man (Labor Grade 9)
  o Sheetmetal Mechanic A (Labor Grade 10)
  o Sheetmetal Worker A (Labor Grade 9)

• **Rotor Blade Finisher – Family Group 12, (Labor Grade 5)**
  o Painter- Aircraft B (Labor Grade 4)
  o Sandblaster and Finisher (Labor Grade 4)

• **Machinist – Family Group 26, (Labor Grade 10)**
  o Grinder A (Labor Grade 9)
  o Tool & Cutter Grinder A (Labor Grade 10)
  o Turning Operator- All Around (Labor Grade 9)

• **Maintenance Carpenter/Mason/Painter – Family Group 7, (Labor Grade 10)**
  o Maintenance Carpenter/Mason A (Labor Grade 9)
  o Maintenance Painter A (Labor Grade 7)
  o Toolmaker- Wood A (Labor Grade 9)
Material Handler A – Family Group 1 (Labor Grade 7)
  o Production Controller A (Labor Grade 7)
  o Production Controller B (Labor Grade 4)
  o Shipper (Labor Grade 5)
  o Aircraft Sealant Controller (Labor Grade 8)
  o Blade Controller (Labor Grade 9)
  o Environmental Service Worker (Labor Grade 8)
  o Toolkeeper (Labor Grade 6)
  o Tool Crib Attendant (Labor Grade 3)
  o Tool Procurementman A (Labor Grade 8)
  o Tool Procurementman B (Labor Grade 5)
  o Sr. Automotive Equipment Operator (Labor Grade 6)
  o Automotive Equipment Operator (Labor Grade 5)

These last (6) jobs were removed from the Material Handler A per Arb. 4-11853 on 11/1/04.

Assembler Sheetmetal A – Family Group 18, (Labor Grade 8)
  o Assembler Sheetmetal A (Labor Grade 8)
  o Sealer Aircraft A (Labor Grade 8)

Assembler Sheetmetal B – Family Group 18, (Labor Grade 5)
  o Assembler Sheetmetal B (Labor Grade 5)
  o Sealer Aircraft B (Labor Grade 5)
LETTER OF UNDERSTANDING NO. 1
OFFSITE JOB CLASSIFICATIONS

Definition: Offsite Occupation - The in-plant classifications listed under the offsite job classification on the input Group List. For example, Rotor Blade Finisher and Assembler Sheetmetal B are in-plant job classifications within the offsite job occupation of Offsite Mechanic B.

A meeting concerning offsite classifications was held on November 12, 1965. It was agreed by the Company and the Union that the specialized functional category in which the employee will be primarily required to perform under his offsite classification will be based on the function of his normal in-plant occupation. An employee will receive the rate of the offsite job to which he is assigned. If he performs work in a higher rated offsite occupation, he will be entitled to payment under the temporary loan clause provided he is not performing work within the recognized home base occupation as defined under Article VIII – Definitions. The Company may from time to time add in-plant job classifications to the offsite Input Group List.
## P&M INPLANT JOB INPUT FOR OFF-SITE CLASSIFICATIONS

<table>
<thead>
<tr>
<th>OFF-SITE CLASSIFICATION</th>
<th>L/G</th>
<th>INPLANT CLASSIFICATION</th>
<th>L/G</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadman Off-site Senior Mechanic</td>
<td>13</td>
<td>Flight Test Crew Chief</td>
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<td>Senior Developmental Mechanic</td>
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<td>Instrumentation Mechanic A</td>
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<tr>
<td></td>
<td></td>
<td>Breakdown Man Tool &amp; Die</td>
<td>13</td>
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<tr>
<td></td>
<td></td>
<td>Breakdown Fabrication Man A</td>
<td>12</td>
</tr>
<tr>
<td>Off-site Senior Mechanic</td>
<td>12</td>
<td>Toolmaker A</td>
<td>11</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>OFF-SITE CLASSIFICATION</th>
<th>L/G</th>
<th>INPLANT CLASSIFICATION</th>
<th>L/G</th>
</tr>
</thead>
<tbody>
<tr>
<td>Off-site Mechanic - General</td>
<td>11</td>
<td>Developmental Mechanic A</td>
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<tr>
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<td></td>
<td>Flight Test Mechanic A</td>
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<tr>
<td></td>
<td></td>
<td>Transmission Mechanic A</td>
<td>10</td>
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<td></td>
<td></td>
<td>Sheetmetal Mechanic A</td>
<td>10</td>
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<tr>
<td></td>
<td></td>
<td>Automotive Equipment Mechanic</td>
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<td></td>
<td>Senior Rotor Blade Mechanic</td>
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<td></td>
<td></td>
<td>Welder Combination</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Aircraft Technician</td>
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<td>Assembler Sheetmetal A</td>
<td>8</td>
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<tr>
<td></td>
<td></td>
<td>Composite Fabricator</td>
<td>8</td>
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<td></td>
<td></td>
<td>Toolmaker B</td>
<td>8</td>
</tr>
<tr>
<td>OFF-SITE CLASSIFICATION</td>
<td>L/G</td>
<td>INPLANT CLASSIFICATION</td>
<td>L/G</td>
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<tr>
<td>Leadman Off-site Senior Inspector</td>
<td>13</td>
<td>Inspector - Pre Flight</td>
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<td></td>
<td></td>
<td>Inspector – Non-Destructive Test</td>
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<tr>
<td></td>
<td></td>
<td>Inspector – Operational Support</td>
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<tr>
<td></td>
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<td>Inspector - Mechanical Functional</td>
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<tr>
<td></td>
<td></td>
<td>Test A</td>
<td>12</td>
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<tr>
<td></td>
<td></td>
<td>Inspector – Magnetic &amp; Penetrant A</td>
<td>12</td>
</tr>
<tr>
<td>Off-site Mechanic A</td>
<td>8</td>
<td>Transmission Mechanic B</td>
<td>8</td>
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<td>Painter Aircraft A</td>
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<td>Sheetmetal Mechanic B</td>
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<tr>
<td>OFF-SITE CLASSIFICATION</td>
<td>L/G</td>
<td>INPLANT CLASSIFICATION</td>
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</tr>
<tr>
<td>Off-site Mechanic B</td>
<td>6</td>
<td>Assembler Sheetmetal B</td>
<td>5/6*</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rotor Blade Finisher</td>
<td>5/6*</td>
</tr>
<tr>
<td>Off-site Supportman</td>
<td>9</td>
<td>Material Support</td>
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<tr>
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<td>Blueprint Control Clerk</td>
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<td>Off-site Utilityman - General</td>
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<td>Masker &amp; Cleaner</td>
<td>1</td>
</tr>
<tr>
<td>Off-site Senior Inspector</td>
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<td>Inspector - Final Assembly</td>
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</tr>
<tr>
<td>Off-site Inspector A</td>
<td>11</td>
<td>Inspector – Assembly/Specialty</td>
<td>9</td>
</tr>
</tbody>
</table>

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Generally, input to the Off-site Classifications would be by moving the in-plant job to the next higher off-site Labor Grade. Purpose of the off-site descriptions is to allow an employee while on assignment off-site to perform duties required by his primary classification and be able to perform additional duties required in the off-site job description. Exception would be where the off-site job description does not cover requirements of the primary classification selected and required off-site. In this instance, the individual would perform duties off-site to the extent required by the in-plant description.

*This new job code and labor grade will become effective January 2, 2015.
**These positions will be reclassified as Labor Grade 6 effective with the implementation of Table 2 for employees hired after ratification date of this Agreement.

The Boeing Company

Thomas A. Easley
Director · Labor Relations

UAW Local 1069

Chris Owens
President · Local 1069
LETTER OF UNDERSTANDING NO. 2
EMPLOYEE INVOLVEMENT PROGRAM

The Boeing Company – Philadelphia and the UAW, Local 1069, recognize that in order for our business to succeed it must optimize utilization of all resources through continuous improvement to provide a competitive advantage through affordable, quality products. The Boeing Company and the UAW agree that success, which includes the preservation of jobs to the greatest extent possible, requires management and union working together. Therefore, the parties agree to continue supporting the Employee Involvement Program. Employee Involvement (EI) enables employees to participate and take ownership of their performance, and the design, execution and continuous improvement of their day-to-day products and services.

1. The Joint Leadership Team will provide leadership to help the teams succeed. In order to ensure the success of the Employee Involvement effort, the Company agrees that the Union EI Director will be appointed by the President of the UAW to serve on a full-time basis.

   a) The Joint Leadership Team will be composed of the following:

   Company:
   Director of Operations
   Human Resources Representative
   V-22 Production Director
   H47 Production Director
   EI Manager
Union:
President
Vice President
(selected by the Union)
(selected by the Union)
Shop Chairman
EI Director (selected by the Union)

2. Trainer/Facilitators will be selected by the Joint Leadership Team based on skill and ability. Trainer/Facilitators will be placed in temporary Family Group 39, at a Labor Grade 12. In addition to the Trainer/Facilitator personnel, there will be one (1) UAW Employee Involvement Director appointed by the Local Union President to a full-time position who will be paid at a Labor Grade 12, plus an additional $.75 per hour.

3. The number of Employee Involvement Trainer/Facilitators required to support the program will be determined by the Joint Leadership Team as a direct result of the Work Statement. The only allowable reduction in headcount numbers of UAW Employee Involvement personnel during the life of this labor agreement will be as a result of a surplus condition as determined by the Company. Such reductions in force in temporary job code 39, shall be in reverse seniority order in accordance with Article VIII of this Agreement.

4. Each team will elect a Team Leader who will be paid an additional $.75 per hour above their base rate and shift differential if applicable. Team Leaders will remain in the Lead position for a minimum of six (6) months. The only exception to the minimum
time requirements shall be changes as a result of surplus activity or as agreed to by the Joint Leadership Team.

5. As previously determined, the Company does not plan to cease other programs in effect, such as IPT's and AIW's. The Company Employee Involvement Manager shall notify the Union Employee Involvement Director when any Employee Involvement Trainer/Facilitator is involved with such programs. It is also agreed and understood that if a Trainer/Facilitator is so involved, such involvement shall be in strict compliance with the Bargaining Agreement between the Union and the Company.

6. It is not the intent of the Company to lay off employees as a direct result of their productivity within teams. If layoffs occur as a result of productivity gains derived from this program, the Company will assign such employee(s) to available position(s), provided such assignments are within the specific provisions of the labor agreement. In the event such assignments are not practicable and the employee(s) is laid off, the Company agrees to retrain such employees for available job openings consistent with Article VIII of the labor agreement.

The Boeing Company   UAW Local 1069

Thomas A. Easler   Chris Owens
Director - Labor Relations   President - Local 1069

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LETTER OF UNDERSTANDING NO. 3
DRUG & ALCOHOL FREE WORKPLACE

For the duration of this Collective Bargaining Agreement, the Company and the Union agree to meet periodically to discuss and review modifications to PRO-388, date October 2, 2014 prior to their implementation.

The Boeing Company

UAW Local 1069

Thomas A. Easley
Director - Labor Relations

Chris Owens
President - Local 1069
LETTER OF UNDERSTANDING NO. 4
MAINTENANCE SUBCONTRACTING

In connection with the Collective Bargaining Agreement of this date between the Company and the Union, it is agreed that under and included within the meaning of the "Management Prerogatives" Article of the Agreement, the Company has the right to subcontract work and designate the work to be performed by the Company and the places where it is to be performed, which right shall not be subject to arbitration.

The Company will not subcontract any maintenance work now performed by members of the bargaining unit if such action would result in the lay-off of any maintenance employees who are qualified to do such work or if such action would prevent the recall from layoff of any maintenance employees who are qualified to do such work, unless the Company does not have the equipment to perform such work or unless conditions require its immediate performance. Any claim by the Union that the Company has violated the limitation upon its right to subcontract maintenance work contained in this paragraph shall be subject to the grievance and arbitration provisions of Article VI of the Agreement.

The Boeing Company

HAW Local 1069

The Boeing Company

HAW Local 1069

Thomas A. Easley
Director - Labor Relations

Chris Owens
President - Local 1069
LETTER OF UNDERSTANDING NO. 5

MAINTENANCE SUBCONTRACTING NOTIFICATION

In connection with the Collective Bargaining Agreement of this date between the Company and the Union, it is agreed that the Company will make every effort to meet with the appropriate Union official when subcontracting work. The purpose of such meeting will be to advise the Union of the particular job(s) to be subcontracted. The meeting will normally take place, whenever practicable, ten (10) days prior to the subcontracting of work.

The parties recognize that there are some subcontracting jobs, which may arise which by their nature make it impossible for the above referenced meeting to take place. When this occurs, the Company will continue the practice of notifying the Union in writing of the subcontracted jobs.

This policy will not, however, be subject to Arbitration nor is this policy intended to affect the agreement regarding the meaning of the Management Prerogatives Article of this Collective Bargaining Agreement.

The Boeing Company

UAW Local 1069

Thomas A. Easley
Director - Labor Relations

Chris Owens
President - Local 1069
LETTER OF UNDERSTANDING NO. 6
MAINTENANCE SUBCONTRACTING
OVERTIME

In connection with the Collective Bargaining Agreement of this date between the Company and the Union, the Company represents in this Letter of Understanding that it is the policy of the Company that maintenance subcontracting is not intended to be used to replace maintenance overtime work.

This policy will not, however, be subject to arbitration nor is this policy intended to affect the agreement regarding meaning of Management Prerogatives Article of this Collective Bargaining Agreement.

The Boeing Company

Thomas A. Easley
Director - Labor Relations

UAW Local 1069

Chris Owens
President - Local 1069
LETTER OF UNDERSTANDING NO. 7
2009 RED CIRCLE JOBS

As agreed to during the 2009 negotiations, those employees who became part of the grade eight (8) Material Support job combination, who previously held labor grade nine (9) job classification shall be red circled at labor grade nine (9).

Those employees who became part of the grade six (6) Maintenance Worker job combination, who previously held Millwright A labor grade nine (9) shall be red circled at grade nine (9).

The Boeing Company  UAW Local 1069

Thomas A. Easley  Chris Owens
Director - Labor Relations  President - Local 1069
LETTER OF UNDERSTANDING NO. 8
MISSING TOOLS

By this letter, the Company agrees to conform to the practice followed at other Boeing Divisions where charges are made only if the employee fails to complete and submit a Lost, Broken or Stolen Company Tool Report on the same day on which such occurrence takes place.

The Company will accept responsibility for employees' tools while they are in transit on a Company-owned vehicle or if they are damaged or lost due to the negligence of the Company.

The Boeing Company
Thomas A. Easley
Director · Labor Relations

UAW Local 1069
Chris Owens
President · Local 1069
LETTER OF UNDERSTANDING NO. 9
NEW TECHNOLOGY AND PILOT PROJECTS

Based on our discussions during the 1999 negotiations, the following shall apply:

A. New Technology

The Company and the Union agree that it is to their mutual benefit and a sound economic and social goal to utilize the most efficient machines, processes, methods and/or materials. In this way, the Company will be able to compete effectively in the marketplace and, thereby, provide economically secure jobs for its employees. It is the Company’s policy to assure that training is available for its employees so that they may have the opportunity to acquire the knowledge and skills required by the introduction of new technology.

1. In order that employees can better prepare themselves for the skill requirements of the future, and in fulfillment of its obligation to provide information to the Union, the Company will, not less than annually, provide a briefing to the Union of the Company’s plan for the introduction of new technology which may affect the employees. For the purposes of these briefings, new technology shall be defined as industrial robots, flexible manufacturing systems, CAD/CAM (Computer-Aided Design/Computer-Aided Manufacturing), and graphite composite automation.
For purposes of clarification, an industrial robot is a programmable, multi-functional manipulator designed to move materials, parts, tools or specialized devices through variable programmed motions for the performance of a variety of tasks; flexible manufacturing systems is a grouping of manufacturing/processing equipment mechanically linked by transport, storage and handling equipment and controlled through a computer network to provide an integrated machining, assembly or measuring system for a particular family of part configurations and materials; CAD/CAM is the application of computers to the design, fabrication and assembly process as it relates to the geometry of a part, assembly or installation; and graphite composite automation is the replacement of the graphite composite fabric hand layup fabrication process with fabrication by NC/CNC machine tools.

During these briefings, the Company will inform the Union of anticipated schedules of introduction of new technology, and will identify areas of skill impacts and any intended training programs associated with those impacts. Additional related subjects may be added to the briefings upon mutual agreement, and established technologies may be deleted. The Union, and its representatives, will protect the confidentiality of Company sensitive and proprietary information disclosed in the briefings.

The Company and the Union agree that the intent and understanding of this letter fully sets forth the Company’s obligation to provide information concerning new technology
or any other introduction of new machines, processes, methods and/or materials. If the Union requests other information related to the introduction of new machines, processes, methods and/or materials, the request will be treated as a request to add additional subjects to the briefings.

2. A Joint Technology and Pilot Projects Committee shall be established, composed of five representatives of the Company and five members of the Union’s staff designated by the Union. The Committee will develop a recommended training program for current and laid-off Company employees who desire to become better qualified for employment by the Company in jobs involving new technology as defined in this letter, or other skills identified by the Company. In developing its recommendations, the Committee will: (1) identify areas of skills which will be required by the Company in the future; (2) develop courses to provide those skills; (3) develop “basic skill” courses which would be prerequisites for additional training; (4) develop criteria for selecting candidates for training, giving priority among laid-off employees to those with recall rights; (5) establish – criteria to determine successful completion of the courses; (6) develop a system to record successful completion for future consideration; and (7) develop a system to accomplish referrals between Primary Locations. The recommended training program will be developed, to the extent feasible, to be compatible with the Company's existing training programs. The Committee will also have responsibility for:
a. Reviewing and making recommendations regarding training delivery systems (e.g., technical schools, community colleges, home study programs, etc.) available to be used by the Company.

b. Evaluating the effectiveness of such training programs and courses and the delivery systems utilized.

c. Developing a program to inform active and laid off employees about the availability and purpose of the new training program and encouraging employees to participate in and successfully complete the available training, and

d. Investigating the availability of state and federal funds which could be used to augment the training effort.

Except for the costs and expenses of International Union representatives, the Company will be responsible for costs and expenses of the Committee. Members of the Committee may attend the annual briefings held pursuant to the above.

3. After receiving the recommended training programs from the Committee, the Company will establish a formal training program. Thereafter, the Company may revise or modify the formal training program after consultation with the Committee. Except as provided above, the Company will pay the costs associated with the training programs, such as tuition, facilities, staff, administration, publicity, equipment and materials.
4. Although there will be no guarantee that employees successfully completing training under the program will be offered a different job or re-employed by the Company, successful completion will be taken into account by the Company when openings occur.

5. Disputes concerning the training program or its operation or the selection of candidates shall first be referred to the Committee. If the Committee is not able to resolve the dispute, it will be referred to the Company and the Union for resolution and will not be subject to the grievance and arbitration procedures as defined in Article VI of the Agreement.

B. Pilot Projects

The Union and the Company agree that it is in their best interests to stimulate and support long-term, broad changes aimed at improving the quality of work life and productivity. This can be accomplished best by active involvement of the Union and the Company in planning, developing, implementing and evaluating innovative programs to further these aims. Accordingly, the Technology and Pilot Projects Committee shall:

a. Review and evaluate Pilot Projects involving innovative approaches in the workplace and recommend action concerning their implementation, operation and assessment.

b. Assure that recommended Pilot Projects provide for employee and Union involvement through subcommittees
whose membership will be jointly selected by the Committee and that such subcommittees participate in project implementation, operation and assessment.

c. Review experiences of other employers and unions with similar activities and provide for dissemination of information.

d. Assess the impact of existing work practices on the Pilot Projects and recommend appropriate changes by the Company and the Union. Such practices could include, but need not be limited to, job security, compensation, job descriptions/classifications, training, and work schedules.

e. Following implementation and assessment of a Pilot Project, review the feasibility of broader application, and

f. Select consultants and other outside experts by mutual agreement.

1. Upon the recommendation of the Committee, the Union and the Company shall meet and confer concerning implementation of any Pilot Project including the necessary modifications to the Collective Bargaining Agreement. The details of any recommended Pilot Project which is agreed to by the parties shall be set forth in writing between the parties in a Pilot Project Agreement. It is the intent of the parties that implementation of a Pilot Project will not directly result in the layoff of employees or the reduction of the pay of employees assigned to a Pilot Project
and that the Company will pay for costs such as training. Neither the Union nor the Company is under any obligation to agree to the implementation of a Pilot Project.

2. In addition to the on-going review by the Committee, the Union and the Company will review semi-annually the operation of all implemented Pilot Projects. While the parties anticipate that any implemented Pilot Project will continue throughout the duration of this Agreement, a Pilot Project may be terminated at any time by mutual agreement. In addition, it is agreed that following the first ninety (90) days of implementation of a project, either the Union or the Company may terminate a particular Pilot Project by giving written notice to the other, such notice to become effective on the sixtieth day thereafter.

3. No dispute concerning a Pilot Project or this Section B. shall be subject to the grievance and arbitration procedures of Article VI of the Agreement except for a dispute alleging a violation of a Pilot Project Agreement.

The Boeing Company

UAW Local 1069

Thomas A. Easley
Director - Labor Relations

Chris Owens
President - Local 1069
LETTER OF UNDERSTANDING NO. 10
PRODUCTION SUBCONTRACTING

In connection with the Collective Bargaining Agreement of this date between the Company and the Union, it is agreed that under and included within the meaning of the "Management Prerogatives" Article of the Agreement, the Company has the right to subcontract work and designate the work to be performed by the Company and the places where it is to be performed, which right shall not be subject to arbitration. The parties further agree to the following with respect to subcontracting of production work for helicopters or other non-fixed wing aircraft.

The parties acknowledge that subcontracting work (moving work from a company facility to an outside supplier) and offloading work (moving work from one company facility to another company facility not covered by this Agreement) affect the job security of employees. The word "work" for purposes of this section refers to work of a type currently performed within the bargaining unit. Accordingly, notwithstanding any other provision of this Agreement, the Company agrees that employees will not be laid off as a direct result of subcontracting or offloading work. This restriction does not apply to the Commercial and the Strategic Manufacturing Center (FAB) work identified by the Company prior to the effective date of this Agreement, strategic work placement or offset arrangements (placing work in a foreign country as a condition of selling to that country): to a merger, sale, transfer, or other disposition of a plant or facility or operating unit thereof: or to temporary subcontracting or offloading necessary because of required equipment overhaul or repair, labor disruptions, or events beyond the control of the Company (acts of God, natural disasters,
equipment failure, major accidents, etc.). The parties agree that at least annually they will meet and discuss the impact of subcontracting and offset commitments on planned layoffs with the end in view of reducing, where possible, the impact on bargaining unit jobs. As part of this review, the Company will provide an overview of its policies and plans for subcontracting and offset commitments. To enable the Union to suggest alternatives such as Business Case proposals that would allow the retention of work within the bargaining unit, the Company will, at least ninety (90) days prior to signing the subcontract, provide notice to the Union of any plans to subcontract a significant function involving work then being performed by bargaining unit employees which would directly result in the elimination of fifty (50) or more bargaining unit jobs. The notice will include the reason for the planned subcontracting. Although the Company will attempt to provide other information related to the planned subcontracting, the Company shall be under no obligation to provide any information, including, but not limited to, cost and pricing information, which it determines to be proprietary, confidential or subject to nondisclosure provisions. The parties recognize that some foreign subcontracting of significant functions involving market access decisions and offset commitments cannot be disclosed ninety (90) days in advance because of confidentiality concerns but in such event, the Company will give as much notice as is reasonably possible. Following notice of specific subcontracting plans, the parties shall, upon request of the Union, meet and discuss the impact on the bargaining unit and any proposals the Union might make. In addition to the meetings described above, the Company will meet at the Union's request to discuss issues or proposals related to subcontracting. The Union will keep confidential, and not disclose, any information provided pursuant to this Letter of
Understanding which the Company designates as not subject to disclosure.

The parties agree that bargaining unit employees should not be laid off as a result of subcontracting. Accordingly, the parties agree that any bargaining unit employee whose work is subcontracted will be offered reassignment, or retraining, for available work, subject to the provisions of Article VIII of parties' Agreement.

The parties recognize that the Company must compete in a highly competitive global economy, and commit to achieving the highest level of quality and productivity possible. Both parties recognize that ultimate job security can only be realized in a work environment.

The Boeing Company

UAW Local 1069

Thomas A. Easley
Director · Labor Relations

Chris Owens
President · Local 1069

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LETTER OF UNDERSTANDING NO. 11

SPECIAL GRADE 8

Based on our discussions during the 2009 negotiations, the Company shall continue the practice of maintaining a maximum of $0.21 per hour over the SIS Max for Labor Grade 8 for those employees who on September 2, 2005 are in red circle position 10, Labor Grade 8.

Furthermore, the Company shall continue the practice as agreed during the 1986 negotiations in that if any employee who on September 2, 2005 is in red circle position 10, Labor Grade 8, moves out of Family Group from such rate, shall not return to the Special Grade 8.

The Boeing Company

Thomas A. Easly
Director · Labor Relations

UAW Local 1069

Chris Owens
President · Local 1069
Based on discussions between the Company and the Union regarding Grievance Settlement 4-849 (Letter No. 8-1840-2230, dated 6/19/80), the 4th Step grievance answer from the referenced letter is as follows:

“The Company has and will retain the sole right to temporarily assign employees from one shop to another within the same classification. In order to remove any misunderstandings and based upon numerous discussions between the parties, effective May 26, 1980, any employee who was placed on temporary assignment as indicated above shall be offered overtime after those employees who fall within Paragraph A of Article X, Section 5 of the Company/Union Agreement. (Furthermore, unless by mutual agreement, such assignment will not be longer than eight (8) weeks).”

Below is the definition of “Temporary Assignment” vs. “Temporary Loan” for purposes of overtime:

**TEMPORARY ASSIGNMENT:**

Employee is working in his proper classification but is temporarily assigned
to another location, has rights to overtime in his parent location per Article X, Section 5, Paragraph (a), and in addition, has overtime rights in the location where he is temporarily assigned after everyone in that location has been asked to work overtime per Article X, Section 5, Paragraph (a) of the Company/Union Agreement.

TEMPORARY LOAN:

Employee is temporarily loaned to another occupation, has overtime rights per the terms of Article X, Section 5, Paragraph (c) of the Company/Union Agreement.

The Boeing Company

UAW Local 1069

Thomas A. Easley
Director - Labor Relations

Chris Owens
President - Local 1069
LETTER OF UNDERSTANDING NO. 13
TOTAL PRODUCTIVE MAINTENANCE
(TPM)

The Company plans to establish a new process referred to as Total Productive Maintenance (TPM). The primary purpose of this process is to bring Production and Maintenance people together to accomplish a common goal - to stabilize equipment conditions and halt accelerated deterioration.

It is intended that this process will become Company-wide and begin on a gradual basis at some point during the life of this Agreement. The highlights of this process are as follows:

1. The operator will be required to perform proper lubrication including correct lubrication methods, and methods for checking lubrication.
2. The operator will be required to clean (inspect his equipment).
3. On an as-needed basis, assist the Maintenance crew in the repair or preventative maintenance requirement of his machinery. This assist by the operator in no way will serve as a replacement for the normal Maintenance crew who normally performs this function.

The Union will be informed approximately (30) days prior to this process being incorporated, and the Company will review, without any commitment to accept, suggestions/recommendations proposed by the Union.

The Boeing Company

UAW Local 1069

Thomas A. Easley
Director · Labor Relations

Chris Owens
President · Local 1069
LETTER OF UNDERSTANDING NO. 14

VOLUNTARY LAYOFF BENEFITS PROGRAM

This Supplemental Understanding is entered into between The Boeing Company and the International Union, United Automobile, Aerospace, and Agricultural Workers of America (UAW) Local #1069 ("Union"), regarding a Voluntary Layoff Benefits Program ("Program").

The Company is committed to assisting long-term service employees impacted by layoffs. To that end, the Company shall offer the Program to certain employees, permitting those employees to volunteer for layoff due to a reduction in force. The Company agrees to make the Program available to eligible employees represented by the Union. The Program may be offered by the Company during one or more limited time periods during the term of the Agreement, as determined by the Company. This Program will be used only in situations where it makes business sense, as determined by the Company.

Eligibility for the Program:

For those employees who are eligible, voluntary layoff will be offered in accordance with the Program established by the Company.

The following employees may request that they be voluntarily laid off under the Program:

- An employee classified in a job classification that has a declared surplus.
- An employee in a job classification impacted by a declared surplus (i.e.,
classifications into which employees in declared positions can bump based on seniority).

- An employee in a job classification where, in the sole discretion of the Company, sufficient skills and abilities necessary to backfill that work in the event of a voluntary layoff exist among employees otherwise impacted by a declared surplus.

The Company will have the sole discretion to determine if the voluntary layoff option will be offered within a classification and to determine the maximum number of employees within each designated classification who may request a voluntary layoff.

Eligible employees must request a voluntary layoff in accordance with the Program established by the Company. If the number of eligible employees requesting the voluntary layoff exceeds the number designated by the Company, employees will be selected by seniority.

Any employee whose voluntary layoff request is accepted under the Program agrees to forfeit all seniority and recall rights under the Collective Bargaining Agreement.

The Company will have the sole discretion to set the employee’s layoff date. All attempts will be made to accept an eligible employee’s request for voluntary layoff, however, the Company reserves the right to “not accept” an eligible employee’s request for voluntary layoff due to business reasons.

Benefits available under the Program consist of the following:
• 1 week of pay for every two (2) years of completed Company Service on the effective date of layoff, up to a maximum of 13 weeks of pay.

• An eligible employee’s execution of a waiver and release on a form provided by the Company is required and any benefit under the Program will be paid as a single lump sum payment (less applicable withholding) within thirty days after the expiration of any legally required waiting period that is set out in the release and waiver, which shall be provided by the Company prior to the employee’s termination of employment.

• In no event will an employee be eligible for benefits under both the Voluntary Layoff Benefits Program and the Voluntary Separation Benefit Program.

• Volunteering for layoff under the Voluntary Layoff Benefit Program will not affect employees’ medical and retirement benefits already earned based on current eligibility at the time the employee is voluntarily laid off. Each employee’s medical and retirement benefits will be calculated and administered in the same manner as an involuntary layoff or retirement, if eligible, should an employee elect to retire.

Except as specifically expressed in this letter, all employee-related policies, procedures and layoff/termination processing shall be administered in accordance with standard administrative practices which are applicable to these employees and in accordance with existing Company policies and the terms of the Collective Bargaining Agreements. Upon layoff, all benefits, including eligibility, will be administered in accordance with the terms of the Program documents, the summary Program
descriptions, the Boeing Company Layoff Benefits Plan, the Collective Bargaining Agreements and administrative practices.

The Union will be advised of all employees approved for voluntary layoff under the Program. Such employees will be coded as laid off and will be regarded as a laid off employee without recall for the purposes of reporting to state employment security departments.

Nothing in this letter will be subject to the grievance and arbitration procedure of Article VI of the Articles of Agreement. It is also agreed and understood that this Agreement does not establish a precedent for future layoffs and is agreed to on a one time basis. This Agreement was developed solely for the purpose of addressing a particular layoff situation and does not obligate the Company or the Union to any like agreement in the future regardless of the similarity of the circumstances.

The Boeing Company

UAW Local 1069

Thomas A. Easley
Director · Labor Relations

Chris Owens
President · Local 1069
LETTER OF UNDERSTANDING NO. 15
POINT OF USE DELIVERY

The Company and the Union agree that parts, materials, tools, kits, equipment and other goods or products furnished by a supplier may be delivered or presented to the Company at any location to be designated by the Company, including but not limited to materials and tool storage areas, and/or factory locations where parts or assemblies are installed or tools and supplies are used and stored. This activity may include or require performing inventory transactions, tracking use, disbursement, movement, and acquisition of such materials. In addition, internal and external suppliers may, at the Company’s request, maintain a useful stock of supplier-owned inventory and equipment in supplier possession on company premises, and the supplier may repair or modify any equipment, tools, kits, and other items that are owned by the supplier that are used in the performance of their contract. This onsite repair or modification effort does not pertain to parts, tools, equipment, materials and other goods installed, or being installed on production aircraft or on Spare assemblies or parts.

For the purpose of this agreement, a supplier is identified as any internal or external supplier, vendor, contractor, or subcontractor that is contracted to provide equipment, tools, parts, kits, materials and other goods, services, or products used by the Boeing Company in performance of company business.

The Company shall not hire or otherwise utilize non-bargaining unit Boeing employees or employees of a Boeing wholly owned subsidiary to perform work
currently performed by employees represented by UAW Local 1069, pursuant to the implementation of Point of Use delivery.

The Boeing Company

UAW Local 1069

Thomas A. Easley
Director · Labor Relations

Chris Owens
President · Local 1069
LETTER OF UNDERSTANDING NO. 16
RELATING TO THE PHILADELPHIA PERFORMANCE INCENTIVE PROGRAM

The Boeing Company and the Union agree that all eligible employees may participate in the Philadelphia Performance Incentive Program (hereinafter referred to as the Program) for the duration of this Agreement. The parties agree that the Company's success depends upon the ability to increase productivity and grow the rotorcraft business. The Program is designed to encourage and reward improved productivity and efficiency in production at the Philadelphia site, which result in improved performance and reduced costs.

Employees will be eligible to participate in accordance with the governing provisions of the Program as set forth in the official Program documents. In the event of any conflict between this Letter of Understanding and the official Program documents, the official Program documents will prevail in every case.

Eligible participates will proportionately share in any Program Award based on the period they were eligible to participate during any Performance Period falling within the term of this Agreement or any preceding Agreement that provided for their participation in the Program.

The Boeing Company
Thomas A. Easley
Director · Labor Relations

UAW Local 1069
Chris Owens
President · Local 1069

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LETTER OF UNDERSTANDING NO. 17
EMPLOYMENT SECURITY

No bargaining unit employees in affected classifications will be laid off during the term of this Agreement as a direct result of the 2009 implementation of Point of Use, or 2009 job combinations, except in instances when affected employees fail to successfully complete Company-sponsored training as part of program to make them transferable to other classifications. In addition, the employment security provided by this Letter of Understanding shall not apply to employees who voluntarily quit, retire or are dismissed for cause during the term of this Agreement.

Such employment security is conditioned on the nonoccurrence of changes in the operating environment of the Company, including natural disasters, terrorist attacks or other damage to Company property or product(s), cancellation of a major contract or contracts, work stoppages, sequestration or other government directed reductions, offsets, or reduction in present production quantities (Delivery Schedules detailed below) or reschedules.

All employees affected by changes in the 2009 contract regarding Point of Use, Job Combinations, and covered by the UAW 1069 Collective Bargaining Agreement on the active payroll as of October 1, 2009, at the Philadelphia facility (including those on authorized leave) that are displaced as a result of the contract agreement will have the opportunity to submit a transfer request for a job that the company intends to maintain as a core competency, such as jobs in the Assembly, Integration, and Test
classifications. The employee will have (12) twelve months from the time they are notified by the company to fulfill the requirements of the job classification that they have chosen. Training will be offered by the Company as applicable. Additionally, the employee shall be entitled to (3) three separate and distinct attempts within that same (12) month period, to find a position for which they meet all of the qualifications. Each bid will be conducted under the same guidelines as any other transfer or promotion request. If the employee is unsuccessful at qualifying for a position after (3) three attempts or the employee exceeds the (12) twelve month period, the employee shall be referred to a review board made up of the Site Manager and Union President or their designees. The review board will make the final determination as to the disposition of the employee.

- CH47 program at:
  - 54 A/C in 2014 +/- 2 A/C
  - 57 A/C in 2015 +/- 2 A/C
  - 49 A/C in 2016 +/- 2 A/C
  - 33 A/C in 2017 +/- 2 A/C
  - 39 A/C in 2018 +/- 2 A/C
  - 27 A/C in 2019 +/- 2 A/C

- V-22 program at:
  - 30 A/C in 2014 +/- 1 A/C
  - 22 A/C in 2015 +/- 1 A/C
  - 17 A/C in 2016 +/- 1 A/C
  - 18 A/C in 2017 +/- 1 A/C
  - 20 A/C in 2018 +/- 1 A/C
  - 0 A/C in 2019 +/- A/C
Prior to any layoff, the Director of Production Operations will meet and confer with the Local Union President/Chairman of the Bargaining Committee to discuss the implications of the changes in operating environment.

Thomas A. Easley
Director - Labor Relations

Chris Owens
President - Local 1069
SHARE VALUE PROGRAM DISCONTINUED
LOU LEFT IN FOR REFERENCE
LETTER OF UNDERSTANDING NO. 18
SHARE VALUE PROGRAM

The Company and the Union agree that all eligible represented employees may participate in the Share Value Trust for the duration of this agreement. Participation of eligible employees shall be in accordance with the governing provisions of the Share Value Trust as set forth in the official Trust documents.

The parties agree that the Company's success depends upon the ability to return long-term value to the shareholders. The intent of this broad-based results sharing approach is to help inform employees about what makes a business run and produces shareholder value, and to allow employees to share in the results of their efforts by increased shareholder value.

If there is any conflict between this Letter of Understanding and the official Trust documents, the official Trust documents will prevail in every case.

The Boeing Company

UAW Local 1069

Thomas A. Easley
Director - Labor Relations

Chris Owens
President - Local 1069
LETTER OF UNDERSTANDING NO. 19

MOONSHINE SHOPS

The Company and Union agree that it is to their mutual benefit and a sound economic and social goal to develop the ideas of an employee to improve his/her process in a Moonshine Shop. In this way the Company will be able to compete effectively in the marketplace and, thereby, provide economically secure jobs for its employees, which will contribute to the enhancement of the Gain Sharing Model.

A Moonshine Shop is an area where people, equipment, and materials are readily available to conceptualize, build, test and prove out one of non-flyaway process changes called “Breakthrough Process Redesigns”. This includes, but is not limited to, hand tools, automation devices, manufacturing equipment, machines, tools, and systems. Examples include but are not limited to, modifications to a hand tool to make it fit the process better such as bending a wrench to allow it to be used more easily in a tight space, right sized equipment designed to accomplish a specific task such as adapt positive feed drill technology to create large diameter holes, creating a specialized mechanism to locate rivets in assemblies, or creating a machine to apply sealant to rivets prior to wet installation.

Each “Breakthrough Process Redesign” will be its own project with guidance from a Project Leader from the Manufacturing Research and Development Organization to assist in conceptualizing the project; the UAW 1069 members will perform the actual build process. The proper classifications as outlined in the Collective Bargaining Agreement will be utilized to perform the required work, (for example, Machining,
Jig & Fixture Building, Maintenance Trades). It is not the intent of this language to utilize Article VIII Section 23 of the CBA. Any violations of this Letter of Understanding are subject to the Grievance and Arbitration procedures of Article VI.

No dispute concerning a Moonshine Shop “Breakthrough Process Redesign” shall be subject to the grievance and arbitration procedures of Article VI, with the exception of a claim dealing with a jurisdictional dispute, involving non-bargaining unit employees performing production work covered in the current Collective Bargaining Agreement.

The Boeing Company

Thomas A. Easley
Director · Labor Relations

UAW Local 1069

Chris Owens
President · Local 1069
LETTER OF UNDERSTANDING NO. 20

INSPECTOR MECHANIC

Based on an agreement between the parties, the following job responsibilities will apply to the below listed job classifications.

In times of Inspection inactivity, Inspection personnel with the requisite skills and/or training may be assigned to produce the products that they normally inspect as an “Inspector Mechanic” (IM) as authorized by this Letter of Understanding. The IM producing those products would be limited to the following responsibilities:

- Primary responsibility remains the Inspection of products & processes as defined by their existing Job Description;
- Utilization of an inspector in the IM capacity shall be exclusively in the shop(s) normally supported by the Inspector;
- Inspection of own work exclusively on MSE approved operations;
- May not perform any work requiring an operator certification the Inspector does not possess;

Training for certifiable skills to be coordinated with the Training Department. Training for non-certifiable skills will be accomplished through On the Job Training, Lead mentoring [ref Leadman Duty definition] and/or Advanced Craftsmanship Learning Center.

Assignment of work to an Inspector Mechanic on an Overtime basis shall not be in conflict
with the overtime distribution language as set forth in the Collective Bargaining Agreement.

Nothing in this Letter Of Understanding shall be interpreted in conflict with any other provision of the Collective Bargaining Agreement, including, but not limited to provisions protecting personnel from punitive or capricious work assignments.

The Inspector Mechanic will be utilized in the following job classifications:

- **Inspector-Preflight, Family Group 80**
  - Inspector Preflight (Labor Grade 13)

- **Inspector-Final Assembly, Family Group 80**
  - Inspector-Final Assembly (Labor Grade 11)
  - Inspector-Fuselage Assembly (Labor Grade 8)

- **Inspector-Operational Support, Family Group 82**
  - Inspector-Precision (Labor Grade 11)
  - Inspector-Cal/Cert A (Labor Grade 12)
  - Inspector-Tooling (Labor Grade 12)

- **Inspector-Assembly / Specialty, Family Group 83**
  - Inspector-Composites (Labor Grade 9)
  - Inspector-Detail Sheetmetal A (Labor Grade 9)
  - Inspector-Mechanical Assembly A (Labor Grade 8)
  - Inspector-Process Control A (Labor Grade 8)
  - Inspector-Plating, Finishing & Fabrication (Labor Grade 7)
The Company will educate all associated first and second level management of Inspector/Mechanic personnel regarding the content and application of this Letter of Understanding.

Should any issue arise in regard to the application of this Letter of Understanding, a meeting will be convened, within one business day, for the purpose of resolving said issue. The attendees will be the Shop Steward and Committeeman for the area, the Shop Chairman, the first and second level Managers for the area involved and a representative of the Employee Relations department.

The Boeing Company

UAW Local 1069

Thomas A. Easley  
Director, Labor Relations

Chris Owens  
President, Local 1069

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LETTER OF UNDERSTANDING NO. 21
INTERCHANGEABLE OCCUPATIONAL UNIT

Any employee hired after October 2, 2014 into the Interchangeable Occupational Unit will be managed according to the Single Rate structure of Table 2 in Article XI, and will have his base rate adjusted in the amount of the General Wage Increase (GWI) in accordance with Section 3.b.7; in addition to the Cost-of-Living Adjustment (COLA) in effect on October 6, 2017 and the COLA in effect on July 8, 2022.

Any employee hired before October 2, 2014, and reclassified due to surplus after October 2, 2014 will be reclassified to labor grade 1JD. Any employee reclassified to labor grade 1JD will have their base rate decreased by fifty-six cents (56¢) for each labor grade they are demoted to (not to exceed a base rate of $25.00). Employees with an adjusted base rate below $25.00 will progress toward the maximum of labor grade 1JD through Seniority Increase Steps and/or negotiated GWI(s). Effective October 6, 2017, the COLA being paid to employees on that date under Article XI, Section 4, shall be added to the employee’s base rate and made a part thereof. Effective July 8, 2022, the COLA being paid to employees on that date under Article XI, Section 4, shall be added to the employee’s base rate and made a part thereof. Except for when the COLA is folded into the base rate, the base rate shall not exceed $25.00. COLA will not be added to the labor grade maximum of 1JD. Any employee at or above the labor grade 1JD maximum will receive a lump sum in lieu of GWI which is equal to negotiated GWIs. The rate range maximum of

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labor grade 1JD will remain at $25.00 for the duration of this agreement.

Any employee hired on or after January 1, 2007 but before October 2, 2014 into the Interchangeable Occupational Unit, and who has not held any other job classification(s), who were surplused and later recalled after October 2, 2014, would be managed to labor grade I01 in Table 1. Employees with an adjusted base rate below the maximum of labor grade I01 will progress through Seniority Increase Steps and/or negotiated GWI(s). Effective on October 6, 2017, the COLA being paid to employees on that date under Article XI, Section 4, shall be added to the employee’s base rate and made a part thereof. Effective on July 8, 2022, the COLA being paid to employees on that date under Article XI, Section 4, shall be added to the employee’s base rate and made a part thereof. The rate range maximum of labor grade I01 will be increased in accordance with Article XI Section 3.b.1, 3.b.3, 3.b.5 and 3.b.7, and Section 4.

Any employee classified into the Interchangeable Occupational Unit prior to October 2, 2014 and red circled under the 2009 LOU #21, will be managed according to labor grade 1JR of the wage structure of Table 1 in Article XI. An employee in 1JR will have his base rate adjusted by the COLA in effect on October 2, 2014, the COLA in effect on October 6, 2017 and the COLA in effect on July 8, 2022. In all years of this agreement, employees at the maximum rate for labor grade 1JR in Table 1 will receive a lump sum in lieu of a GWI which will be equal to the negotiated GWIs in this agreement. Employees with a base rate below the maximum of labor grade 1JR in Table 1 will receive Seniority Increase Steps and GWI(s) as outlined in Article XI, until the maximum labor grade 1JR rate in Table 1 is reached. Once an employee has reached the maximum rate of labor
grade 1JR in Table 1, he will be managed according to the language of LOU #21 for lump sums in lieu of GWIs. If an employee is reclassified or surplused after October 2, 2014 from labor grade 1JR and subsequently returned to the Interchangeable Occupational Unit, the employee will be managed to labor grade 1JD above. The rate range maximum of labor grade 1JR will be increased in accordance with Article XI, Section 4.

Lump Sums in lieu of GWIs will be granted to employees on the active payroll and in the Bargaining Unit who are at the maximum of their rate, including those on an approved Leave of Absence for ninety (90) days or less. Lump sums in lieu of GWIs will be calculated based on an employee’s pure base rate (plus shift differential and lead pay if applicable) in effect on date of GWT.

The Boeing Company

UAW Local 1069

Thomas A. Easley
Director · Labor Relations

Chris Owens
President · Local 1069
LETTER OF UNDERSTANDING NO. 22
COMPANY/UNION BUSINESS CASES

The Company and the Union agree that in instances when the Company has accepted a Union proposal for a business case under the prevailing process as established in Letter of Understanding No. 10 (Production Subcontracting), the Company will honor such written agreement provided the Union meets all commitments within their proposal. In the event the Union does not meet all commitments within their proposal, the Company has the right to withdraw the work package. In instances where the Company alleges the Union failed to meet all commitments within their proposals, and exercise its right to withdraw the work package, the Union shall have the right to the grievance and arbitration procedure. In any grievance appealed by the Union to arbitration, the arbitrator’s authority will be limited to deciding:

1. Whether or not the Union failed to meet all of its commitments within its proposal, and

2. If so, what the remedy will be.

In instances of alleged failure to honor such agreement, the terms of each individual business case will be subject to the grievance and arbitration procedure. In any grievance that is appealed by the Union to arbitration, the arbitrator’s authority will be limited to deciding:

1. Whether or not the Company failed to honor LOU 22, and

2. If so, what the remedy will be.
In all cases the arbitrator is limited to rendering a decision based upon exclusively the language of LOU 22.
LETTER OF UNDERSTANDING NO. 23
REPRESENTED ACLC INSTRUCTORS

The Company and Union agrees it is in their mutual interest to staff the instructors of the Advanced Craftsman Learning Center with skilled represented production employees. ACLC combines elements of standard work, realistic shop simulations and peer-to-peer coaching which focuses on defect reduction and improvement of touch labor workmanship skills. Instructors, i.e., subject matter, will be selected by Employee Involvement (EI) teams based on skill and ability. Instructors will retain their current job classification job titles, and will be paid seventy-five cents ($0.75) per hour premium while serving as an instructor. Instructors will remain part of their home department, but can be loaned to other departments as needed. Typical ACLC assignments can run for a period of time depending upon the topic and effected crew size(s). The represented ACLC instructor is expected to stay with the assignment until complete.

Employees or Employee Involvement (EI) teams can request ACLC training at any time and requests will be reviewed by management. Management can also recommend an employee for training. Neither of these requests will be considered as disciplinary. The skill development emphasis will be focused on defect reduction and improvement in workmanship skills.
This will have a direct and positive influence on the employee performance incentive program. All requests will be coordinated and scheduled as appropriate. The actual coaching will occur within two working weeks.

The Boeing Company  

UAW Local 1069

Thomas A. Easley  
Director · Labor Relations

Chris Owens  
President · Local 1069
LETTER OF UNDERSTANDING NO. 24
CAREERS@BOEING

During 2014 negotiations the Company and Union have agreed to run a pilot program utilizing the enterprise process for posting open positions using the Company’s staffing system (Careers@Boeing) in lieu of Article VIII, Sections 10 (Promotions) and 11 (Request for Consideration).

When an opening occurs in the bargaining unit as included in Article I it will be determined by Hourly Workforce if there are any employees who have a right to the open position. Employees are considered to have a right in the following order: 1) Employees with a Primary Recall Rights, 2) Employees with a Secondary Recall Rights and then 3) Employees previously holding the position for eight (8) weeks or greater.

If the position is not filled by those having a right to the opening the Company will then post all open positions on the Company’s staffing system (Careers@Boeing) for a minimum of five (5) working days. Open positions will be filled on the basis of skill and ability being the determining factors, with seniority being given full consideration and prevailing when skill and ability are equal.

The Pilot Program will run for twenty-four (24) months from implementation. During the term of the Pilot Program the Company and Union will appoint a joint committee to meet on a quarterly basis to review and evaluate the Pilot Program. The joint committee will be comprised of six (6) members (3 UAW Representatives and 3 Company Representatives). The joint committee will meet and update the
following leaders on the status, concerns or any help needed on the Pilot Project:

President, UAW Local 1069
International Representative, UAW, Region 9
Vice President or Shop Chairman, UAW Local 1069
Director of Operations, BMA
Sr. Manager, Employee Relations
Manager, Human Resources

The joint committee will make a recommendation eighteen (18) months from the beginning of the pilot regarding the continuation or discontinuation of the Pilot Program. If the joint committee recommends the discontinuation of the Pilot Program, the process will revert to the language in the body of the collective bargaining agreement ninety (90) calendar days after the committee's recommendation.

The Boeing Company
Thomas A. Easley
Director · Labor Relations

UAW Local 1069
Chris Owens
President · Local 1069
IN WITNESS WHEREOF, the Company and the Union have caused this Agreement to be signed by their authorized representatives.

Dated this 23rd day of May 2015.

BOEING ROTORCRAFT
(A Division of The Boeing Company)

[Signatures]

Gary A. Baker
Philadelphia Site Leader

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Director, Human Resources

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INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA (UAW) AND ITS LOCAL UNION 1069

Kieran Martin
International Representative

Chris Owens
President, Local 1069 UAW

Michael Tolassi
Chairman, Shop Committee

Wayne Schmidt
Vice-President, Local 1069 UAW

Michael Barbacano
Financial Secretary/Treasurer

Brian McBride
Recording Secretary
William Leggett
Committeeman

William Lucchetta
Committeeman

James Lux
Committeeman

Thomas Lyons
Committeeman

Michael Madigan
Committeeman

Kyle Matthews
Committeeman
John Mozzani
Committeeman

Kenneth Schupp
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