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Title: **Hamilton Sundstrand Corporation and International Association of Machinists and Aerospace Workers (IAM), AFL-CIO Hartford Aircraft Lodge No. 743 (2004)**

K#: **4095**

Employer Name: **Hamilton Sundstrand Corporation**

Location: **CT Windsor Locks**

Union: **International Association of Machinists and Aerospace Workers (IAM), AFL-CIO**

Local: **Hartford Aircraft Lodge No. 743**

SIC: **3724**

NAICS: **336412**

Sector: **P**

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## TABLE OF CONTENTS

<b>AGREEMENT AND PURPOSE</b> .....	1
<b>ARTICLE 1 MANAGEMENT FUNCTIONS</b> .....	2
<b>ARTICLE 2 COVERAGE</b> .....	2
<b>ARTICLE 3 RECOGNITION</b> .....	3
<b>ARTICLE 4 NON DISCRIMINATION</b> .....	4
<b>ARTICLE 5 UNION SECURITY</b>	
Section 1 Maintenance of Membership.....	4
Section 2 Condition of Employment .....	4
Section 3 Right to Terminate .....	5
Section 4 Agreement to Deduct Dues and Fees .....	5
Section 5 Pay Period and Time of Deduction .....	6
Section 6 Remittance to Union .....	6
Section 7 Effect of Termination, Transfer, Layoff, Recall .....	6
Section 8 Indemnification of Company .....	7
Section 9 No Solicitation, Company present Deduction Card .....	7
Section 10-16 Checkoff Procedure .....	7
Section 17 Effect of Applicable Law .....	10
<b>ARTICLE 6 UNION REPRESENTATION</b>	
Section 1(a) Shop Stewards Formula.....	10
Section 1(b) Shop Stewards Area/Coverage.....	10
Section 1(c) Reduction in Shop Stewards.....	11
Section 2 Number of Committeepersons.....	11
Section 3 Seniority Required of Union Representatives.....	11
Section 4 Notice of Appointment of Union Representatives.....	11
Section 5 Shop Steward Allocation - Outlying Areas.....	12
<b>ARTICLE 7 GRIEVANCE PROCEDURE</b>	
Grievance Procedure Review.....	12
Section 1 Earnest Effort Requirement.....	13
Oral Step.....	13
Written Step 1.....	14
Written Step 2	
Written Step 2(a) Appeal to Step 2.....	15
Written Step 2(b) Union or Mass Grievances.....	18
Written Step 2(c) Meetings.....	16
Written Step 2(d) 5 Day Decision-No Precedent.....	17
Section 2 Job Rating Grievances.....	17
Section 3(a) Grievances Appealed to Arbitration by Either Party....	18
3(b) Mutual Agreement.....	19
3(c) Limit on Issues Which May be Arbitrated.....	19
3(d) Decision of Arbitrator.....	19
3(e) Limitations on Arbitrator.....	19
3(f) Arbitration Dates/Sequence.....	20

3(g)	Order of Appearance at Arbitration Hearing.....	20
3(h)	Panel of Arbitrators.....	20
3(i)	Payment of Arbitrator's Fee and Expenses.....	20
3(j)	Procedure for Filing Vacancy on Panel.....	21
3(k)	Types of Grievances Expedited to Arbitration.....	21
3(l)	Procedure for Expedited Hearing Procedure.....	21
Section 4	Definition of Misclassification.....	21
Section 5	Time Limit on Grievance Appeals.....	22
Section 6	Time Limit of Filing Grievances.....	22
Section 7	Limitation on Retroactive Grievance Settlements.....	22
Section 8	Shop Steward Duties/Requests.....	23
Section 9	Time Spent by Shop Stewards and Committeepersons at Steps of the Procedure and Special Meetings.....	23
Section 9(a)	Shop Steward Pay.....	23
9(b)	Committeepersons Pay - Step 2.....	24
9(c)(1)	Committeepersons Pay.....	24
9(c)(2)	Committeepersons Pay - Audit Layoff.....	24
9(c)(3)	Committeepersons Pay - Special Meeting.....	24
9(c)(4)	Committeepersons Rate of Pay.....	25
9(d)	Union Timecards to Union Once/Month.....	25
Section 10	Time Limit on Filing Discharge/Suspension Grievances.....	25

**ARTICLE 8 SENIORITY**

Section 1(a)	Basis for Layoff and Recall.....	26
1(b)	Transfer or Recall to Non-Layoff Impacted Jobs.....	26
1(c)	Layoffs Involving More Than 300 Employees.....	26
Section 2	Job Ladders, and Seniority Areas (Ref Appendix A & B).....	27
Section 3(a)	Recall after Layoff.....	27
3(b)	Readjustment Following Layoff.....	28
3(c)	Method of Wage Reduction for Demotions.....	28
Section 4	Layoff Notification.....	28
Section 5(a)	Probationary Employees.....	29
5(b)	Probationary Employees (Layoff).....	29
Section 6(a)	Prohibits Exercise of Seniority for Recall to a Higher-Rated Job.....	29
6(b)	Recall to an Integrated Job Code.....	30
6(c)	Prohibits Transfer to Higher Rated Job in Layoff.....	30
Section 7(a)	Three Co-Equal Factors (Promotions).....	30
7(b)	Most Senior Qualified.....	31
7(c)	Grievances - Who May File.....	31
7(d)	Seniority of Promotee RE: Shift Assignment.....	31
7(e)	Filling Vacancies by Other Means.....	31
Section 8	Temporary Layoffs.....	
8(a)	Not to Exceed 60 Days.....	31
8(b)	Selection of Employees.....	32

**ARTICLE 8 (Continued)**

8(c)	Series of Layoffs - Equat Distribution.....	32
8(d)	Benefits during.....	32
Section 9(a)	Shift Transfers - Preferred Shift.....	33
9(b)	Reduction/Elimination of Shift.....	33
Section 10(a)	Ninety Day Clause.....	33
10(b)	P&W Transfers.....	33
10(c)	P&W/IFC Transfers (Benefits).....	33
Section 11	Leave of Absence for Union Representatives.....	
11(a)	Up to 18 Years.....	34
11(b)	Re-Employment.....	35
11(c)	Accumulation of Seniority.....	35
Section 12(a)	Salary return to Bargaining Unit - Same Grade/Similar Position.....	35
12(b)	Salary Return to Bargaining Unit.....	36
Section 13	Loss of Seniority.....	
13(a)	Resigns.....	36
13(b)	Discharge for Just Cause.....	36
13(c)	Layoff RE: Length of Service, Continuous Absence.....	36
13(d)	Fails to Report Within 5 Working Days.....	37
Section 14	Seniority Rights of Union Officials.....	37
14(a)	Heading of Seniority List.....	37
14(b)	Shop Steward/Safety Rep-Seniority in Event of Layoff.....	37
14(c)	Shop Steward/Committeepersons Transfer Out of Area.....	38
Section 15	Performance Appraisal Program.....	
15(a)	Not to Determine Rate of Pay.....	38
15(b)	Once Per Year.....	38
15(c)	Period - 3/1 - 4/30.....	39
15(d)	May File Grievance Over.....	39
Section 16	Hourly Job Posting - Job Ladder Primary Consideration.....	39
16(a)	Post 5 Work Days.....	39
16(b)	Application Process.....	39
16(c)	Posting Eligibility Requirements.....	40
16(d)	Consider Recall Rights - No Obligation.....	40
16(e)	Employee/Union Notification.....	40
Section 17	Severance Pay.....	
17(a)	Minimum Service Ninety (90) days.....	41
17(b)	Pay Calculations - Base & COLA.....	41
17(c)	Paid Weekly or Lump Sum.....	41
17(d)	Number of Weeks (Schedule).....	41
17(e)	Medical/Dental Plan/Life Paid # of Severance Weeks.....	42
17(f)	No Pay if Recalled.....	42
17(g)	Once for Contract Period.....	43

**ARTICLE 8 (Continued)**

17(h)	No if Acts of God, etc.	43
17(i)	Company/Union Provide Services	43
17(j)	Retraining Assistance	43
Section 18	Transfer of an Operation or Department	
18(a)	Opportunity to Move with Work	44
18(b)	Process if Employee Refuses	44

**ARTICLE 9 HOURLY JOB RATING PLAN**

Section 1	Plan Mutual Agreement	44
Section 2	Job Descriptions Furnished to the Union	44
Section 3	Definition of New Job	45
Section 4	On-Site Reviews and Pay	45

**ARTICLE 10 WAGE RATE PROGRESSION**

Section 1	Progression to Standard Rate	45
Section 2	Automatic Progression	
2(a)	10% Every 15 Weeks	46
2(b)	Continue Every 18 weeks if Standard	
	Less Max	46
2(c)	Once at Standard Every 18 Weeks	46
2(d)	Lateral Transfers - Not Stop	47
2(e)	Promotion at Least 30¢/Hr	47
2(f)	Demotions: 6 mos. Freeze then 10% Each 16 Weeks	47
2(g)	Hires/Transfers at Standard of Above	47
2(h)	Promotions at Standard or Above	47
2(i)	Demotions at Standard or Above	48
2(j)	11¢-19¢ Below Max. - to Max. on Next A/P	48
2(k)	Company Discretion - Special Increases	48

**ARTICLE 11 WAGES**

Section 1	Increase and New Rate Schedule Effective May 3, 2004	48
Section 2	Increase and New Rate Schedule Effective May 2, 2005	49
Section 3	Increase and New Rate Schedule Effective May 1, 2006	49
Section 4(a)	Cost-of-Living Allowance - Quarterly	49
4(b)	Determination of Cost-of-Living Allowance	49
4(c)	Method of Computation & Dates	49
Section 5	No Change in Adjustment Resulting from Revised Index	51
Section 6	Publication of the Index	51
Section 7	No adjustment until Index is Issued	51
Section 8(a)	2 <sup>nd</sup> Shift Premium - 10%	51
8(b)	7 1/2¢ 3rd 6 1/2Hrs Wrk for 8 Hrs Pay	52
8(c)	Rotating Shift Premium (Powerhouse)	52
8(d)	18 Min. Late or Out Early Disq 3rd Shift Premium	52

**ARTICLE 12 OVERTIME**

Section 1	Overtime Rates	53
	(a) Time & one-half after eight (8) hours worked in anyone day	53
	(b) Double Time (Sundays and Holidays)	53
Section 2(a)	Overtime Distribution	53
2(b)	Grievance Over Substantial Inequality	54
Section 3	No Duplicating or Pyramiding of Overtime Pay	54

**ARTICLE 13 VACATIONS**

Section 1	Anniversary Year and Schedule	55
1(a)	Recalls First Quarter/Other Rehires with Seniority	55
Section 2	Requirements and Limitations for Vacation Time	55
Section 3(a)	Vacation Pay Computation	56
3(b)	Vacation Pay for Terminated Employees, pro rata vacation, pay computation	56
Section 4	Vacation Pay as Time Taken	57
Section 5	Vacation Pay - Powerhouse Employees	57
Section 6	Determination of Vacation Period	58
Section 7	Pay in Lieu of Vacation	58
Section 8	Incentive Vacation	58
Section 9	Vacation Time Taken in One-Half Days	59

**ARTICLE 14 HOLIDAYS**

Section 1	Recognized Holidays	60
Section 2	Payment and Eligibility	61
2(a)	30 Days Service	61
2(b)	Would Have Been Scheduled to Work-if Not	61
2(c)	Work Day Before-Day After-Excuse But Not Both	61
2(d)	No Need for Request to be Paid	61
Section 3	Holiday Occurring During Military Training Duty	62
Section 4	Holiday Occurring on a Saturday or Sunday	62
Section 5	Holiday Occurring During Scheduled Vacation	62
Section 6	Management Option to Observe Holidays	63
	Failure to Report for Scheduled Work on Holiday	63
	Advanced Notice to Employees Scheduled to Work	63
Section 7	Payment for Holiday Work	63

**ARTICLE 15 SICK AND PERSONAL LEAVE (prior approval required)**

Section 1	Period of Eligibility	64
Section 2	Eligibility Requirement for Three Days	64
Section 3	Eligibility Requirement for Five Days	64
Section 4	Recalls First Quarter	64
Section 5	Pay Computation - Full or One Half Days Absence	64
Section 6	Unused Leave	65
Section 7	No Prorata Pay - Laid Off Employees Eligibility	65
Section 8	Termination Period-Not Service Time for Acquiring Leave	65

<b>ARTICLE 15 (Continued)</b>		
Section 9	Sickness/Injury/Personal Reasons Verification Requirement.....	65
Section 10	Notification of Absence.....	65
<b>ARTICLE 16 REPORTING PAY-CALL-BACK PAY</b>		
Section 1	Reporting Pay.....	66
Section 2	Call-Back Pay.....	66
<b>ARTICLE 17 BEREAVEMENT LEAVE</b>		
Section 1	Defines Coverage/Calculation.....	67
Section 2	Notification.....	67
<b>ARTICLE 18 JURY DUTY</b>		
Section 1	Jury Duty Examination Allowance.....	68
Section 2	Pay.....	68
2(a)	Not to Exceed 8 Hours.....	68
2(b)	30 Days Per Year.....	68
2(c)	Second & Third Shift.....	68
Section 3	Limitations on Jury Examination/Duty Allowance.....	69
Section 4	Eligibility.....	69
<b>ARTICLE 19 REST PERIOD.....</b>		69
<b>ARTICLE 20 MILITARY SERVICE</b>		
Section 1	Annual Training or Temporary Emergency Duty Allowance.....	70
Section 2	Reemployment of Veterans.....	70
<b>ARTICLE 21 RETIREMENT AND SAVINGS PLAN</b>		
Section 1	Retirement, Appendix C.....	71
Section 1(a)	Types of Compensation not to Reduce Pension Benefits.....	71
1(b)	No Impact for Union Excused Time.....	71
Section 2	Savings Plan, Appendix D.....	71
Section 3	Changes/Amendments Attached.....	71
<b>ARTICLE 22 GROUP INSURANCE.....</b>		72
<b>ARTICLE 23 GENERAL PROVISIONS</b>		
Section 1	Bulletin Boards.....	72
(a)	Union Meetings Notices.....	72
(b)	Election and Results.....	73
(c)	Appointment of Officers.....	73
(d)	Social and Recreational Affairs.....	73
Section 2	Distribution, Posting and Solicitation Restrictions.....	73
Section 3	Locations for Distribution of Union Literature.....	73
Section 4(a)	Leave of absence.....	74
4(b)	Employee Responsibilities During Leave of Absence.....	74
Section 5	Discharge for Security Reasons.....	74
Section 6	Union Representatives - Excused Absence From Work.....	74
Section 6(a)	District 26 Meetings.....	75

<b>ARTICLE 23 (Continued)</b>		
6(b)	Shop Committee.....	75
6(c)	National/State/Regional IAM Conf.....	75
6(d)	AFL-CIO State/Regional.....	75
6(e)	Annual IAM School Courses.....	75
6(f)	Executive Board.....	75
6(g)	Reasonable # of Tellers RE: Elections.....	75
6(h)	Political Meetings.....	76
6(i)	Local Lodge Negotiating Committee.....	76
Section 7	Travel and Relocation Allowance.....	76
Section 8	Direct Deposit.....	76
Section 9	Notification Regarding Change in Shift Hours.....	76
<b>ARTICLE 24 STRIKE OR LOCKOUT</b>		
(a)	Publicly disavow.....	77
(b)	Advise Company.....	77
(c)	Post Notices/Union Obligations/Employee Risks.....	77
<b>ARTICLE 25 EMPLOYEE ASSISTANCE PROGRAM.....</b>		78
Section 1	Company and Union Agree to Cooperate.....	78
Section 2	Company and Union Recognize District 26 Senior Union E.A.P. Coordinator & one Lodge 743 E.A.P. Coordinator.....	78
Section 3	E.A.P. Coordinator - Allowed to Attend Meetings.....	78
Section 4	Company and Union Recognizes sensitivity and Confidentiality.....	79
Section 5	If E.A.P. Coordinator Holds a Valid C.E.A.P. Certificate.....	79
Section 6	E.A.P. Coordinator Indemnified.....	79
Section 7	Company Pay for E.A.P. Coordinator Training.....	79
<b>ARTICLE 26 ENVIRONMENTAL, HEALTH &amp; SAFETY</b>		
Section 1	Company and Union Commitment.....	80
Section 2	Number of Union Safety Representatives/Coverage.....	80
Section 3	EH&S Resolution Process.....	82
Section 4	Observation of Conditions.....	84
Section 5	Meetings to Discuss EH&S Issues.....	84
Section 6	Plant Walk-Around Tours.....	84
Section 7	Semi-Annual Company/Union Meetings.....	84
Section 8	Chief Union Safety Representative - Time off (Max Each Day 8 hrs.....	85
Section 9	Pay for Time Spent by Union Safety Representatives.....	85
Section 10	Appropriate Safety Training Courses Sponsored by IAM.....	86
Section 11	Chief Union Safety Representative and Union Safety Representatives indemnified.....	86
<b>ARTICLE 27 MNPL CHECKOFF</b>		
Section 1	Address.....	86
Section 2	Monthly Deductions.....	87
Section 3	Indemnify Company.....	87
Section 4	Sample Card Attached.....	87

<b>ARTICLE 28</b>	<b>TRANSFER OF ONGOING PRODUCTION WORK</b>	
Section 1	Notice Period.....	88
Section 2	Meet and Confer.....	88
Section 3	Information to Union.....	88
<b>ARTICLE 29</b>	<b>DURATION</b>	
Section 1	Duration of Contract.....	89
Section 2	Suspension of Negotiations.....	89
Section 3	Termination of Contract.....	90
Section 4	Transmittal of Notices.....	90
<b>SCHEDULE A</b>	<b>HOURLY RATES EFFECTIVE MAY 3, 2004</b> .....	92
<b>SCHEDULE B</b>	<b>HOURLY RATES EFFECTIVE MAY 2, 2005</b> .....	93
<b>SCHEDULE C</b>	<b>HOURLY RATES EFFECTIVE MAY 1, 2006</b> .....	94
<b>APPENDIX A</b>	<b>SENIORITY AREAS</b> .....	95
<b>APPENDIX B</b>	<b>JOB LADDERS</b> .....	98
<b>APPENDIX F</b>	<b>NDT &amp; AMS WELDING</b> .....	117
<b>CHECKOFF CARD, MEMBERSHIP APPLICATION and/or CHECKOFF AUTHORIZATION</b> .....118		
<b>MNPL CHECKOFF CARD</b> .....119		
<b>MACHINISTS NON-PARTISAN POLITICAL LEAGUE AUTHORIZATION CARD</b> .....121		
<b>LETTERS OF AGREEMENT</b>		
Letter 1	Material to be Provided to the Union.....	122
Letter 2	National Health Insurance.....	126
Letter 3	Reallocation of Employees.....	127
Letter 4	Employee Assistance Program.....	130
Letter 5	Employee Separation Package.....	132
Letter 6	Overtime Records and Guidelines.....	134
Letter 7	Overtime & Amended Shifts.....	139
Letter 8	Third Party Valuation.....	140
Letter 9	Individual Medical Account.....	143
Letter 10	Job-Based Training.....	146
Letter 11	Family & Medical Leave of Absence.....	149
Letter 12	Hourly Employee Recognition Program.....	153
Letter 13	Savings Plan.....	155
Letter 14	Pension Plan.....	159
Letter 15	Group Insurance Plans.....	163
Letter 16	Facilities and Machine Tool Services Subcontracting.....	174
Letter 17	Excess Union Time.....	176
Letter 18	Union Coordinator of Cooperative Programs.....	177
Letter 19	Absence on Martin Luther King Day & Veteran's Day.....	179
Letter 20	Red-Flag Pay Rates.....	180
Letter 21	Union-Management Committee on Productivity, Competitiveness and Job Security.....	181
Letter 22	Environmental, Health & Safety Teams.....	184
Letter 23	Voluntary Early Retirement (VER) Medical Coverage.....	186
Letter 24	Ratification Bonus.....	189
Letter 25	Appendix B (New Job Ladders).....	190

**LETTERS OF AGREEMENT (Cont.)**

Letter 26	Long Term Absence/Disability.....	193
Letter 27	Shop Stewards.....	194

## **AGREEMENT**

This Agreement made and entered into this 3rd day of May, 2004, by and between HAMILTON SUNDSTRAND CORPORATION, hereinafter called the "Company" and HARTFORD AIRCRAFT LODGE NO. 743 OF THE INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, AFL-CIO, hereinafter called the "Union."

## **PURPOSE**

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 eliminate interruptions of work and interference with the efficient operation of the Company's business.

**ARTICLE 1**

**Management Functions**

It is recognized that in addition to other functions and responsibilities, 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 plants; the product to be manufactured; the types of work to be performed; the assignment of all work to employees or other persons; the schedules of production; shift schedules and hours of work; the methods, processes, and means of manufacturing; and to select, hire, and demote employees, including the right to make and apply rules and regulations for discipline, efficiency, production and safety unless otherwise hereinafter provided.

It shall also have the right and responsibility to discharge or otherwise discipline any employee for just cause, to promote and transfer, and to lay off because of lack of work or other cause, unless otherwise hereinafter provided.

**ARTICLE 2**

**Coverage**



Connecticut, plant, including trainees, working leaders and all hourly-rated technicians in the chemical, rubber, metallurgical, vibration, and electronics laboratories but shall exclude apprentices, executives, professional employees, salaried technicians in the Engineering Department, foremen's clerks who have access to confidential information, draftsmen, plant protection employees, Medical Department employees, salaried timekeepers, salaried office and salaried factory clerical employees, outside servicemen, truck drivers, watch engineers, group supervisors and all other supervisors as defined in the National Labor Relations Act, as amended, at the above Connecticut plants.

**ARTICLE 3**

**Recognition**

The Company recognizes Hartford Aircraft Lodge No. 743 of the International Association of Machinists and Aerospace Workers as the sole and exclusive collective bargaining agency for the employees defined above for the purposes set forth in the National Labor Relations Act, as amended.

## ARTICLE 4

### Non-Discrimination

The Company and the Union recognize that employees covered by this Agreement may not be discriminated against in violation of the provisions of the Labor - Management Relations Act, 1947, as amended; Title VII of the Civil Rights Act of 1964, as amended; the Age Discrimination in Employment Act of 1967, as amended; the Vocational Rehabilitation Act of 1973; and The Americans With Disabilities Act of 1992; or any other state or federal statute which affects the employment of employees covered by this Agreement.

## ARTICLE 5

### Union Security

Section 1. Any employee who is a member of the Union on the day of the signing of this Agreement shall, as a condition of employment, maintain his/her membership in the Union thereafter for the duration of this Agreement or tender to the Union a monthly agency or service fee for the duration of this Agreement.

Section 2. Any employee who is not a member of the Union on the day of signing this Agreement shall as a condition of employment commencing no later than the thirtieth calendar day following the execution of this Agreement, or the thirtieth calendar day following the beginning of his/her employment, whichever is later, either (1) become a member of the Union and maintain

his/her membership in the Union thereafter for the duration of this Agreement, or (2) tender to the Union a monthly agency or service fee (hereinafter "service fee") in an amount permitted by law, not in excess of the monthly membership dues of Union members.

Section 3. Upon written request from the Union, the Company shall terminate the employment of an employee who fails to comply with the requirements of Sections 1 or 2 of this Article; provided a copy of the Union's request has been sent via certified mail, return receipt requested, to both the Company and the delinquent employee at least fifteen (15) days prior to the date on which the employee is to be terminated; and further provided that the delinquent employee has not cured his/her delinquency prior to the date proposed for his/her termination.

Section 4. The Company agrees to deduct monthly, in four (4) equal installments, Union dues in whatever sum is established by the local Union as the regular monthly dues uniformly required as a condition of retaining membership therein upon the receipt of an assignment. The Company also agrees to deduct from the earnings of an employee one (1) initiation fee in whatever amount is authorized by such employee on a properly executed assignment card which is delivered to the Company. The Company also agrees to deduct a monthly service fee, also in four (4) equal installments, in whatever sum permitted by law is established by the local Union, not in excess of the monthly membership dues of Union members, upon the receipt of a properly executed assignment card.

The sum which represents such monthly Union dues or service fees shall be certified to the Company as constituting such by the Secretary-Treasurer of Lodge 743. If the sum once certified is changed, the amount deducted from the earnings of an employee who has authorized such deduction shall not be increased or decreased until 30 days' written notice of such change has been received by the Company from the Secretary-Treasurer of Lodge 743.

Section 5. The deduction of the monthly dues and the initiation fee or service fee shall be made from the earnings received by the employee on the first four (4) paydays of the month in which a property executed assignment is received by the Company. Union dues or a service fee will be deducted thereafter from the earnings received by the employee on the first four (4) paydays of each month.

Section 6. Deductions provided for in Section 4 shall be remitted to the Secretary-Treasurer of Lodge 743. The remittance shall be made by check drawn by the Company to the order of Lodge 743, International Association of Machinists and Aerospace Workers, and shall be sent not later than the fifth working day of the month following that month in which the deductions were made. The Company shall simultaneously furnish the Secretary-Treasurer of the local Union a record of the employees from whose earnings deductions have been made and the amounts of the deductions.

Section 7. The Company's obligation to make such deductions shall terminate automatically upon termination of the employee who signed the authorization or upon his/her transfer to a plant (other than another plant of the Company covered by an effective contract with the I.A.M.A.W. which

provides for check-off of dues or a service fee), department, or job not covered by this Agreement, except that deductions shall be resumed if an employee, terminated by layoff, is rehired with seniority rights.

Section 8. 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 described herein, in an amount not to exceed the sum received by the Union on account of the deductions made from the earnings of such employee or employees.

Section 9. The Company will notify the Union of the date and time when new employee(s) are to be processed. A Union official may be present during part of the processing to present the new employee with payroll deduction assignment cards for Union dues and the initiation fee, or agency/service fee. If a Union official fails to meet with the new employee, the Company shall have no obligation for the distribution and collection of the cards. There shall be no solicitation of employees for Union membership, dues or service fees conducted upon the premises of the Company during working time by the Union, its representatives or by employees; nor shall there be any distribution or collection of payroll deduction assignment cards for Union dues, the initiation fee, or service fees conducted upon the premises of the Company during working time by the Union, its representatives or by employees, except as provided for above.

Section 10. The check-off assignment cards herein provided for shall be submitted by the Secretary-Treasurer, Lodge 743 to the office of the Vice President, Human Resources, or his/her designee, not later than the

fifteenth day of the month preceding that month in which deduction of Union dues or service fees is first made.

Section 11. Check-off assignments shall be submitted with a letter of transmittal signed by an authorized officer of Lodge 743 listing in duplicate the name, department number, clock number, and the amount of dues and the initiation fee, or service fee, to be deducted from the earnings of the employees who signed such assignments.

Section 12. The Company shall forward to the Secretary-Treasurer, Lodge 743 each month the following information listed in alphabetical order:

- (a) The names, departments, clock numbers and social security numbers of employees who authorized deduction of Union dues and the initiation fee, or service fee and from whose wages such a deduction has been made during the current month.
- (b) The names of employees who authorized the deduction of Union dues and the initiation fee, or service fee and from whose wages no such deduction was made because of insufficient earnings during the pay period for which the deduction was authorized.
- (c) The names of employees who authorized such deduction but whose assignment became ineffective pursuant to Section 7 of this Article by reason of the termination of their employment or transfer to a job not covered by this Agreement.

Section 13. If in any pay week of any month the earnings of any employee who authorized such deductions are insufficient to permit deductions to be made, the Company will make the appropriate deductions from the employee's earnings in the following week's pay; provided, however, if there are still insufficient funds, the Company will make the appropriate deductions in the next succeeding week's pay, up to the first pay week of the next succeeding month.

Section 14. If, by the last pay period of the succeeding month in which deductions were to be made, the earnings of an employee who authorized such deductions are insufficient to permit such deductions to be made, the obligation of the Company to deduct Union dues or a service fee will then revert to a current basis, and it is understood that the Company will have no further obligation for the collection of past dues or service fees in such cases.

Section 15. The Company's obligations set forth in this Article of the contract shall terminate automatically in the event of any strike, sympathy strike, sit-down, slowdown, concerted stoppage of work, or picketing of the Company's plant by employees of the Company; provided, however, that said obligations shall not terminate if the Union has complied with the provisions of Article 24 of this Agreement.

Section 16. It is agreed that the Company shall honor check-off assignment cards only when such cards are properly executed in the form, basic color, paper stock and size of the samples attached hereto and made a part of this Agreement.

Section 17.

All of the provisions of this Article shall be effective to the extent permitted by applicable law.

**ARTICLE 6**

**Union Representation**

Section 1.

(a) The total number of Shop Stewards shall be determined by applying a formula of one (1) Shop Steward for every seventy five (75) employees in the bargaining unit as set forth in Article 2. The number of Shop Stewards assigned to any one Shop Steward area shall not exceed a ratio of one (1) Shop Steward for each fifty (50) bargaining unit employees in that area, subject to the overall limitation of one (1) Shop Steward per seventy five (75) employees set forth above. The number of Shop Stewards and the areas which they represent shall be subject to review upon the request of either the Company or the Union.

(b) It is mutually agreed the area of the shop which each Shop Steward will represent for the purpose of adjusting grievances or complaints under Article 7 shall be the same as the seniority areas listed in Appendix A. It is agreed Shop Stewards will normally work within their assigned Shop Steward area. Specific Shop Steward coverage within these Shop Steward areas will be mutually agreed upon by the Company and the Union.

(c) Should the number of Shop Stewards exceed the limitations set forth in Section 1(a) above, the Company shall so inform the Union in writing. The Union shall thereupon promptly notify the Company in writing of the revisions in Shop Steward assignments required by such limitation. Failure of the Union to so notify the Company within four (4) days (excluding Saturdays, Sundays and holidays) shall automatically reduce the number of Shop Stewards to the required level by canceling Shop Steward appointments on the basis of seniority as defined in Article 8, starting with the least senior Shop Steward.

Section 2. The number of Shop Committeepersons shall be five (5) for the bargaining unit as set forth in Article 2. The Shop Committee shall meet with the Committee of Management as provided in Article 7.

Section 3. Shop Committeepersons, Shop Stewards, Union Safety Representatives, Union Job Evaluation Specialist, and Union EAP Coordinator shall be active employees of the Company. No employee shall act as a Shop Committeeperson, Shop Steward, Union Safety Representative, Union Job Evaluation Specialist, and Union EAP Coordinator unless at the time of his/her selection he/she has not less than six (6) month's seniority as defined in Article 8.

Section 4. The Union shall furnish the Company with a list of its officers, Shop Committee members, Shop Stewards, Union Safety Representatives, Union Job Evaluation Specialist, and Union EAP Coordinator and shall as soon as possible notify the Company of any changes therein. No officer, Committeeperson, Shop Steward, Union Safety Representative, Union Job Evaluation Specialist and Union EAP

Coordinator shall be recognized by the Company until such written notification of his/her appointment shall have been received by the Company from a duly authorized officer of the Union. Subject to the limitations of this Article, the Company shall recognize Shop Steward appointments within five (5) days (excluding Saturdays, Sundays and holidays) after receipt of notification from the Union.

Section 5. In outlying areas or Shop Steward areas where the employee complement would not allow for the recognition of a Shop Steward under the above provisions, exceptions may be made to provide for on-site steward coverage at the mutual agreement of the parties.

## ARTICLE 7

### Grievance Procedure

Grievance Procedure Review. At the request of either party, but not more frequently than once per quarter, there will be a meeting between the Directing Business Representative or his/her designee, the President of Local Lodge 743 and other appropriate Union representatives, and the Vice President of Human Resources or his/her designee, and appropriate Company representatives, to discuss problems of significant magnitude which impede the grievance procedure from functioning in an effective fashion. The purpose of this meeting shall not be to resolve particular grievances.

Section 1. In the event that a difference arises between the Company, the Union or any employee concerning the interpretation, application or compliance with the provisions of this Agreement, an earnest effort will be made to resolve such difference in accordance with the following procedure which must be followed.

Oral Step. An employee having a grievance or complaint may, after notice to his/her immediate supervisor, take it up either directly with his/her supervisor or with the Shop Steward who shall take it up with the employee's supervisor. Such grievance shall be presented orally at this step of the grievance procedure. Any such discussion shall be as brief as possible and the employee may be present at this discussion. The supervisor will produce at this step of the procedure, at no cost to the Union, the records the supervisor has available to him/her which the supervisor relied upon to reach the conclusion or make the decision which resulted in the instant grievance.

No Shop Steward shall be called in the case of a grievance involving any disciplinary action until the administration of such action shall have been completed nor shall a Shop Steward be called for an employee who alleges he/she is being improperly laid off. In the case of a grievance concerning the discharge or suspension of an employee, once the action has been completed, the Shop Steward will be given the opportunity to meet with the supervisor who issued the discipline.

The Shop Steward shall be given an opportunity to be present at the adjustment of a grievance arising under the terms of this

Agreement which is presented to the supervisor directly by an employee; provided, however, a Shop Steward shall not be paid for time so spent.

If the grievance is not satisfactorily settled at the Oral Step, it must be reduced to writing on the form provided within five (5) working days, excluding Saturdays, Sundays, and holidays, of the supervisor's disposition. All grievances which affect the wages, hours or working conditions of any employee shall, when reduced to writing in Written Step 1, be signed by that employee. The dispositions given at Written Steps 1 and 2 of this procedure, together with the dates thereof, must be noted on the form and signed by the respective representatives of the Company and the Union.

Grievance forms shall be obtainable from the supervisor.

When the grievance is reduced to writing, there must be set forth in the spaces provided all of the following:

- (a) A statement of the grievance and the facts involved;
- (b) The remedy requested; and
- (c) The violation, if any, of the Agreement which is claimed.

Written Step 1. When reduced to writing, the grievance shall be taken up as soon as possible, but no more than five (5) working days, excluding

Saturdays, Sundays, and holidays, by the Shop Steward within whose area the grievance arose together with the employee, (except in cases of discharge or indefinite suspension where a Shop Committeeperson may attend in place of the employee) with the grieving employee's supervisor and an Operations Center Manager or Company designated representative. Any grievance filed concerning the discharge or indefinite suspension of an employee shall be presented initially at this step of the grievance procedure. The answer of the Operations Center Manager or designated representative will be given in writing on the form provided within five (5) working days, excluding Saturdays, Sundays, and holidays, after its presentation.

The Company will produce at this step of the grievance procedure, at its own cost and without the need of a request by the Union, the records it relied upon to reach the conclusion or make the decision which resulted in the instant grievance, provided the records were not produced at the Oral Step. If the Shop Steward considers other relevant records to be necessary to the resolution of the grievance, the Company will produce such additional records, without cost, if it does not impose an unreasonable burden on the Company to obtain such records. Where the Shop Steward's request for additional records does impose an unreasonable burden on the Company, the Union agrees to reimburse the Company for the actual cost incurred by the Company in locating and procuring such additional records.

Written Step 2.

- (a) If the grievance is not satisfactorily settled at Written Step 1, an appeal therefrom may be taken by the Shop Steward to the

Committee of Management. The appeal by the Shop Steward shall be considered to be taken if the Shop Steward so marks the grievance form within the time limit provided in Section 5 of this Article. In addition, such appeal shall be included on an agenda letter (filed as provided in Section 9(b) of this Article) for the first regularly scheduled meeting of the Committee of Management following the date of the Operations Center Manager or Company designated representative's decision; provided, however, that if this is not done, the grievance shall be included on an agenda letter for the second regularly scheduled meeting of the Committee of Management following the date of the Operations Center Manager or Company designated representative's decision. If the grievance is not included in such an agenda letter, the decision of the Operations Center Manager or designated management representative shall be final and conclusive and binding upon all employees, the Company, and the Union.

(b) A grievance which affects a substantial number of employees (5 or more), other than job rating grievances, in which the Operations Center Manager or Company designated representative at Written Step 1 of this procedure lacks authority to settle, and grievances filed by the Company or the Union shall initially be presented at this step.

(c) The Committee of Management shall meet with the Union Shop Committee and Business Representative or Grand Lodge Representative whenever necessary but not more frequently than every two weeks to hear grievances and complaints properly before it as set forth in Written Step 2(a) and (b) of this Article. Business Unit or Operating Center Directors and Human Resources Managers may, by mutual agreement of the parties, participate in the Committee of Management

discussions concerning grievances which involve a significant number of employees or significant issues within their business units.

(d) The Committee of Management will render a decision on a grievance so presented to it as soon as possible but not later than five (5) working days excluding Saturdays, Sundays, and holidays (unless extended by mutual agreement) after its meeting with the Shop Committee and Business Representative on such grievances.

It is agreed that in the interest of encouraging the settlement of grievances, no decision or resolution of a grievance at the Oral Step or at Written Steps 1 and 2 shall be cited by either party as a precedent in any subsequent grievance.

Section 2. A claim that under the Hourly Job Rating Plan a job has been improperly assigned or evaluated to a labor grade shall first be taken up by either the Union Job Evaluation Specialist or the Shop Committeeperson for the area with the designated management representative. If such claim involves a new job or a revised job as defined in Article 9, it must be presented to the designated management representative by the Union Job Evaluation Specialist or the Shop Committeeperson within sixty (60) days of the assignment or evaluation of the new or revised job to a labor grade. Either the Union Job Evaluation Specialist or the Shop Committeeperson shall complete his/her presentation of the facts relating to the claim within sixty (60) days after the original presentation. The designated management representative shall render his/her decision on such claim within sixty (60) days after either the Union Job Evaluation Specialist or the Shop Committeeperson has notified

him/her in writing that the Union has completed its submission of facts relating to this claim.

If no satisfactory adjustment of the matter is reached by either the Union Job Evaluation Specialist or the Shop Committeeperson and the designated management representative, any aggrieved employee, the Union Job Evaluation Specialist or the Shop Committeeperson may then file a grievance as herein before provided. Such grievance shall be processed beginning with Written Step 2 of the grievance procedure provided that it is included in an agenda letter as provided for in Article 7, Written Step 2(a) after the decision given by the designated management representative. Such written grievance shall state in detail the specific facts upon which the Union bases its claim that the job has been improperly evaluated and shall set forth the specific factors of the evaluation which it claims are incorrect, giving specific and detailed reasons for such claim. Within thirty (30) calendar days following the Written Step 2 disposition, the Union may, by mutual agreement with the Company, add to, as an addendum to the original grievance, the specific factors stated to be incorrect on the written grievance submitted at Written Step 2.

### Section 3.

(a) Any contractual grievance not settled at Written Step 2 of Section 1 of this Article, shall be submitted to arbitration upon the request of either party hereto filed in accordance with the provisions of this Article with the exception of Article 1 and Article 28.

(b) Other grievances arising under this contract which are not settled at Written Step 2 of Section 1 of this Article may be referred to arbitration if the Company and the Union mutually agree in writing.

(c) Except for the grievances which can be arbitrated under Sections 3(a) and 3(b) of this Article, no disputes, misunderstandings, differences or grievances arising between the parties as to the meaning, interpretation or application of the provisions of this Agreement shall be submitted to any Arbitrator for decision. It is further understood and agreed that no grievance, dispute, misunderstanding or difference between the parties arising out of events which occurred prior to the execution of this Agreement shall be submitted to arbitration under the provisions of this Agreement.

(d) The decision of the Arbitrator shall be supported by substantial evidence on the record as a whole and shall be final and conclusive and binding upon all employees, the Company and the Union.

(e) The Arbitrator shall have no power to add to or subtract from or modify in any way any of the terms of this Agreement; nor shall the Arbitrator have jurisdiction in any case submitted to arbitration to affect in any way, directly or indirectly, by any decision or in any other manner, the right and responsibility of the Company to direct its operations; to determine the number and location of its plants; the product to be manufactured; the types of work to be performed; the schedules of production; shift schedules and hours of work; the methods, processes and means of manufacturing; or the rules and regulations to be made or applied for production, discipline, efficiency, and safety.

(f) The parties shall schedule four (4) dates for each Arbitrator for each calendar year. The schedule shall be finalized by December 1 of the preceding year, if possible. Cases shall then be taken in order of submittal at the initial step except in cases expedited under subsection (k). Expedited cases shall be given the next arbitration date provided it has been on the list for at least two (2) calendar weeks. If more than one expedited case is on the list, the case submitted first at the initial step shall be heard first.

(g) The party referring a grievance to arbitration shall have the obligation of going forward with its case before the other party shall be required to present its case or adduce any testimony; provided, however, that in cases involving final written warnings, discharge, suspensions or promotions based upon "most senior qualified" the Company shall first present to the Arbitrator its case in support of such action.

(h) It is agreed that during the term of this Agreement the Arbitrator to whom the grievances listed above shall be referred for a decision shall be one of the following: Joan Parker, Arvid Anderson and Tim Bomstein. The designation of the Arbitrator shall be made either by mutual agreement of the parties hereto; or, in the absence of such agreement, the Arbitrator shall be alternated with each case.

(i) The fee and expenses of the Arbitrator shall be divided equally between the Company and the Union.

(j) Should the Company and Union fail to reach agreement on the naming of an Arbitrator to fill a vacancy, the parties shall jointly request the Federal Mediation and Conciliation Service to submit a panel of seven (7) Arbitrators who are members of the National Academy of Arbitrators. When notification of the names of the panel is received, the parties, in turn, shall have the right to strike a name from the panel until only one name remains. The right to strike the first name from the panel shall be determined by lot.

(k) Arbitrations involving discharge grievances, suspension grievances, final written warning grievances, and grievances alleging unfair labor practices shall be expedited ahead of all other arbitrations not as yet scheduled for hearing at the written request of either the Company or the Union.

(l) The Company and the Union agree that in grievance arbitrations pertaining to attendance, sleeping, theft and fighting terminations, as well as any suspension or final written warning grievance, that the Arbitrator will render his/her oral decision within five (5) days of the close of the hearing followed by a written award. This shall not apply if the parties mutually agree to have transcripts and submit briefs to the Arbitrator. The Company and Union further agree in all other cases, the Arbitrator shall render his/her decision within sixty (60) days of the filing of briefs.

Section 4. An employee may file a grievance alleging that he/she is not properly classified in his/her assigned job code because he/she has performed the essential duties of a different job code within the bargaining

unit (at least one labor grade higher than his/her assigned job code) for a practicable majority of the time during a period of ninety (90) continuous working days. If such a grievance is found to have merit, the award of the Arbitrator is limited to an adjustment in pay equal to the difference between the employee's actual earnings and the earnings he/she would have received had he/she been properly classified during the ninety (90) continuous working days immediately preceding the filing of the grievance.

Section 5. Should any appeal from the disposition of a grievance given at the Oral Step or Written Steps 1 and 2 of Section 1 not be taken within five (5) working days, excluding Saturdays, Sundays, and holidays from the date of such decision then the decision on such grievance shall be final and conclusive and shall not be reopened for discussion. Any disposition of a grievance accepted by the Union or by the Company in the case of a grievance filed by the Company, or from which no appeal has been taken, shall be final and conclusive and binding upon all employees, the Company, and the Union.

Section 6. Any grievance not presented for disposition through the grievance procedure described herein within five (5) working days, excluding Saturdays, Sundays, and holidays from the date it was found to exist by the employee shall not thereafter be considered a grievance under this Agreement unless a reason satisfactory to the Company in explanation of the failure to present the grievance within such time is given.

Section 7. In no event shall any disposition or award upon any grievance be made retroactive for any period prior to the date the grievance

was first filed in writing; provided that in cases involving discharge and suspension, retroactivity will begin with the date the discipline was taken.

Section 8. It is agreed that each Shop Steward has assigned work to perform in the plant and the interests of production and efficiency require that interruptions of the Shop Stewards' work assignments be as infrequent and of as short duration as the grievance or complaint reasonably requires. Shop Stewards shall first request permission from their supervisor before leaving their jobs. Such request shall not unreasonably be denied.

Upon entering a department other than his/her own, such Shop Steward shall first report to the supervisor or the supervisor in charge of the new department and make known the purpose of his/her being there.

Section 9. A member of the Shop Committee, or a Shop Steward shall, after notice to his/her supervisor, be allowed to leave his/her job for attendance at the following meetings, when necessary and as indicated. Time spent in attendance at such meetings during his/her scheduled working hours shall be recorded on a card by time clock and paid as provided in the subsections below.

(a) Shop Stewards will receive pay for grievance or complaint handling as described in Article 7, Section 1, Oral Step and Written Step 1 herein at their regular base rate plus cost-of-living allowance exclusive of overtime allowances, but including shift premium, if any, not exceeding two (2) hours in any work week.

(b) Members of the Shop Committee will be paid, not exceeding three (3) hours, to attend a regular Written Step 2 meeting to be held whenever necessary, but not more frequently than once every two (2) weeks. Before the holding of such meeting, the Chairman of the Shop Committee must have presented to the Director, Human Resources, or his/her designee, an agenda in writing at least seventy-two (72) hours, excluding Saturdays, Sundays and holidays, previous to the time of the meeting. Such agenda shall state fully the specific grievances or complaints which the Union wishes to discuss at such meeting. There shall be no obligation on the part of management representatives to discuss any matter which does not appear on such agenda.

(c) Shop Committeepersons will receive pay for the following activities:

1. Attendance at regular meetings as described in Article 7, Section 1, Written Step 2, not exceeding three (3) hours in any workweek.
2. Two (2) Committeepersons will be paid up to eight (8) hours, if such time is required, to audit the Company layoff list. Time to be paid is on the date the Company provides the Union with the layoff list.
3. Attendance at special meetings with any management representatives relating to discharge or other matters which cannot reasonably be delayed until the next regular meeting of the Shop Committee and Committee of Management.

4. Such pay is based on their regular base rate, plus cost-of-living allowance, exclusive of overtime allowances but including shift premium, if any.

(d) Copies of all 'Union officials' timecards will be sent to the Union once a month.

Section 10. Any employee shall have the right to appeal his/her discharge or suspension through the grievance procedure within five (5) working days from the date thereof. Failure to file such an appeal within five (5) working days shall prohibit any further consideration of such discharge or suspension. If as a result of such appeal the employee is found to have been discharged or suspended without just cause, he/she shall receive pay at his/her regular rate for the time he/she would have otherwise normally worked less any income he/she may have received from any other source. An employee who has been discharged or given a disciplinary suspension shall, before leaving the plant, be permitted to see the Shop Steward for the area in which he/she worked, at a location designated by the Company, if he/she requests this privilege of his/her supervisor.

## ARTICLE 8

### Seniority

#### Section 1.

(a) In case of indefinite layoff for lack of work, an employee shall be laid off and recalled by non-interchangeable job ladders within specified seniority areas in accordance with his/her seniority (length of continuous service with the Company since the most recent date of hire). An employee may exercise his/her seniority rights to a lower job code within his/her job ladder within his/her seniority area. (Appendix B denotes the applicable job codes and job ladders.)

(b) Pursuant to Letter 3 nothing herein shall preclude the Company from transferring an employee scheduled to be laid off from a job code in one job ladder and seniority area to a job code in a different job ladder or seniority area in which no laid off employee retains seniority, nor from recalling, without loss of seniority, an employee laid off from one job ladder to a job code in a different job ladder or seniority area in which no laid off employee retains seniority. If the employee is transferred or recalled, his/her seniority thereafter shall be in the job ladder and seniority area to which he/she was recalled and/or transferred and he/she shall have no seniority in his/her former job ladder or seniority area.

(c) Due to a great amount of work involved in a layoff, it is agreed that in any layoff of three hundred (300) or more employees, the Company shall have a maximum period of ten (10) days from the date of the layoff during which the Union agrees that grievances arising out of the layoff will not be filed. The Company, however, agrees to investigate and

correct where necessary any claimed violations of this Article which are brought to its attention during this period. The Company shall not be liable for back wages claimed for any part of this period and arising out of an alleged violation of this seniority article. In such a layoff of three hundred (300) or more employees, the five-day limitation (as provided in Section 6 of Article 7, Grievance Procedure) on the presentation of grievances alleging improper layoff will not begin until the 10-day period mentioned above has expired.

Section 2. The noninterchangeable job codes, job ladders, and the seniority areas mentioned in Section 1 have been mutually agreed upon and are incorporated and made part of this Agreement as Appendices "A" and "B" attached hereto.

#### Section 3.

(a) Before new employees are hired in a given job ladder in a particular seniority area, the employees with seniority who are still laid off from that job code or job ladder in the area shall first be offered employment in that job code or job ladder from which they were laid off at the then existing rate of pay for the job code to which they were recalled in accordance with their seniority. Employees who remain in the same seniority area and job code or job ladder and were demoted as a result of a reallocation of employees in the presence or absence of a layoff and employees who were recalled to a lower grade job code in the same job ladder and seniority area shall be considered to be on the recall list for their former job code as though they had been laid off at the time of their demotion for the period of seniority retention provided in Section 13 of this Article. Employees who retain such seniority rights will be given the

opportunity to return to their former position before any other employee is given that opportunity regardless of the seniority of the other employee.

(b) When it is necessary to readjust personnel in conjunction with a layoff, employees shall be demoted as required in accordance with their seniority within each noninterchangeable job code and job ladder within their seniority area.

(c) Any employee who suffers a demotion and who is currently paid at a rate above the maximum for the labor grade to which he/she is demoted shall have his/her wages frozen for a period of six (6) months from the effective date of the demotion before suffering any actual loss in wages. Any subsequent reduction in wages shall be at the rate of \$.10 per hour every sixteen (16) weeks until such time as the employee reaches the maximum rate of the lower labor grade. Any employee who is demoted, but at the time of the demotion is paid at a rate less than the maximum rate of the lower labor grade, shall continue with his/her automatic progression until such time as he/she attains maximum rate.

Section 4. Except in an emergency or for reasons or conditions over which the Company has no control, where there are general layoffs for an indefinite period; as much notice as is practicable, but not less than ten (10) working days, shall be given in writing to the Chairman of the Shop Committee before the layoff. A list will be supplied indicating the names of the employees scheduled to be laid off and their seniority status in relation to the remaining employees in the seniority area. The Company will make available to the Chairman of the Shop Committee a list of the names of laid off employees who exercised their right of recall.

Section 5.

(a) An employee shall be considered a probationary employee for the first ninety (90) days of his/her employment, and thereafter his/her seniority shall be from his/her most recent date of hire. In the case of probationary employees, there shall be no seniority rating nor responsibility upon the part of the Company for continuous employment nor for reemployment if laid off before the completion of their continuous probationary period. It is understood and agreed that during such probationary period, layoff or discharge shall be left to the discretion of the Company.

(b) In the case of an indefinite layoff for lack of work, probationary employees in the affected job ladder shall first be terminated.

Section 6.

(a) No employee shall be eligible by reason of his/her seniority to be recalled to a higher-rated job as a result of layoff except where:

1. The job held by the employee at the time of layoff has been upgraded; or where
2. The essential elements of that job have been combined with another and the resulting job is of a higher labor grade. In all such cases, the employee shall have recall rights to the higher-rated job. Laid-off employees who were previously demoted under conditions defined in Section 3(b) of this Article as a result of layoffs and who

would have been considered to be on the recall list for their former job as defined in Section 3 of this Article may be offered recall to their former job in accordance with their seniority retention as provided in Section 13(c) of this Article.

3. Employees laid off from a job in one job ladder may be indirectly recalled to a job in another job ladder where no employee retains seniority for direct recall. Such recall may be to a higher labor grade than held at the time of the layoff provided that it is the entry level job in the new ladder to which the employee was recalled. Any dispute regarding the Company's decision relative to indirect recall may be submitted by the Union as a grievance at Written Step 2 as defined in Article 7, but is not subject to Arbitration.

(b) Employees laid off from a job code that was subsequently integrated into a new job description under the Job Design Program will retain recall rights to the new job in accordance with the provisions of this Article.

(c) No employee shall be eligible by reason of his/her seniority to be transferred to a higher-rated job as a result of layoff.

#### Section 7.

(a) Whenever promotions are made resulting from HPAS, or whenever promotions are made to the highest labor grade in a job ladder

they shall be made on the basis of three (3) co-equal factors: seniority, fitness and ability of the employee.

(b) All other promotions shall be made on the basis of the most senior qualified employee within the job ladder.

(c) It is understood that the employees who may file a grievance concerning such a promotion are those assigned to the job ladder in which the promotion occurs or which the promotee came from and in the case of HPAS, employees who bid on the job.

(d) It is agreed that should the seniority of the promoted employee be sufficient to hold him/her on his/her shift, the promotion will be made on that shift. This provision shall not apply to promotions resulting from HPAS.

(e) Nothing herein shall prevent the Company from filling any vacancies by hire, by transfer, or by any other means.

#### Section 8.

(a) Temporary layoffs due to temporary lack of work, breakdown, shortage of materials, or causes of a like nature not to exceed sixty (60) days may be made by the Company irrespective of any provisions of this Agreement. In such cases the Company will, in lieu of layoff whenever possible, reassign employees to other jobs during the period of such layoff.

(b) All employees selected for temporary layoff, under this Section, voluntary or involuntary, will be selected consistent with the production requirements of the business unit. Selection of employees for such temporary layoffs will be made by taking volunteers in seniority order, beginning with the most senior employee in the affected job code by department, by shift. In the event that an insufficient number of employees volunteer, then in reverse order of seniority in the affected job code by department, by shift, the Company will notify the least senior employees they will be temporarily laid off. An employee shall not be temporarily laid off under this Section more than once in any contract year until all other employees in the same job code in the department affected shall have been temporarily laid off once under this Section.

(c) If there is a series of such temporary layoffs, the Company will so far as it is practicable make an equal distribution of such lost time computed upon a contract yearly basis.

(d) While on such temporary layoff, employees shall continue to accrue their seniority, pension credits, and the Company shall continue to provide coverage for their health and dental insurance.

In addition, it is agreed that such layoffs will not affect pay and benefits provisions to which the employee was entitled at the commencement of such temporary layoff. Upon return to work, the employees shall be returned to the job they held at the appropriate rate of pay and on the shift where they worked at the start of such temporary layoff.

#### Section 9.

(a) The Company will survey employees for transfer to a preferred shift by department and job code. Such transfers will be made on a seniority basis.

(b) In the event the Company reduces or eliminates a shift, employees, in accordance with their seniority, job code and department, will be given the opportunity to be assigned to the shift of their preference.

#### Section 10.

(a) An employee transferred from one job ladder to another, shall, for the purpose of layoff, retain his/her seniority in the job ladder from which he/she was transferred for a period of ninety (90) calendar days. At the end of ninety (90) calendar days his/her seniority will be transferred to the job ladder in which he/she is then classified.

(b) If any bargaining unit employee is transferred from any plant or facility operated by Pratt & Whitney, Connecticut or West Palm Beach, Florida Operations which are represented by the I.A.M.A.W. into the bargaining unit covered by this Agreement, his/her seniority in the bargaining unit shall include his/her total length of continuous service with Pratt & Whitney except as provided in (a) of this Section. Such transfers into the bargaining unit shall not occur during periods of downsizing (notification period) when employees retain recall rights to that job code or job codes lower in the job ladder.

(c) If any bargaining unit employee is hired from any plant or facility operated by Pratt & Whitney, Connecticut or West Palm Beach,

Florida Operations or UTC Fuel Cells, LLC which are represented by the I.A.M.A.W. and such person retains recall rights, his/her seniority in the bargaining unit shall be established at the date of hire for purposes of layoff, promotion and shift transfer. His/her adjusted Pratt & Whitney or UTC Fuel Cells, LLC seniority date will be used for health and welfare benefits and those relating to sick and personal time and vacation eligibility.

#### Section 11.

(a) Upon written application by the Union, the Company will grant a leave of absence to any employee who enters the employ of either the local Union or the International Association of Machinists and Aerospace Workers. Such leave of absence shall terminate automatically if the employee's assignment by the local Union or the International Association of Machinists and Aerospace Workers is to any organization other than to a local Union which represents the employees of a plant of the Company. This provision shall not prevent a necessary and temporary short-term assignment to a Local Union which does not represent employees of the Company where advance notice of such assignment is given to the Company. The resultant reassignment shall not, absent mutual agreement, exceed twelve (12) calendar weeks in any contract year.

An extension of such leave for an additional period shall be granted upon written application made prior to the expiration of such leave of absence.

During such leave of absence, for the purpose of layoff consideration, such employee shall be considered to head the seniority list within his/her job ladder.

It is understood and agreed that such an employee will not accumulate Continuous Service Credits for the purpose of computing pension benefits under the Company's applicable plan during such leave of absence or any extension.

(b) If an employee who has been granted such leave of absence reports for work at the beginning of the first regular work day after the termination of such leave, he/she shall be re-employed on the same general type of work which he/she did last prior to his/her leave at the wage rate existing in the plant at the time of his/her return for the job on which he/she is re-employed.

(c) During such leave of absence such employee shall accumulate his/her seniority. His/her reemployment shall be subject to the condition that he/she is able to perform the duties required of him/her and that he/she would have retained his/her seniority under this Article had he/she been in the employ of the Company during the period of his/her leave of absence.

#### Section 12.

(a) A salaried employee who once held a covered position may be returned to the same labor grade in a similar position he/she held while in the bargaining unit, as long as he/she is more senior than any employee who is on layoff with recall rights to the position assigned. Where the former position has been upgraded or where the essential elements of that position have been combined with another resulting in a higher labor grade, the employee shall be placed in the higher position.

It is understood current salaried employees will not be returned to the newly defined bargaining unit jobs because they previously were classified on a job that was closed before it was incorporated into the newly defined job.

(b) If any employee of the Company is transferred to a supervisory or other position so as to exclude him/her from the coverage of this Agreement, then Section 12(a) shall apply for a period of six (6) months from the date of such transfer after which time he/she will forfeit his/her seniority to jobs within the bargaining unit.

**Section 13.** An employee shall lose his/her seniority rights under any one of the following circumstances:

- (a) If he/she resigns.
- (b) If he/she is discharged for just cause.
- (c) If the employee is laid off from work, he/she shall retain seniority rights as follows:

<u>Seniority at the time of layoff</u>	<u>Period of Retention</u>
91 days up to 2 years	24 months
2 years up to 5 years	36 months
5 years (or over)	60 months

Employees who are continuously absent from work for any other reason shall retain seniority rights up to a maximum of thirty-six (36) months.

(d) If he/she fails to report to work within five (5) working days after due notice by the Company (Certified Mail – Return Receipt Requested) to the employee's last known address to return to work after layoff, or fails to give reasons satisfactory to the Company within such five (5) days for not reporting to work.

**Section 14.** For all purposes, other than layoff, the seniority rights of members of the Union Shop Committee, the President, Vice-President, Union EAP Coordinator, Union Coordinator of Cooperative Programs Chief Union Safety Representative, Union Safety Representatives and Union Job Evaluation Specialist, if employees, and Shop Stewards shall be exactly the same as the seniority rights of all other employees except as provided below:

(a) In the case of layoff, and for the sole purpose of maintaining Union representation at the time of layoff, members of the Union Shop Committee, the President, Vice-President, Union Coordinator of Cooperative Programs Chief Union Safety Representative, Union E.A.P. Coordinator and Union Job Evaluation Specialist, if employees, shall, during their term of office, head the seniority list.

(b) In the case of layoff, and for the sole purpose of maintaining Union representation at the time of layoff, Shop Stewards shall, during their term of office, head the seniority list within their job code and job ladder within their Shop Steward area. Union Safety Representatives

shall first head the seniority list within their job code and job ladder within the area for which they are responsible or department when not within the area for which they are responsible or to the same or lower labor grade they can perform within their seniority area.

(c) A Shop Committeeperson or a Shop Steward will not be transferred or promoted to a job outside of his/her Shop Committeeperson or Shop Steward area or respective shift unless he/she notifies the Company in writing that he/she wishes to be considered for such a job during which time he/she shall maintain his/her position as a Shop Committeeperson or Shop Steward; or unless there is no job of the same or lower labor grade in such area which he/she has demonstrated he/she is qualified to perform; or except in the case of an emergency; or unless his/her job is being transferred to another location outside such area.

#### Section 15.

(a) The Company has established an annual Performance Appraisal Program to appraise the performance of each employee for such purposes as selection for promotion, but not for the purpose of determining rate of pay. The Company and the Union jointly recognize the importance of the performance appraisal process including accurate and valid assessments and full performance appraisal discussions between each employee and his/her supervisor.

(b) The performance of each employee whose base rate is at or above Standard Rate will be appraised at least once a year under the Performance Appraisal Program. In any case in which the supervisor of record does not have sufficient experience with the person to be appraised,

the supervisor will determine the appraisal only after consultation with the employee's previous supervisor(s).

(c) Each employee who is appraised under the provisions of (b) above shall be provided with both a discussion of and a copy of such performance appraisal between March 1st through April 30th during each year of this Agreement.

(d) An employee's claim that the appraisal is not proper under the Employee Performance Appraisal Program may be processed as a grievance under Article 7 of this Agreement.

Section 16. Prior to utilizing the Hourly Position Announcement System (HPAS), employees on a relevant job ladder will be given primary consideration for any opening, except in the case of layoff, recall from layoff, reallocation following a layoff, transfers from "surplus" to "need" to avoid layoffs and medical placements. New and vacant positions remaining will be posted in accordance with the following HPAS procedures:

(a) All jobs subject to the HPAS will be posted for a minimum of five (5) working days throughout the facilities covered by this Agreement.

(b) Eligible employees who wish to be considered for a posted job may apply for such consideration by filing an appropriate form (to be provided by the Company) during the period within which the job is posted.

(c) An employee must satisfy the following requirements in order to be considered an eligible employee within the meaning of this section: 1) 12 months of seniority as defined in the Collective Bargaining Agreement; 2) does not have more than 12 active applications under the HPAS; 3) has not obtained a job through HPAS during the preceding twelve (12) months; and (4) has not accepted an offer of indirect recall, in the preceding twelve (12) months.

(d) Prior to filling a posted job through new hire, the Company will consider all eligible employees who have applied through the HPAS. The Company will also consider, without need for an HPAS application, all persons then on layoff who retain recall rights. The Company is under no obligation to fill a posted job, and although it is the Company's intention to utilize the HPAS as a source of job placements, it may select an employee who has not applied through HPAS when, in the Company's business judgment, it is appropriate to do so.

(e) All eligible employees who have applied through the HPAS and were not selected will be notified by the Company of their non-selection on or about ten (10) working days following the acceptance date of the selected employee and the Union President will be notified of any employee selected. Any employee who bid for a job may file a grievance which would be subject to arbitration provided a current employee was promoted. If a filled job is outside of the employee's supervisor's area, the Shop Steward and employee shall meet with the supervisor from the

department where the opening exists. Any grievance which may be submitted will be processed through the procedure in the area where the opening existed. Rates of pay for persons selected for jobs under the HPAS will be determined by the Company in accordance with the Collective Bargaining Agreement.

#### Section 17.

(a) Severance pay allowances shall be paid to employees who are laid off for an indefinite period. To be eligible for any severance pay allowance, an employee must have at least ninety (90) days seniority as of the day preceding the layoff.

(b) Severance pay allowance shall be calculated on a weekly basis (the employee's normal work week at the time of layoff) and each weeks pay allowance shall consist of forty (40) times the employee's base hourly wage plus cost-of-living allowance (excluding any shift or other premium pay) which the employee was paid for the last day of work preceding layoff.

(c) Severance pay allowance shall be paid weekly or as a lump sum to an eligible, laid off employee beginning on the second payday following the date the employee is laid off.

(d) The number of weeks for which an employee shall receive severance pay allowance shall be governed by the employee's seniority on the day preceding layoff as follows:

Seniority (Complete Years)

Ninety (90) days

Two (2) years

Three (3) years

Four (4) years

Five (5) years

Six (6) years

Seven (7) - Eight (8) years

Nine (9) years

Ten (10) - Eleven (11) years

Twelve (12) - Fourteen (14) years

Fifteen (15) - Sixteen (16) years

Seventeen (17) - Eighteen (18) years

Nineteen (19) - Twenty (20) years

Twenty-one (21) - Twenty-two (22) years

Twenty-three (23) years

Twenty-four (24) years

Twenty-five (25) & over years

Severance Weeks

One (1) week

Two (2) weeks

Three (3) weeks

Four (4) weeks

Five (5) weeks

Six (6) weeks

Seven (7) weeks

Nine (9) weeks

Ten (10) weeks

Eleven (11) weeks

Twelve (12) weeks

Fourteen (14) weeks

Sixteen (16) weeks

Eighteen (18) weeks

Twenty-one (21) weeks

Twenty-two (22) weeks

Twenty-five (25) weeks

(e) Medical, dental, and life insurance coverage will be provided at no cost to eligible, laid off employees for the same number of weeks they are eligible to receive severance pay, but in no case will this coverage be less than four (4) weeks.

(f) No employee, however, shall be paid a severance pay allowance for any week following the date the employee is recalled to work from layoff.

(g) No employee shall be paid the severance pay allowance more than once during this contract period; provided, however, if the total severance pay allowance to which the employee was entitled under (d) above was not paid him/her during this contract period because of his/her recall from layoff, such employee who is again laid off during this contract shall again be eligible for severance pay allowance but only for the number of weeks for which his/her total severance pay allowance was not paid because of his/her recall from layoff.

(h) No severance pay allowance will be paid to any employee who is laid off because of an act of God or a natural emergency or because of a strike at a facility of a major supplier of necessary parts.

(i) The Company, together with the Union, will provide services designed to assist employees who are scheduled to be laid off such as: outplacement counseling, unemployment counseling, etc.

(j) The Company agrees to make available retraining assistance to employees who are laid off pursuant to Section 1 of this Article. To be eligible, laid off employees must have at least one year of continuous and active service at the time of layoff. Retraining may not extend beyond two years following the date of layoff. Participants shall be compensated 100% of all tuition and academic fees, not to exceed a maximum of \$2,500. This program shall cease immediately upon full-time employment with another employer. However, the Company agrees to pay for any course in progress at the time of such re-employment, subject to the conditions outlined above.

Section 18.

(a) In the event of a relocation of work presently done by bargaining unit employees to another facility in the State of Connecticut, at which employees of the Company will continue to do the work and where IAM-represented employees of other United Technologies Corporation business units also perform work, the employees affected will be given the opportunity to move with that work if other like work is not available at the Windsor Locks facility.

(b) In the event that any such affected employees decline to exercise an offer to move with the transferred work, any resulting imbalance in the workforce shall be adjusted as provided in this Article.

**ARTICLE 9**

**Hourly Job Rating Plan**

Section 1. The Hourly Job Rating Plan currently in effect has been mutually agreed to and has been made a part of this Agreement as Appendix "F". Changes may be made to this Plan during the life of this Agreement, but such changes require mutual agreement between the parties.

Section 2. The Company has furnished the Union with copies of the job descriptions for all jobs currently within the bargaining unit and will provide the Union with detailed job descriptions covering new or revised

jobs included in the bargaining unit as set forth in Article 2 hereof within thirty (30) days following final approval of such jobs.

Section 3. Concerning Article 7, Section 3(a), a new job is defined as one not covered by an established job description. A revised job is one which differs from a previously established job description.

Section 4. It is recognized that the Union Job Evaluation Specialist, after notice to his/her supervisor, will meet with the appropriate Company representative to discuss HJRP complaints. When it is mutually agreed that an on-site inspection of a job is necessary (either before or after the filing of a grievance), the Union Job Evaluation Specialist, together with the Company, will investigate and as briefly as possible interview employees and supervision. It is further understood that the Union Job Evaluation Specialist will attend Written Step 2 meetings to present grievances under Article 7, Section 2. The Company will pay time spent on such meetings up to three (3) hours a week for complaints/grievances at his/her base hourly rate plus cost-of-living allowance and shift premium.

**ARTICLE 10**

**Wage Rate Progression**

Section 1. An employee classified on a job for which the minimum experience requirement is less than twelve (12) months shall receive the Standard Rate of his/her job classification as soon as qualified and not later than six (6) months from the date he/she starts on such classification

provided he/she has worked continuously on such classification. An employee classified on a job for which the minimum experience requirement is twelve (12) or more months shall receive the Standard Rate of his/her job classification as soon as qualified and not later than twelve (12) months from the date he/she starts on such classification, provided he/she has worked continuously on such classification. Nothing herein shall prevent an employee from receiving at any time more than Standard Rate, provided he/she is qualified.

## Section 2.

(a) Wage rate progression from Standard Rate up to but not in excess of Maximum Rate within an employee's labor grade will be automatic at the rate of ten cents (10¢) per hour after completion of sixteen (16) full weeks of satisfactory job performance, subject to (b) through (k) below.

(b) Automatic increases for any employee who is being paid Standard Rate or above but less than Maximum Rate will continue to be scheduled at sixteen (16) week intervals from the date the employee attained Standard Rate or the date the employee last received an automatic increase in the present labor grade, whichever is later.

(c) Automatic increases for an employee attaining Standard Rate after May 2, 2004, under Section 1 above will be scheduled at sixteen (16) week intervals from the date of attainment of Standard Rate.

(d) Ingrade transfers will not affect the scheduling of an employee's next automatic increase.

(e) Effective the same date as a promotion or job upgrade, the employee will receive an increase of at least thirty cents (30¢) per hour.

(f) Any employee who is demoted as a result of the conditions of Article 8, Section 3(a) and (b) or any employee who is demoted for reasons other than at the employee's request shall be placed in such lower rated job at the maximum base hourly rate of the lower rated job or at the base hourly rate the employee is being paid immediately prior to the demotion, whichever is the lower, provided, however, that any resultant reduction in the employee's base hourly rate shall not occur until six (6) months after the effective date of the demotion and any subsequent reduction in wages shall not be more than ten cents (10¢) per hour at each subsequent sixteen-week interval. Any employee who requests demotion to a lower rated job will be paid at the maximum rate of the lower grade or retain the rate then being paid, whichever is the lower.

(g) Automatic increases for an employee hired or transferred into the bargaining unit at a rate at or above Standard Rate after May 2, 2004, will be scheduled at sixteen (16) week intervals from the beginning of the next pay period after date of hire or transfer.

(h) Automatic increases for an employee promoted after May 2, 2004, will be scheduled at sixteen (16) week intervals from the effective

date of such change in grade if the employee's rate is at or above Standard Rate but below the Maximum Rate of the new grade.

(i) Automatic increases for an employee demoted who is at or above Standard Rate, but below the Maximum Rate of the lower labor grade, will be scheduled at sixteen (16) weeks from his/her last increase in the higher grade before demotion and at sixteen (16) week intervals thereafter until at the Maximum Rate of the lower labor grade.

(j) An employee paid eleven cents (11¢) to nineteen cents (19¢) below the Maximum Rate shall be given an increase to Maximum Rate on his/her next automatic increase date.

(k) Nothing in this Agreement shall be construed to prevent the Company at its discretion from advancing an employee within the rate range more rapidly than the specified intervals shown above or giving increases larger than those provided in this Section.

## ARTICLE 11

### Wages

Section 1. On May 3, 2004, the base hourly wage rate of each employee covered by this Agreement will be increased by the \$0.25 cost-of-living allowance in effect on May 1, 2004, and this new base hourly wage rate will be further increased by three and one-half (3.5) percent.

Schedule A shows the hourly rate schedule which will be effective May 3, 2004.

Section 2. On May 2, 2005, the base hourly wage rate of each employee covered by this Agreement will be increased by three (3) percent. Schedule B shows the hourly rate schedule which will be effective May 2, 2005.

Section 3. On May 1, 2006, the base hourly wage rate of each employee covered by this Agreement will be increased three (3) percent. Schedule C shows the hourly rate schedule which will be effective May 1, 2006.

### Section 4.

(a) An hourly cost-of-living allowance, which starts at \$.00 on May 3, 2004, shall be determined quarterly based upon the conditions and provisions set forth in this Section and shall be paid to each employee covered by this Agreement in addition to his/her base hourly wage rate.

(b) The cost-of-living allowance, if any, shall be determined on the basis of changes in the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers (CPI-W), United States City Average, All Items (1982-84 = 100) published by the United States Bureau of Labor Statistics, hereafter referred to as the "Index".

(c) Adjustments in the cost-of-living allowance shall be effective on the following dates in the amount of one cent (1¢) per hour for

each full sixteen hundredths of one percent (0.16%) change in the Index for the months indicated below.

Each quarterly adjustment (increase or decrease) in the cost-of-living allowance shall not exceed a maximum of nine cents (9¢) per hour.

**Based on the Percent Change in the Index**

**Effective Date of Adjustment**

**From**

**To**

July 26, 2004	February 2004	May 2004
October 25, 2004	May 2004	August 2004
January 31, 2005	August 2004	November 2004
April 25, 2005	November 2004	February 2005
July 25, 2005	February 2005	May 2005
October 31, 2005	May 2005	August 2005
January 30, 2006	August 2005	November 2005
April 24, 2006	November 2005	February 2006
July 31, 2006	February 2006	May 2006
October 30, 2006	May 2006	August 2006
January 29, 2007	August 2006	November 2006

In calculating the percentage change in the Index, the result shall be rounded to the nearest one hundredth of one percent (i.e., .005 and higher rounded upward, and less than .005 rounded downward).

For example, if the February 2004 Index is 147.5 and the May 2004 Index is 149.2, the calculation is:

Step 1  $149.2 - 147.5 = 1.7$

Step 2 Divide 1.7 by 147.5 x 100 = 1.152%

Step 3 Round to 1.15% and divide by .16% = 7¢ per hour.

**Section 5.** No change will be made in a cost-of-living adjustment as a result of any revision made in the published figures for the Index after the effective date of the cost-of-living adjustment.

**Section 6.** The continuance of cost-of-living adjustments is dependent upon the continued monthly publication of the Index in its present form and calculated on the same basis as at the time of the execution of this agreement. For any month in which the Bureau of Labor Statistics publishes the Index on both an official (revised) basis and the present (old series) basis, the official (revised) basis will be used.

**Section 7.** In the event the Bureau of Labor Statistics does not issue the Consumer Price Index for the appropriate month before one of the effective dates referred to in Section 4 above, any cost-of-living adjustment required by such monthly Index shall be effective at the beginning of the first pay period after receipt of such Index.

**Section 8.**

(a) All hourly-rated employees on the second shift will be paid, in addition to their base hourly rate plus cost of living allowance a shift

premium equal to ten percent (10%) of such hourly wage rate plus cost-of-living allowances for each hour worked.

(b) The company shall pay to all hourly-rated employees on the third shift seven and one-half cents (7 ½¢) per hour in addition to their base hourly wage rate plus cost-of-living allowance. Hourly-rated employees on the third shift whose regular shift comprises not more than six and one-half (6 ½) working hours and who work a full six and one-half (6½) hours on that shift shall receive therefore eight (8) hours pay including cost-of-living allowance and seven and one-half cents (7½¢) per hour. All work performed on such third shift over six and one-half (6 ½) hours shall be considered overtime and shall be paid for at time and one-half.

(c) Powerhouse employees on a rotating shift, the regular shift hours of which are not less than eight (8), will be paid, in addition to their base hourly wage rate plus cost-of-living allowance, a shift premium equal to ten percent (10%) of their base hourly wage rate plus cost-of-living allowance when they work a third shift of eight (8) hours.

(d) Lateness of not more than eighteen (18) minutes or permission granted by the supervisor to leave prior to the end of the shift of not more than eighteen (18) minutes, or a combination of lateness and permission to leave early totaling not more than eighteen (18) minutes shall not disqualify the employee for the third shift premium.

## ARTICLE 12

### Overtime

#### Section 1.

Overtime rates will be paid as follows:

(a) Time and one-half will be paid for:

1. All time worked in excess of eight (8) hours in any one day.
2. All time worked in excess of forty (40) hours in one work week.
3. All work performed on Saturday, except for the first eight (8) hours of any scheduled shift which begins on Friday and continues into Saturday.
4. All work performed outside of regularly scheduled shift hours.

(b) Double time will be paid for:

1. All work performed on Sunday, except for the first eight (8) hours of any scheduled shift beginning the preceding day and continuing into Sunday.
2. All work performed on each of the Holidays listed in Article 14.

#### Section 2.

(a) For the sole purpose of preventing favoritism or discrimination in the distribution of overtime, the Company will distribute overtime work equally among the qualified employees under the jurisdiction

of each supervisor who are regularly employed on such work insofar as it may be practicable to do so, as to equalize, among such employees hours paid at time and one-half or double time (e.g., four (4) hours at time and one-half shall be the equivalent of three (3) hours at double time). Such overtime distribution shall be made on the respective shifts on which the overtime work occurs. There is no obligation on the part of the Company to distribute overtime equally between shifts nor between employees under the jurisdiction of different supervisors.

(b) A grievance alleging failure of the Company to comply with subsection (a) above must show a substantial inequality in such overtime distribution during the 13-week period immediately preceding the filing of such grievance.

Section 3. When two or more types of overtime or premium compensation are applicable to the same hours of work, only the higher rate of compensation shall be paid. In no case shall overtime or premium compensation be duplicated or pyramided.

## ARTICLE 13

### Vacations

Section 1. A vacation will be allowed to an employee who in the anniversary year, which begins on January 1, will have been continuously and actively in the employ of the company for the period shown below:

<u>Completed Period of Employment</u>	<u>Vacation Time (Working Days)</u>	<u>Hours Paid</u>
One (1) year	Five (5)	40
Two (2) years	Ten (10)	80
Eight (8) years	Fifteen (15)	120
Eighteen (18) years	Twenty (20)	160
Twenty-five (25) years	Twenty-five (25)	200

A vacation of three (3) working days will be allowed to an employee who was hired between January 1st and June 30<sup>th</sup> of any year. No employee will be eligible for any vacation until the completion of his/her probationary period.

(a) Employees recalled from layoff during the first quarter of the year shall be treated as though they were continuously and actively in the employ of the Company on January 1 for the purpose of determining vacation eligibility, however, any employee rehired with seniority after the first quarter shall be entitled to vacation time off without pay.

Section 2. An hourly-rated employee who does not meet the requirements of Section 1 of this Article shall receive no vacation, and

every employee who does meet the requirements of one or more of these Sections shall receive only the vacation specified in that Section which gives him/her the longest vacation.

Section 3.

(a) Any employee who is eligible for a vacation under this Article shall receive a vacation or vacation pay even if he/she is not actively in the employ of the Company on the day preceding the start of his/her scheduled vacation. Should an employee die, or should the employment of an employee be terminated because of resignation, retirement, or layoff during the vacation year, prior to taking the vacation he/she was eligible for in the anniversary year, or at the completion of the ninety (90) day probationary period as noted in Section 1 of this Article, the vacation pay allowance computed on the basis of the employee's hourly base rate plus cost-of-living allowance and shift premium at time of termination will be paid; provided, however, that this section shall not apply in the case of any employee who is discharged.

(b) Any employee whose employment is terminated by reason of death, retirement, entry into the military service, or layoff, and who at the time of such termination is eligible to receive, or had received during the calendar year of termination, vacation pay pursuant to Section 1 and 3(a) of this Article shall upon such termination also receive pro-rata vacation pay for each month, or part thereof, in which such employee worked during the calendar year in which such termination occurred; provided that any employee who is eligible for, or had received, vacation pay pursuant to Section 1 of this Article shall not receive pro-rata vacation pay for the first six (6) months of his/her employment with the Company.

Any such pro-rata payment will be deducted from any vacation pay to which the employee may subsequently become entitled for the calendar year in which the termination occurs. The pro-rata vacation pay shall be computed by multiplying the vacation pay received by the terminated employee pursuant to Section 3 (a) of this Article by one-twelfth (1/12) for each month in which such employee worked in the calendar year in which such termination occurs, but not including the first six months of the employee's employment with the Company.

Section 4.

An employee will receive vacation pay as it is taken during the year. The vacation pay will be based on his/her then effective base hourly rate plus cost-of-living allowance and shift premium. Each eligible employee shall be entitled to pay for the balance of the days of vacation for which he/she was eligible that remain unused or unpaid days at the end of the eligibility year. Pay for unused or unpaid days of such vacation shall be at his/her then effective base hourly rate plus cost-of-living allowance and shift premium.

Section 5.

Employees of the Power House who regularly work an eight-hour shift one-third of the time on first shift, one-third of the time on second shift, and one-third of the time on third shift will, for the purpose of vacation pay computation, be credited with 6.67% shift premium.

Section 6. The determination of whether there shall be a vacation or vacation pay in lieu of a vacation shall be solely at the discretion of the Company. The determination and the scheduling of vacation periods, if there is to be a vacation, will be made by management during the period May 1 through October 1.

Section 7. Employees who are entitled to more than three (3) weeks of vacation under the terms of this Article may with the consent of their supervisor elect to receive pay in lieu of vacation days for such excess over three (3) weeks.

Section 8.

(a) An employee shall be credited with four (4) hours incentive vacation time for each period of three (3) consecutive months (non-pyramided) in which such employee demonstrates a perfect attendance record.

(b) Perfect attendance is defined as having worked a full eight (8) hours or a full six and one-half (6-1/2) hours on the third shift, during each of an employee's regularly scheduled work days during any period of three consecutive months. Absence caused by jury duty, military service, paid bereavement leave, Martin Luther King, Jr. Day, Veteran's Day, authorized Family Medical Leave, Workers' Compensation doctors visits or attendance at Workers' Compensation hearings during part, but not all, of any such three (3) month period shall not be considered an absence for the purpose of this section.

(c) Regularly scheduled work days shall include all days of an employee's normal work week which excludes vacation days and, except in the case of employees assigned to rotating shifts, Saturdays, Sundays, and holidays.

(d) Employees credited with four (4) hours' incentive vacation time will be allowed to request such incentive vacation time (or pay in lieu thereof) immediately following the period during which it was earned or at any time thereafter. Employees credited with four (4) hours' incentive vacation time will be paid for such time as it is earned. The employee will be allowed to request such incentive vacation time immediately following the period during which it was earned or at any time thereafter, but the time must be taken within the next twelve (12) months. Employees requesting incentive vacation time will be required to receive the approval of their supervisor.

Section 9. Employees who are entitled to two (2) or more weeks of vacation will be allowed to take their second, third, fourth, and fifth week of vacation in half-day increments consisting of four (4) consecutive hours, provided they make the request of their supervisor prior to the time off and such approval is granted.

**ARTICLE 14**

**Holidays**

Section 1. Hourly-rated employees who meet all of the following eligibility rules and conditions shall be paid for the following holidays except as otherwise herein provided:

2004 Holidays

Monday, May 31, 2004  
Monday, July 5, 2004  
Monday, September 6, 2004  
Thursday, November 25, 2004  
Friday, November 26, 2004  
Friday, December 24, 2004  
Monday, December 27, 2004  
Tuesday, December 28, 2004  
Wednesday, December 29, 2004  
Thursday, December 30, 2004  
Friday, December 31, 2004

2006 Holidays

Monday, January 2, 2006  
Friday, April 14, 2006  
Monday, May 29, 2006  
Tuesday, July 4, 2006  
Monday, September 4, 2006  
Thursday, November 23, 2006  
Friday, November 24, 2006

2005 Holidays

Friday, March 25, 2005  
Monday, May 30, 2005  
Monday, July 4, 2005  
Monday, September 5, 2005  
Thursday, November 24, 2005  
Friday, November 25, 2005  
Monday, December 26, 2005  
Tuesday, December 27, 2005  
Wednesday, December 28, 2005  
Thursday, December 29, 2005  
Friday, December 30, 2005

2007 Holidays

Monday, January 1, 2007  
Friday, April 6, 2007

Monday, December 25, 2006  
Tuesday, December 26, 2006  
Wednesday, December 27, 2006  
Thursday, December 28, 2006  
Friday, December 29, 2006

Section 2.

An employee shall receive eight (8) hours' pay at his/her regular base hourly rate plus cost-of-living allowance exclusive of all premiums, bonuses or overtime allowances for each such holiday not worked provided he/she meets all of the following provisions:

- (a) The employee has at least thirty (30) days of continuous service as of the day preceding the holiday, except in the case of recall from layoff.
- (b) The employee would otherwise have been scheduled to work on such day if it had not been observed as a holiday, and
- (c) The employee was not absent on both the day before and the day after the holiday, nor was the employee absent for more than five (5) days on either the day before or the day after the holiday unless the employee's absence is excused for an emergent reason satisfactory to the Company.
- (d) If the employee is entitled to holiday pay it will be included in his/her paycheck for the effective pay period.

Section 3. An employee who would have been eligible for holiday pay under these provisions except that he/she failed to meet the rules and conditions set forth in Section 2 solely because he/she was required, as a member of the National Guard or as a reserve member of one of the United States Armed Forces, to be absent from work for the purposes of actual annual training duty or encampment for a period of not more than fifteen (15) days in a military fiscal year nevertheless shall be entitled to the holiday pay which he/she would have received had he/she been working on his/her regularly scheduled job during such absence. The provisions of this section shall also be applicable with respect to an employee who is required, as a member of the National Guard or as a reserve member of one of the United States Armed Forces, to be absent from work for temporary emergency duty for a period of not more than fifteen (15) days in a calendar year.

Section 4. When a holiday falls on Saturday, the preceding Friday shall be observed as the holiday and shall be paid as such holiday.

When a holiday falls on Sunday, the following Monday shall be observed as the holiday and shall be paid as such holiday.

Section 5. When any one of the above holidays falls within an eligible employee's scheduled vacation period and the employee is absent from work on such holiday because of such vacation, such employee may at his/her option extend his/her vacation an additional day for such holiday or he/she may elect to receive an additional day of vacation pay.

Section 6. The Company may, at its option, observe the holidays listed in this Article 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 or who agreed to work on any holiday and who fails to report for and perform such work shall not receive pay for the holiday.

An employee who is scheduled to work on a holiday will receive forty-eight (48) hours' advance notice thereof if possible; but if such notice is not possible, he/she shall receive as much notice as is possible.

Section 7. Employees eligible for holiday pay under these provisions who are scheduled to work and who perform work on any of the above-named holidays shall be paid in accordance with Section 2 above; and in addition, twice their regular base hourly wage rates plus cost-of-living allowance for all hours worked on such holiday.

## ARTICLE 15

### Sick and Personal Leave

In the event of an eligible employee's absence from work because of nonoccupational sickness or injury, he/she shall be entitled to leave with pay during each year of continuous and active service as provided below. Such leave with pay may also be used for personal

reasons, once the employee has received his/her supervisor's prior approval.

Section 1. The period during which an employee shall be eligible for such leave shall begin on January 1 of each year and end on December 31 of that year.

Section 2. An employee who on January 1 of any year during the term of this Agreement has been continuously and actively in the employ of the Company for at least six (6) months prior thereto shall be eligible for three (3) days' leave with pay during the following year.

Section 3. An employee who on January 1 of any year during the term of this Agreement has been continuously and actively in the employ of the Company for at least one (1) year prior thereto shall be eligible for five (5) days' leave with pay during the following year.

Section 4. Employees recalled from layoff during the first quarter of the year shall be treated as though they were continuously and actively in the employ of the Company on January 1 for the purpose of determining Sick and Personal Leave eligibility.

Section 5. Pay for such leave may be taken in full days consisting of eight (8) hours or half-days consisting of four (4) consecutive hours. Such leave means pay for four (4) or eight (8) hours at the employee's regular base rate of pay plus cost-of-living allowance exclusive of all premiums, bonuses, or overtime payments.

Section 6. Each eligible employee shall be entitled to pay for the balance of the days of sick or personal leave for which he/she was eligible that remain unused at the end of the eligibility year. Pay for the unused days of such leave shall be at the employee's regular base rate of pay plus cost-of-living allowance exclusive of all premiums, bonuses, or overtime payments.

Section 7. To be eligible for pay for unused leave, an employee must be employed on December 31 of the sick or personal leave year. There shall be no prorated payment to terminating or laid-off employees for unused leave; except employees who are laid off will be eligible for any unused leave.

Section 8. Time spent by an employee after having been terminated from active employment for any reason, including discharge, resignation, leave of absence, or for the purpose of entering the Armed Services, shall not be considered as service time for the purpose of acquiring sick and injury or personal leave benefits.

Section 9. The Company may require verification acceptable to it in any case for which an employee requests payment for an absence due to sickness or injury.

Section 10. Payment shall not be made for an absence due to illness or injury unless the employee claiming such payment shall have notified the Company within two (2) hours of the start of his/her shift on the first day of his/her absence.

**ARTICLE 16**  
**Reporting Pay - Call Back Pay**

Section 1. Any employee reporting for work who has been working on the previous work day and has not been notified that there will be no work, shall receive four (4) hours' pay at the rate of pay applicable for such hours. The posting of a notice on the bulletin boards two (2) hours before the completion of the shift of the affected employee shall be sufficient and proper notice. This provision shall not apply in case of any stoppage of work, strike, or slowdown or in any other case or condition beyond the control of the Company.

Section 2. An employee, who is not scheduled to work, and who, after completing his/her regularly scheduled shift or extension thereof, is called back for emergency work after he/she has left the premises, or an employee who is called in for emergency work on Saturday or Sunday, and who reports for work after such call-back or call-in at a time which is more than four (4) hours prior to the beginning of his/her regularly scheduled shift, shall receive not less than four (4) hours' work at the rate of pay applicable for such hours of work. This provision shall not apply if four (4) hours of work is not available because of any stoppage of work, strike, or slowdown or in any other case beyond the control of the Company.

**ARTICLE 17**  
**Bereavement Leave**

Section 1. An employee who is absent from work on a scheduled work day (excluding Saturdays, Sundays, holidays, vacations, and authorized leaves of absence) for the purpose of attending the funeral of a member of his/her immediate family will be compensated for time necessarily lost by reason of such absence up to a maximum of three (3) days. For the purpose of this Article, immediate family is defined as spouse, father, mother, grandparents, grandchildren, sister, brother, child, parent of current spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, step-parents, and stepchild if brought up and supported as though a natural child. Compensation for such absence will be made for not more than eight (8) hours on any one day of absence at the employee's regular base hourly wage rate plus cost-of-living allowance exclusive of all premiums, bonuses, or overtime allowances.

Section 2. Payment shall not be made for such absences unless the employee claiming such payment shall have notified his/her supervisor promptly upon learning of the death of his/her relative. Verification acceptable to the Company of the death of and relationship of the relative of the employee shall be given the Company upon request. If the employee is entitled to bereavement leave pay it will be included in his/her paycheck for the effective pay period.

## ARTICLE 18

### Jury Duty

Section 1. A first shift employee who is required to be absent from work in order to report for jury examination on a regularly scheduled work day will receive a jury-duty allowance in an amount not to exceed four (4) hours' pay at his/her regular base hourly wage rate plus cost-of-living allowance.

Section 2.

(a) When any employee is required to be absent from work on a regularly scheduled work day in order to serve as a juror, he/she shall be granted pay for those hours for which he/she is absent from work for this reason at his/her regular base hourly rate plus cost-of-living allowance. Such payment shall not exceed eight (8) hours for any full day of absence.

(b) Pay for such work time lost shall in no event exceed a total of thirty (30) regular 8-hour work days or part days in any calendar year.

(c) Second or third shift employees who are ordered to serve as jurors and who are excused from jury service prior to 2 p.m. (or prior to 1:30 p.m. in the case of employees whose shift begins at 3 p.m.) on any regularly scheduled work day shall report for work at the beginning of their regularly scheduled shift on such day. They shall not be eligible for jury-service pay in such case.

Section 3. The provisions of Section 1 and Section 2 shall not apply in case of jury examination or jury duty on any day during which an employee is not scheduled to work nor on holidays, vacation periods, or authorized leaves of absence, nor shall such provision apply to employees who have volunteered for jury duty.

Section 4. To be eligible to receive pay for time lost from work because of jury examination or jury duty, an employee must notify his/her supervisor not later than forty-eight (48) hours after he/she receives notice to report for such examination or duty and must provide the Company within one (1) week of the completion of jury service with a statement filed by an official of the court showing the time of reporting and the time of dismissal from jury service.

## ARTICLE 19

### Rest Period

Employees who are required to work more than two (2) hours overtime in a day shall be given an 18-minute lunch and rest period prior to the commencement of the overtime, on Company time.

**ARTICLE 20**  
**Military Service**

Section 1. An employee who is required, as a member of the National Guard or as a reserve member of one of the United States Armed Forces, to be absent from work for the purpose of actual annual training duty or encampment duty for a period of not more than fifteen (15) days in a military fiscal year shall be granted pay for those hours for which he/she is absent from work for this reason at his/her regular base hourly rate plus cost-of-living allowance less the compensation paid him/her with respect to such military service; provided the employee would otherwise be scheduled to work on each such day; and provided further the employee has at least one (1) year of continuous service with the Company at the date he/she is called for such service. Such payment by the Company shall not exceed eight (8) hours for any full day of absence. The provisions of this section shall also be applicable with respect to an employee who is required, as a member of the National Guard or as a reserve member of one of the United States Armed Forces, to be absent from work for temporary emergency duty for a period of not more than fifteen (15) days in a calendar year.

Section 2. An employee (other than a temporary employee) who leaves the employment of the Company for the purpose of entering the Armed Forces of the United States shall be re-employed by the Company in accordance with the provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994. The seniority of such employee shall accumulate during the time spent in the Armed Forces of the United States.

**ARTICLE 21**  
**Retirement and Savings Plans**

Section 1. Attached and made part of this Agreement as Appendix C, as it applies to the employees described in Article 2 is the following:

- "United Technologies Corporation Represented Employee Retirement Plan".

(a) That solely for the purpose of calculating an employee's pension benefits, the employee's earnings shall not be reduced because of fees or other compensation paid such employee by the civil authorities for the jury duty referred to in Article 18 nor by the military for the employee's military services referred to in Section 1 of Article 20.

(b) That for the sole purpose of calculating an employee's pension benefits, an employee's earnings shall not be reduced because of excused Union time.

Section 2. Attached and made part of this Agreement as Appendix D as it applies to employees described in Article 2 is the following:

- "United Technologies Corporation Represented Employee Savings Plan".

Section 3. The changes and amendments in the Retirement and Savings Plans agreed upon by the parties to this Agreement will, after

approval by the Pension Administration Committee of the Company and the U.S. Internal Revenue Service, also be attached to and made a part of this Agreement.

**ARTICLE 22**  
Group Insurance

Attached and made part of this Agreement as Appendix E as it applies to employees described in Article 2 are the following:

- "Medical Benefits, Summary Plan Description for Hamilton Sundstrand Hourly Paid Represented Employees; and
- "Dental, Life Insurance, Disability Benefits and Reimbursement Accounts, Summary Plan Description for Hamilton Sundstrand Hourly Paid Represented Employees".

**ARTICLE 23**  
General Provisions

Section 1. The Company shall furnish bulletin boards in conspicuous places to be used solely for the posting of the following Union notices:

- (a) Union Meeting notices.

- (b) Union election notices and notices of the results of Union elections.
- (c) Notices of appointments to Union offices.
- (d) Notices of Union social and recreational affairs.

No such notice shall be posted unless it has been approved for posting by the signature of the proper executive of the Company.

Section 2. There shall be no distribution or posting by employees or by the Union of any notices, pamphlets, or literature of any kind containing advertisements, solicitations for funds or votes for political candidates or parties on Company property except as otherwise provided in Section 1 above.

Section 3. The Company shall, after discussion with the Union, designate the locations on its property where the Union may station employees to distribute Union flyers, leaflets or other Union literature to employees and others. It is understood and agreed that locations so designated shall provide the Union with full opportunity to place its literature into the hands of employees coming to or leaving work; provided, however, that such locations shall be those which will not result in any impediment to employees entering or leaving the plant buildings.

#### Section 4.

(a) A leave of absence not exceeding ninety (90) days may be granted by the Company to an employee for good cause upon the written request of such employee. An extension of such leave may be granted by the Company upon application of the employee made not less than ten (10) days prior to the expiration of the original leave of absence. If a leave of absence is granted, the seniority of such employee shall accumulate during the period of the leave of absence.

(b) An employee who has been granted such leave of absence shall be considered as having quit without notice and shall be terminated from employment by the Company, if while on such leave of absence he/she engages in or applies for other employment without the consent of the Company. If an employee on such leave fails to report for work at the beginning of his/her first regular shift after the termination of such leave, he/she shall be subject to discharge.

Section 5. Nothing contained in this Agreement shall in any way limit the right of the Company to discharge any employee in order to comply with its obligations to the Government under any security agreement, under any security provisions of its Government contracts, or under any law, regulation, or direction of the Government. The Company will notify the Union prior to or immediately following such a discharge, and if permitted, will disclose to the Union the reasons for its action.

Section 6. Union representatives and delegates will be excused from work for no less than a full shift (unless otherwise agreed to), upon written

application by a designated representative of the Union for attendance at the following:

- (a) Monthly meetings of District 26 not to exceed a total of six (6) employee-delegates.
- (b) Meetings of shop committee in preparation for committee of management meetings.
- (c) National, state or regional I.A.M.A.W. conferences or conventions not to exceed seven (7) employee-delegates.
- (d) AFL-CIO state or regional meetings or conferences not to exceed seven (7) employee-delegates.
- (e) Annual I.A.M.A.W. school or courses (ten (10) working days maximum) not to exceed five (5) employees per course with maximum of fifteen (15) employees per year.
- (f) Local Union executive board meetings (limited to executive board members) limited to one (1) meeting per month.
- (g) It is agreed that a reasonable number of employees will be excused for the express purpose of serving as tellers when elections or referendums at the International, District or Local levels are held. It is understood that the Union will request excusal for as few employees as possible in consideration of the need to carry on the Company's business.

(h) It is agreed that a reasonable number of employees may be excused for up to a total of five (5) days a year to attend political meetings.

(i) Meetings of members of the Local Lodge Negotiating Committee.

Section 7. The Company will inform the Union of any revisions in travel and relocation expense allowances throughout the life of this Agreement and will provide the Union with a copy of the plan and any revisions thereto.

Section 8. The Company agrees employees will continue to have the option to direct deposit their weekly paycheck to a bank or an institution of the employee's choice. It is understood funds will be available on Thursday of each week.

Section 9. The Company agrees to meet with the Union to discuss any change in shift hours prior to implementation.

#### ARTICLE 24 Strike or Lockout

The Union will not call or sanction any strike, sympathy strike, slowdown, or other concerted stoppage of work during the period of

this Agreement. The Company agrees that there will not be a lockout of employees.

Should a strike, sympathy strike, slowdown, or other concerted stoppage of work occur not called or sanctioned directly or indirectly by the Union, the Union acting through all of its officials identified in Section 14 of Article 8, upon request of the Company shall:

(a) Publicly disavow such action by the employees within forty-eight (48) hours of the Company's request;

(b) Advise the Company in writing that such action by employees has not been called or sanctioned by the Union; and

(c) Post notices on Union bulletin boards advising employees that it disapproves such action, and instructing employees to return to work immediately.

The obligation of the Union and its officials identified above to the Company is limited to the performance of the foregoing without further responsibility or liability for loss from such action by employees.

Employees participating in any strike, sympathy strike, slowdown, or other concerted stoppage of work shall be subject to discharge by the Company without recourse to the grievance procedure or arbitration; provided, however, that an employee who alleges that he/she did not participate in a strike, sympathy strike, slowdown, or other

concerted stoppage of work may have recourse to the grievance procedure and arbitration for the sole purpose of ascertaining whether he/she did so participate.

## ARTICLE 25

### Employee Assistance Program

Section 1. The Company and the Union agree to cooperate in encouraging employees suffering from the illness of alcoholism or from drug dependency and/or personal and emotional problems to undergo a coordinated program directed towards their rehabilitation.

Section 2. It is agreed the Company and the Union will recognize the District 26 Senior Union Employee Assistance Program (E.A.P.) Coordinator and one (1) Lodge 743 E.A.P. Coordinator for the purpose of discussion and consultation with the Employee Assistance Program Supervisor or delegate regarding items of mutual concern.

Section 3. The Lodge 743 E.A.P. Coordinator shall, after notification and permission from his/her supervisor, be allowed to leave work to attend meetings with the Company Representative or the District 26 Senior Union E.A.P. Coordinator at a mutually agreed upon time. These meetings may include the Lodge 743 E.A.P. Coordinator's participation in the counsel of employees he or she has referred to the Employee Assistance Program, providing the employee requests and gives permission to have the Lodge 743 E.A.P. Coordinator present at such counseling sessions. Time spent

in attendance at such meetings during scheduled work hours shall be recorded and paid for not exceeding six (6) hours in any calendar month.

Section 4. The Company and the Union recognize the sensitivity and confidentiality of the information concerning employees seeking assistance and agree to protect those rights afforded all employees for privacy and confidentiality of all information regarding their treatment.

Section 5. In the event that the District 26 Senior Union E.A.P. Coordinator and/or the Lodge 743 E.A.P. Coordinator holds a valid Certified Employee Assistance Professional (C.E.A.P.) Certificate, such coordinator will be authorized to make specific recommendations for the treatment of the Company's employees who seek assistance. Both the Company and Union recognize an E.A.P. Coordinator who holds a valid C.E.A.P. Certificate is qualified to make those recommendations and urge those employees who seek assistance to follow them.

Section 6. As an employee of Hamilton Sundstrand, UTC Fuel Cells, LLC or Pratt & Whitney, the Senior Union E.A.P. Coordinator, and as an employee of Hamilton Sundstrand, the Lodge 743 E.A.P. Coordinator will be indemnified when acting lawfully in the scope of his/her employment; in good faith; and in a manner he or she reasonably believes to be in, or not opposed to, the best interests of the Corporation.

Section 7. The Company will pay the Lodge 743 E.A.P. Coordinator who must absent himself/herself from work for attendance at training, for up to two (2) weeks per year, which would lead to the employee's C.E.A.P. certification and maintenance thereof. Further, the Company agrees that

the Lodge 743 E.A.P. Coordinator will annually be afforded the opportunity to attend a one (1) week training program at the Company's expense. The parties will mutually agree on the content and location of this training.

## ARTICLE 26

### Environmental, Health & Safety

Section 1. The Company and Union are committed to achieving world class safety performance through cooperation and support of processes/activities that reduce injuries. The parties agree to utilize the existing joint committee to manage the Safety Culture Change process. This joint committee consists of, and will continue to consist of, Company business leaders, EH&S managers/coordinators, and Union Representatives. This joint committee will be co-chaired by the Local Lodge 743 President and the Company Site Safety Executive. This joint committee will meet at a minimum on a monthly basis. In addition, the parties agree to work together to pursue certification through OSHA's Voluntary Protection Program (VPP).

Section 2. The Company will recognize a total of fifteen (15) Union Safety Representatives for the purpose of discussion and consultation with a designated management representative regarding any environmental, health and safety problems. Activities for Union Safety Representatives may include accident investigations, training, cross-department audits, observing safety behaviors, ergonomic assessments, inspections and job safety hazard analysis. Additional activities may be assigned by mutual

agreement. One (1) of the fifteen (15) representatives shall be recognized as Chief Union Safety Representative for all areas and shifts. Union Safety Representatives will be responsible for a specific operating center or centers or business unit or units and shall be actively employed within one of the business units/operating centers they service. It is the intent of the parties to have at least one Union Safety Representative on each first and second shift actively employed in the operating centers and business units referenced above which are Worldwide Customer Support, Electronic Operations, Space, Land & Sea, Propulsion, Precision Control & Accessories, Manufacturing Support, and Air Management Systems. One (1) additional Union Safety Representative will be recognized to represent the third shift when the population of the third shift exceeds 125 employees and that population is sustained for greater than 90 days. If the employee complement will not allow for the recognition of a Union Safety Representative on the third shift, under the provisions of this Article, exceptions may be made if it is mutually agreed by the parties.

In the event that a reportable spill/release or serious injury occurs on Company property, the Union Chief Safety Representative or Union Safety Representative will be directly notified in accordance with the emergency notification procedures. In the event that the incident occurs during the weekend or on holidays, the Company will make every effort to contact the appropriate Union Safety Representative.

A copy of all accident and/or spill/release reports will be submitted to the Union Chief Safety Representative or Union Safety Representative in accordance with current reporting processes. When the accident and/or spill/release is classified as recordable, the Chief Union

Safety Representative or Union Safety Representative will be invited to participate as a member of a team to conduct a coordinated investigation.

### Section 3. (EH&S Issue Resolution Process)

(a) Employees are expected to routinely take up with their supervisor any environmental, health and safety issues which may arise in the immediate work area.

(b) Any employee recognizing an environmental, health, or safety hazard or situation which he or she reasonably believes has the potential of causing physical harm or injury in the area may request the services of a Union Safety Representative from his or her supervisor. Prior to such request, however, the employee must bring the hazard to the attention of his or her supervisor so prompt resolution can be obtained. The supervisor will give his or her answer to the Union Safety Representative within three (3) working days. Any unresolved issues will be reduced to writing within three (3) working days of the supervisor's answer on the form (which has been mutually agreed to) provided by the Company.

(c) In the event that the employee or the Union Safety Representative reasonably believes that there exists imminent danger of injury or death from a hazardous condition in the workplace, the employee or Union Safety Representative shall remove the employee from harm's way, notify the supervisor, and have the rights afforded to him or her under federal and state law. Further, subject to a review by the Union Safety Representative and a Company EH&S professional or supervisor,

appropriate steps will be taken to eliminate the hazard including, if necessary, shutting down the job.

(d) Resolution Steps: After being reduced to writing, the following process shall be followed:

Step 1: Within five (5) working days of the issue being reduced to writing, a meeting will be convened to resolve the issue. In attendance will be the Union Safety Representative, the employee, the responsible Business Unit/Operating Center Manager or designee and the supervisor. An EH&S representative may be present at the request of either party. The answer of the Business Unit/Operating Center Manager or designee will be given to the Union Safety Representative within five (5) working days. The Union Safety Representative has five (5) working days to accept or move the issue to the next process. Such notification will be given to the Business Unit/Operating Center Manager.

Step 2: Within five (5) working days from notification that the issue remains unresolved, a meeting will be convened to resolve the issue. In attendance will be the Chief Union Safety Representative, the Union Safety Representative, the Business Unit/Operating Center Director and the Manager, of Central EH&S or his/her delegate. The answer of the Director will be given to the Chief Union Safety Representative within five (5) working days. The Chief Union Safety Representative has five (5) working days to accept or move the issue to the next step. Such notification will be given to the Director.

(e) The Union may process unresolved issues to the next step in accordance with Article 7, Written Step 2(a).

(f) Any disposition of an EH&S complaint accepted by the Union or from which no appeal has been taken is final, conclusive and binding upon all the employees, the Company and the Union.

**Section 4.** When the Company and a Union Safety Representative mutually agree, a Union Safety Representative will be allowed to observe the conditions giving rise to a problem in the presence of management representatives where such observations are essential to the evaluation of a problem.

**Section 5.** As necessary, but not more frequently than once a month, the Chief Union Safety Representative will meet with the Manager, Health and Safety or equivalent, or his/her designated representative, to discuss general environmental, health and safety issues.

**Section 6.** The Safety Culture Change process inherently provides frequent opportunities for both Company and Union representatives to conduct walk-around tours within the shop areas. The Chief Union Safety Representative may request additional tours if he or she believes it is necessary to do so. The requests should be directed to the Company Site Safety Executive.

**Section 7.** Semiannually, meetings will take place between the Union Safety Representatives and the Company Environmental, Health and Safety Company Representative to discuss items of mutual concern.

Union Safety Representatives will be paid at their base hourly rate plus cost-of-living allowance and shift premium, if any, for their attendance. It is also agreed the Union Safety Representatives will be paid up to four (4) hours at their base hourly rate plus cost-of-living allowance and shift premium, if any, to attend a meeting among themselves prior to the semiannual meetings.

**Section 8.** The Company will permit the Chief Union Safety Representative time off to a maximum eight (8) hours each day (maximum 40 hours per week) during normal working hours for the purpose of conducting business in accordance with this Agreement. Time spent in such activity during his/her scheduled working hours shall be paid at his/her regular base rate plus cost-of-living allowance, exclusive of overtime allowances, but including shift premium, if any. The daily eight (8) and/or weekly forty (40) maximum hours permitted pursuant to this Section may be exceeded with the express prior approval of the Company when required for specific Company-Union meetings and the like. Such excess hours will be paid at the appropriate overtime rate.

**Section 9.** Time spent by Union Safety Representatives for meetings covered by this Article will be paid for at his/her regular base rate plus cost-of-living allowance, exclusive of overtime allowances, but including shift premium, if any, as follows:

(a) Time spent by Union Safety Representatives for meetings covered by Sections 3 and 4 not exceeding three (3) hours in any workweek.

(b) All time spent in any workweek by the Union Safety Representative for tours covered by Section 5.

(c) All time spent by the Union Safety Representatives for meetings covered by Section 6, except not exceeding four (4) hours for the pre-meeting as defined in Section 6.

Section 10. The Union may present to the Company for its review and approval, appropriate safety training courses sponsored by the IAM or other organizations for employees serving as Union Safety Representatives and EH&S Volunteers. The Company, upon its approval, will pay for the affected employees' lost time for attendance at such courses.

Section 11. As employees of Hamilton Sundstrand Corporation, the Chief Union Safety Representative and Union Safety Representatives will be indemnified when acting lawfully in the scope of their employment as Union Safety Representatives; in good faith; and in a manner they reasonably believe to be in, not opposed to, the best interests of the Corporation.

## ARTICLE 27

### M.N.P.L. Check-Off

Section 1. The Company agrees to deduct on a monthly basis voluntary donations to the Machinists Nonpartisan Political League upon receipt of a signed voluntary authorization card by an employee requesting

that deductions be made from his/her wages in a monthly amount designated by the employee provided that the minimum deduction is not less than \$1.00. The Company will thereafter make such deductions on a monthly basis and forward them on a monthly basis to the Treasurer of the Machinists Nonpartisan Political League at 9000 Machinists Place, Upper Marlboro, MD 20772-2678 together with the names, social security number, department, clock number, and amount deducted from all employees who authorized such deductions. Such authorization for deductions will remain in effect for the duration of this Agreement unless canceled in writing by the employee.

Section 2. The monthly deductions authorized by an employee who has properly executed the authorization card will be deducted from the employee's pay during the first pay period of each month. Authorizations for deduction received prior to the fifteenth of each month will be effective the first pay period the following month.

Section 3. 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 described herein, in an amount not to exceed the sum received by the Union on account of the deductions made from the earnings of such employee or employees.

Section 4. A sample of the Machinists Nonpartisan Political League Check-off card shall be attached hereto and made part of this Agreement.

## ARTICLE 28

### Transfer of Ongoing Production Work

Section 1. Where business and economic conditions permit, the Company's intent is to provide the Union with six (6) months advance notice of its intent to close a plant, business unit, operating center or move a product line involving work currently performed by bargaining unit employees. This expression of intent is not a guarantee to maintain any number of jobs during this period but an expression of the Company's good faith desire to provide as much notice as practical. Such notice will include identification of the work to be transferred, the expected decrease in the number of represented employees as a direct consequence of the transfer of work and the anticipated date of the transfer of work.

Section 2. If the Union requests to meet and confer within ten (10) working days following the notice set forth above, the Company will be available to meet and confer with the Union within five (5) working days of such requests. While these discussions are ongoing, the parties agree the discussions will remain confidential. The period for meeting and conferring shall not exceed forty-five (45) days except by mutual agreement. The final decision regarding closing a plant or transferring a business unit rests solely with the Company. When business or economic conditions do not allow the above times, the parties will meet as time permits.

Section 3. If information is requested by the Union for the meet and confer session(s), the Company will promptly make the following information available to the Union: the express reason(s) for intending to transfer the work and where employment cost is a significant factor.

comparative related wages, payroll allowances and employee benefit expenses of represented employees for the work intended to be transferred and of their counterparts who would be assigned the work. This information will be treated as confidential by the Union.

## ARTICLE 29

### Duration

Section 1. This Agreement shall be in full force and effect from 12:01 a.m., May 3, 2004, until midnight, May 6, 2007 and for additional periods of one (1) year thereafter unless either party hereto shall give written notice of its intent to terminate the Agreement or modify any portion or any of the terms hereof by registered mail to the other party not less than sixty (60) nor more than seventy (70) days prior to May 6, 2007 or prior to the end of any yearly period subsequent thereto.

Section 2. The parties, in consideration of the benefits, privileges, and advantages provided in this Agreement and as a condition to the execution of this Agreement suspend meetings in collective bargaining negotiations during the life of this Agreement with respect to any further demands, including pensions or insurance for employees or with respect to any questions of wages, hours, or working conditions, except as may be dealt with as a grievance under Article 7 hereof.

Section 3. Should notice of termination or modification be given by either party as provided in Section 1 of this Article, this contract shall terminate as of its expiration date unless specifically extended by written agreement, and, upon such termination, any and all obligations of either party to continue to maintain the grievance procedure provided by the contract shall immediately terminate and become unenforceable; provided, however, that any grievance which has, prior to the termination of the contract, been appealed to arbitration will be processed under the terms of this contract.

Section 4. Notices shall be in writing and shall be sent by certified mail, return receipt requested, addressed, if to the Union, to the Hartford Aircraft Lodge No. 743, International Association of Machinists and Aerospace Workers, P.O. Box 3218, Windsor Locks, Connecticut; 06096 and if to the Company, to United Technologies Corporation, Care of Vice President - Industrial Relations, Hartford, Connecticut.

It is understood and agreed that this Agreement has been ratified by the membership of Hartford Aircraft Lodge No. 743.

Dated at Windsor Locks, Connecticut, this third day of May, 2004.

HARTFORD AIRCRAFT  
LODGE 743 of INTERNATIONAL  
ASSOCIATION OF MACHINISTS  
AND AEROSPACE WORKERS

HAMILTON SUNDSTRAND  
CORPORATION

Everett C. Cory

James M. Parent

Jim [unclear]

Will R. [unclear]

Kathy [unclear]

Mark P. Hobert

Michael [unclear]

Al [unclear]

Cheryl [unclear]

Michael [unclear]

Manning [unclear]

Clyde [unclear]

Michael P. Gonzalez

[unclear]

[unclear]

Titch Shuere

Tom M. Higgins

Carl [unclear]

Leo J. Collins

[unclear]

[unclear]

**SCHEDULE A**  
EFFECTIVE MAY 3, 2004

LABOR GRADE	NORMAL START RATE	STANDARD RATE*	MAXIMUM RATE
11	\$14.29	\$16.39	\$18.46
10	\$14.86	\$17.05	\$19.13
9	\$15.53	\$17.81	\$19.92
8	\$16.32	\$18.72	\$20.84
7	\$17.01	\$19.73	\$21.87
6	\$17.91	\$20.78	\$22.98
5	\$18.93	\$21.96	\$24.14
4	\$20.00	\$23.22	\$25.43
3	\$21.17	\$24.57	\$26.80
2	\$22.51	\$26.13	\$28.39
1	\$23.92	\$27.77	\$29.99

\* An applicant may be hired at a rate below, at, or above any Standard Rate shown in the above Schedule A which is determined by the Company to be in accordance with the applicant's qualifications and experience.

**SCHEDULE B**  
EFFECTIVE MAY 2, 2005

LABOR GRADE	NORMAL START RATE	STANDARD RATE*	MAXIMUM RATE
11	\$14.72	\$16.89	\$19.02
10	\$15.31	\$17.56	\$19.70
9	\$15.99	\$18.35	\$20.52
8	\$16.81	\$19.26	\$21.47
7	\$17.52	\$20.32	\$22.53
6	\$18.44	\$21.41	\$23.67
5	\$19.50	\$22.62	\$24.86
4	\$20.60	\$23.91	\$26.19
3	\$21.80	\$25.31	\$27.60
2	\$23.19	\$26.92	\$29.24
1	\$24.64	\$28.60	\$30.89

\* An applicant may be hired at a rate below, at, or above any Standard Rate shown in the above Schedule B which is determined by the Company to be in accordance with the applicant's qualifications and experience.

**SCHEDULE C**  
EFFECTIVE MAY 1, 2006

LABOR GRADE	NORMAL START RATE	STANDARD RATE*	MAXIMUM RATE
11	\$15.16	\$17.39	\$19.59
10	\$15.77	\$18.08	\$20.29
9	\$16.47	\$18.90	\$21.14
8	\$17.32	\$19.86	\$22.11
7	\$18.04	\$20.93	\$23.20
6	\$19.00	\$22.05	\$24.38
5	\$20.08	\$23.30	\$25.61
4	\$21.21	\$24.63	\$26.98
3	\$22.45	\$26.07	\$28.43
2	\$23.88	\$27.73	\$30.12
1	\$25.38	\$29.46	\$31.82

\* An applicant may be hired at a rate below, at, or above any Standard Rate shown in the above Schedule C which is determined by the Company to be in accordance with the applicant's qualifications and experience.

**APPENDIX A**  
**SENIORITY AREAS**  
**FOR PURPOSE OF LAYOFF AND RECALL ONLY**

**1. PRECISION MACHINING**

**FACILITY/MECHANICAL ENGINE SYSTEMS**

Departments

101  
201

Name

Precision Machining  
Assembly&Test (Mechanical  
Engine Systems)

**2. PROPULSION**

Departments

111, 211

Name

Assembly & Test  
Machining  
Metal Finishing  
Composites

**3. AIR MANAGEMENT SYSTEMS**

Departments

131, 231

Name

Assembly & Test  
Machining  
Sheet Metal

5. MANUFACTURING SUPPORT

Departments

125  
153, 253  
257  
159, 259  
165, 339, 341  
169  
171, 339, 271  
173, 315  
191

Name

Timekeeping  
Shipping, Receiving, and Stores  
Master Crib  
Tool Grinding  
Facility and Electrical Maintenance  
Power House  
Machine Maintenance  
Engineering Labs  
Special Processes

6. SPACE, LAND & SEA

Departments

181, 195  
195  
283

Name

Space, Land & Sea  
Toolroom  
Ground Support Equipment

7. WORLDWIDE REPAIR

Departments

202

Name

Engine Systems – Mechanical,  
Aircraft Accessories, Air  
Management Systems

213

239

285

Central Machining/Process  
Facility Maintenance  
Engine Systems – Electronics

8. ELECTRONIC OPERATION

Department

311

Name

Process

**APPENDIX B**

**JOB LADDERS FOR THE PURPOSE  
OF LAYOFF, RECALL AFTER LAYOFF AND PROMOTION**

**PRECISION MACHINING FACILITY/MECHANICAL ENGINE SYSTEMS**

<b>202.</b>	<b>Department 201 (Mechanical Engine Systems)</b>	<b>Assembly and Test</b>	
	<b><u>GR</u></b>	<b><u>JC</u></b>	<b><u>Title</u></b>
	7	2010	Assembly/Test Technician - III
	5	2011	Assembly/Test Technician - II
	3	2013	Assembly/Test Technician - I

<b>203.</b>	<b>Department 101 (Precision Machining Facility) (Refer to Letter 25)</b>	<b>Tooling and Repair/Machining</b>	
	<b><u>GR</u></b>	<b><u>JC</u></b>	<b><u>Title</u></b>
	6	2014	Machinist - IV
	4	2015	Machinist - III
	2	2016	Toolmaker - II
	1	2017	Toolmaker - I

**PROPULSION**

<b>204.</b>	<b>Department 111/211</b>	<b>Assembly and Test</b>
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	<b><u>GR</u></b>	<b><u>JC</u></b>	<b><u>Title</u></b>
	7	2018	Assembly/Test Technician - III
	5	2019	Assembly/Test Technician - II
	3	2020	Assembly/Test Technician - I

<b>205.</b>	<b>Department 111/211</b>	<b>Tooling and Repair/Machining</b>
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	<b><u>GR</u></b>	<b><u>JC</u></b>	<b><u>Title</u></b>
	6	2021	Machinist - IV
	4	2022	Machinist - III
	2	2023	Toolmaker - II
	1	2024	Toolmaker - I

<b>206.</b>	<b>Department 111/211</b>	<b>Metal Finishing</b>
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	<b><u>GR</u></b>	<b><u>JC</u></b>	<b><u>Title</u></b>
	6	2025	Metal Finisher Technician - III
	4	2027	Metal Finisher Technician - II

AIR MANAGEMENT SYSTEMS

207.

Department 111/211

Composites

GRJCTitle

6

2029

Composite Technician - III

4

2030

Composite Technician - II

2

2031

Composite Technician - I

208.

Department 131/231

Assembly &amp; Test

GRJCTitle

7

2032

Assembly/Test Technician-III

5

2033

Assembly/Test Technician - II

3

2034

Assembly/Test Technician - I

209.

Department 131/231

Tooling and Repair/Machining

(Refer to Letter 25)

GRJCTitle

6

2035

Machinist - IV

4

2036

Machinist - III

2

2037

Toolmaker - II

1

2038

Toolmaker - I

210.

Department 131/231

Core Fabrication

GRJCTitle

6

2039

Fabrication Technician - III

4 2040 Fabrication Technician - II  
 3 2041 Fabrication Technician - I

**MANUFACTURING SUPPORT**

211. Department 131/231 Heat Exchangers/Water Separator  
 (Refer to Letter 25)

<u>GR</u>	<u>JC</u>	<u>Title</u>
6	2042	Fabrication Technician - III
4	2043	Fabrication Technician - II
3	2044	Fabrication Technician - I

212. Department 191  
 (Refer to Letter 25)

**Special Processes**

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2045	Special Process Technician-IV
5	2046	Special Process Technician-III
4	2047	Special Process Technician-II
3	2048	Special Process Technician-I

230. Department 171, 271, 339

**Machine Maintenance**

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2081	Machine Mechanical Technician - III
4	2082	Machine Mechanical Technician - II
2	2083	Machine Mechanical Technician - I

231. Department 171, 271

Machine Electronics

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2084	Trades Technician Assistant
4	2085	Electronic System Technician - III
2	2086	Electronic System Technician - II
1	2087	Electronic System Technician - I

232. Department 165, 339

Facility Maintenance

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
8	2088	Maintenance Attendant
6	2084	Trades Technician Assistant
4	2089	Maintenance Technician - II
2	2090	Maintenance Technician - I

233. Department 165, 341

Electrical Maintenance

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2084	Trades Technician Assistant
4	2091	Electrical Technician - III
2	2092	Electrical Technician - II

234. Department 165

Rigging

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2084	Trades Technician Assistant
4	2094	Rigging Technician
2	2095	Maintenance Technician - I

235. Department 165

Heating, Ventilation, Air-conditioning (HVAC)

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2084	Trades Technician Assistant
3	2096	HVAC Technician
2	2097	Maintenance Technician - I

236. Department 165, 339

Carpentry

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2084	Trades Technician Assistant

5	2098	Carpenter
2	2099	Maintenance Technician - I

**237. Department 165, 339 Pipefitting**

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2084	Trades Technician Assistant
4	2100	Pipefitter/Plumbing Technician
2	2101	Maintenance Technician - I

**238. Department 165, 339 Waste Handling**

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2102	Waste Treatment Technician - III
4	2103	Waste Treatment Technician - II
3	2104	Waste Treatment Technician - I

**239. Department 169 Power House**

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2084	Trades Technician Assistant

5	2105	Power House Technician II
4	2106	Power House Technician I

**240. Department 165 Welding/Sheet Metal**

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2084	Trades Technician Assistant
4	2107	Fabrication Technician
2	2108	Maintenance Technician - I

**241. Department 159, 259 Cutter Grind**

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2084	Trades Technician Assistant
4	2109	Tool Grinding Technician - II
3	2110	Tool Grinding Technician - I

**242. Department 125 Timekeeper**

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
8	2111	Pay Data Processor - II

7 2112 Pay Data Processor - I

243. Department 153/253, 257 Material Processing

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
8	2113	Material Processor - II
6	2114	Material Processor - I

244. Department 173 Materials

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2115	Materials Technician - IV
4	2116	Materials Technician - III
3	2117	Materials Technician - II
2	2118	Materials Technician - I

245. Department 173 Instrumentation/Electronics

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
5	2119	Instrumentation & Electronics Tech III

3	2120	Instrumentation & Electronics Tech II
1	2121	Instrumentation & Electronics Tech I

246. Department 173 Electrical

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2115	Materials Technician - IV
4	2122	Electrical Technician - III
2	2123	Electrical Technician - II
1	2124	Electrical Technician - I

247. Department 173 Mechanical Maintenance

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2125	Mechanical Technician III
4	2126	Mechanical Technician II
2	2127	Mechanical Technician I

248. Department 173

Test

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
5	2128	Test Technician III
3	2129	Test Technician II
1	2130	Test Technician I

201. Department 315

Electronics Technician

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
5	2004	Electronics Technician III
3	2005	Electronics Technician II
1	2006	Electronics Technician I

SPACE, LAND & SEA

219. Department 195

Toolroom

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
4	2146	Machinist III
2	2060	Toolmaker II
1	2061	Toolmaker I

222. Department 283

Ground Support Equipment

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
7	2069	Assembly/Fabrication Technician III
5	2070	Assembly/Fabrication Technician II
3	2071	Assembly/Fabrication Technician I

250. Department 181,195

Electronics

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
5	2140	Electronic Technician III
3	2141	Electronic Technician II

1 2142 Electronic Technician I

251. Department 181,195 Mechanical

GR JC TITLE

5 2143 Mechanical Systems Technician III  
3 2144 Mechanical Systems Technician II  
1 2145 Mechanical Systems Technician I

253. Department 181,195 Materials

GR JC TITLE

7 2149 Material Processor II  
5 2150 Material Processor I

WORLDWIDE REPAIR

213. Department 202 Engine Systems - Mechanical, Aircraft Accessories, Air Management Systems

GR JC TITLE

7 2050 Repair Technician - III  
5 2051 Repair Technician - II  
3 2052 Repair Technician - I

216. Department 213 Central Machining

GR JC TITLE

7 2053\* Operating Technician - IV  
4 2054\* Machinist - II  
2 2055 Machinist - I

218. Department 202 Welding

GR JC TITLE

7 2053\* Operating Technician - IV

5	2057	Welding Technician - III
3	2058	Welding Technician - II
2	2059	Welding Technician - I

\* Job Codes 2053 and 2054 are treated as if they are in the same Job Ladder for purposes of layoff and recall.

**220. Department 213**

**Process**

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
7	2062	Process Technician - III
5	2063	Process Technician - II
3	2064	Process Technician - I

**221. Department 239**

**Facility Maintenance**

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2065	Facility Maintenance Technician - IV
4	2066	Facility Maintenance Technician - III
3	2067	Facility Maintenance Technician - II
2	2068	Facility Maintenance Technician - I

**223. Department 285**

**Engine Systems - Electronics (Test)**

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
6	2072	Electronic Technician - III
4	2073	Electronic Technician - II
2	2074	Electronic Technician - I

**224. Department 285**

**Engine Systems - Electronics (Repair)**

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
7	2075	Electronic Repair Technician - II
5	2076	Electronic Repair Technician - I

**ELECTRONIC OPERATIONS**

**200. Department 311**

**Process**

<u>GR</u>	<u>JC</u>	<u>TITLE</u>
7	2000	Process Technician IV
5	2001	Process Technician III
3	2002	Process Technician II
2	2003*	Process Technician I

\* For readjustment purposes, employees classified on Job Code 2003 will exercise their seniority rights to Job Codes 2001 and 2000.

**APPENDIX F has been provided to the Union.**

NAME \_\_\_\_\_ EFFECTIVE DATE \_\_\_\_\_

CLOCK NO. \_\_\_\_\_ DEPARTMENT \_\_\_\_\_ SOC. SEC. NO. \_\_\_\_\_

This assignment is for:  
UNION MEMBERSHIP \_\_\_\_\_ SERVICE FEE \_\_\_\_\_ (SIGNIFY BY INITIALS)

To: HAMILTON SUNDSTRAND, WINDSOR LOCKS  
LOCAL LODGE 743, DISTRICT #26, I.A.M.A.W., WINDSOR LOCKS

I hereby assign to Lodge 743 of the International Association of Machinists and Aerospace Workers, AFL-CIO, in four (4) equal installments and from the first four (4) paydays in each month the sum that is hereafter established by the Local Lodge as the monthly dues uniformly required as a condition of retaining membership therein or the monthly service fee established by the Local Lodge, not in excess of the monthly membership dues of union members, and as has been certified as constituting such to the company by the duly authorized Financial Officer of Local Lodge 743, I.A.M.A.W., AFL-CIO.

This assignment shall be effective and irrevocable for periods of one (1) year subsequent to the effective date or subsequent to the anniversary of the effective date of any year thereafter, provided, that there is an agreement in effect between the Company and the Union, and provided further that no written notice of cancellation of this assignment is given by me to the Company and the Union, simultaneously within ten (10) days prior to the effective date, or within ten (10) days prior to the anniversary of the effective date, of any year thereafter.

Signed by me before the undersigned witness on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_

Signature \_\_\_\_\_ Witness \_\_\_\_\_

I further assign from the first payday of the month following the receipt by you of this authorization one (1) initiation fee in whatever sum is established as such by the Local Lodge and has been certified as constituting such initiation fee to the Company by the duly authorized Financial Officer of Local Lodge 743, I.A.M.A.W., AFL-CIO.

Signed by me before the undersigned witness on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_

Signature \_\_\_\_\_ Witness \_\_\_\_\_

116

### INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, AFL-CIO MEMBERSHIP APPLICATION AND/OR CHECK-OFF AUTHORIZATION

Name \_\_\_\_\_ Date \_\_\_\_\_ Card No. \_\_\_\_\_  
Address \_\_\_\_\_ M F Date of birth \_\_\_\_\_  
SS No. \_\_\_\_\_ Email \_\_\_\_\_ Phone \_\_\_\_\_ Hire date \_\_\_\_\_  
Employer \_\_\_\_\_ Hourly wage \_\_\_\_\_  
Class of work \_\_\_\_\_ Years experience \_\_\_\_\_ Shift:  1  2  3

Membership Application. Check here:  To the Officers and Members of Lodge No. \_\_\_\_\_ (the "Lodge" or "Union"), I hereby tender my application for membership in the International Association of Machinists and Aerospace Workers, AFL-CIO (IAM). I understand that while I may be required to tender monthly fees to the Union, I am not required to sign a membership application as a condition of employment and that this application for membership is voluntary. I agree to obey the laws of the IAM and to support the principles of trade unionism and I authorize the IAM and/or its designated affiliates to act as my representative for collective bargaining.

If former member of IAM: Card No. \_\_\_\_\_ Lodge No. \_\_\_\_\_ Location \_\_\_\_\_ Last dues paid \_\_\_\_\_

Check-Off Authorization. Check here:  I authorize my Employer to deduct from my wages and forward to the Union: (1) monthly membership dues or an equivalent service fee; and (2) any required initiation or reinstatement fee as set forth in the collective bargaining agreement between the Employer and the Union and the by-laws of the Lodge. This authorization shall be irrevocable for one (1) year or until the termination of the collective bargaining agreement between my Employer and the Union, whichever occurs sooner. I agree that this authorization shall be automatically renewed for successive 1-year periods or until the termination of the collective bargaining agreement whichever is the lesser, unless I revoke it by giving written notice to my Employer and Union not more than twenty (20) and not less than five (5) days prior to the expiration of the appropriate yearly period or contract term. I expressly agree that this authorization is independent of and not a quid pro quo for, union membership but recognizes the value of the services provided to me by the Union. It shall continue in full force and effect even if I resign my Union membership, except if properly revoked in the manner prescribed above.

The following information is strictly voluntary and is requested for the sole purpose of providing improved services to our membership:

I am \_\_\_\_\_ Caucasian \_\_\_\_\_ African American \_\_\_\_\_ Asian \_\_\_\_\_ Hispanic \_\_\_\_\_ Pacific Islander \_\_\_\_\_ Native American \_\_\_\_\_ Other.

Employees working under collective bargaining agreements containing union security clauses are required, as a condition of employment, to pay an amount equal to the union's initiation fee, if applicable, and monthly dues to the union regardless of the clauses. Individuals who are members of our organization pay initiation, if applicable, and monthly union dues. Nonmembers, or "agency fee payors," meet their obligation by the payment of "agency fees" for representation that are equal to initiation, if applicable, and the union's monthly dues. Nonmembers have a legal right to file objections to funding expenditures that "nonmembers to the collective bargaining process." Nonmembers who choose to file such objections should follow the procedure set forth below.

When considering these matters, individuals should be aware that the union security clause contained in their collective bargaining agreement was negotiated and ratified by their fellow employees so that everyone benefits from the collective bargaining process shared in its cost. The working conditions of all bargaining unit employees are improved immeasurably when the union gains higher wages, better health care and pension plans in the disciplinary system, overtime pay, vacations, and many other improvements in working conditions as the bargaining table. And while individuals may choose to meet their financial obligations as nonmember agency fee payors, before electing agency fee payer status individuals should be aware of the additional benefits of union membership they are giving up.

Among the many opportunities available to IAM members are the right to attend and participate in union meetings; the right to nominate and vote for candidates for union office and the right to run for union office; the right to participate in contract negotiation and strike votes; the right to participate in the formulation of IAM collective bargaining demands; the right to participate as a delegate to the International Union convention; the right to participate in the development and formulation of IAM policies; and the right to enjoy the many benefits of the Union Privilege Benefits Program, including low-income credit cards, prescription drug cards, life insurance, legal and travel services.

Individuals who nevertheless elect to be nonmember agency fee payors may object to funding expenditures nonmembers to the collective bargaining process and support only chargeable activities. Examples of expendable amounts to the collective bargaining process for which objectors may be charged are those made for the negotiation, enforcement and administration of collective bargaining agreements; meetings with employer and representatives; proceedings on behalf of workers under the grievance procedure, including arbitration; internal union administration; and litigation related to the above activities. Expenditures from the union's strike are chargeable, because nonmembers have the same right to strike benefits as members if they meet the applicable requirements. Expenditures nonmembers to the collective bargaining process and thus, nonchargeable objectors are those which are not strictly related to collective bargaining. Examples of such expenditures are those made for political purposes; for general community service and legislative activities; for certain affiliation costs; and for general organizing efforts.

Objectors must file objections in accordance with the following procedures:

1. Beginning on November 1<sup>st</sup> and ending on November 30<sup>th</sup> of each year, or during the first 30 days in which an objector is required to pay fees to the union, that objector may request that his/her initiation fee, if applicable, and monthly agency fee payment be reduced so that he/she is only bearing the costs of representational activities. Fee reductions will be based on prior audited figures of the Grand Lodge and on a basis of prior audited figures from the District and Local Lodge levels. For the calendar year 2001, the percentage reduction in monthly Grand Lodge per capita payments is 50.25 percent, plus a 12.64 percent reduction in district lodge per capita and a 26.30 percent reduction in local lodge fees. These percentages are revised each year. An updated copy of this notice, including new percentages, is published each year in the Fall Journal. It is also available from the office of the General Secretary-Treasurer at the address given below.
2. A request must be in the form of a letter, signed by the objector and sent to the General Secretary-Treasurer of the International Association of Machinists and Aerospace Workers, AFL-CIO, 9000 Machinists Place, Upper Marlboro, MD 20772-2687, postmarked during the period described in paragraph 1 above. The request shall contain the objector's home address and local lodge number, if known.
3. Upon receiving a proper request from an objector, the General Secretary-Treasurer shall notify such objector that the request is perfected and provide a summary of major categories of expenditures showing how the reduction is calculated. The Grand Lodge maintains an accrual account that consists sufficient monies to cover any challenges to expenditures that may reasonably be in dispute.
4. Upon receiving the General Secretary-Treasurer's notice of the calculation of chargeable expenditures, an objector shall have 30 days to file a challenge with General Secretary-Treasurer if he or she has reasonable belief that the calculation of chargeable activities is incorrect.
5. If an objector chooses to challenge the calculation of the advance reduction, there shall be an expeditious appeal before an impartial arbitrator chosen through the American Arbitration Association's (AAA) Rule for Impartial Determination of Union Fees.
  - a. Any and all appeals shall be consolidated and submitted to the AAA. The presentation to the arbitrator shall be either in writing or at a hearing, as determined by the arbitrator. If a hearing is held, any objector who does not wish to attend may submit his/her views in writing by the date of the hearing, or may participate by telephone. If a hearing is not held, the arbitrator will set the date by which all written submissions will be received and will decide the case based on the evidence submitted.
  - b. The union shall pay the costs of the arbitration. Challengers shall bear all other costs in connection with prosecuting their appeal (travel, witness fees, lost time, etc.). Challengers may, at their expense, be represented by counsel or other representative of choice.
  - c. A court reporter shall make a transcript of all proceedings before the arbitrator if a hearing is held. The transcript shall then be the official record of the proceedings.
  - d. The union shall bear the burden of justifying its calculations.
  - e. The union shall be bound by the decision of the arbitrator.
6. Objectors who choose to renew their requests for an advance reduction must do so annually in compliance with the above-described procedures, except that employees covered by the Railway Labor Act have the following choice: (1) they may follow the annual renewal procedure, or (2) they may indicate in their letter to the General Secretary-Treasurer that they want their objection to be treated as continuing in nature.
7. A person who was a member of the IAM at the time set forth in paragraph 1, but who subsequently resigns from membership, may request objector status for the remainder of the year. Said former member must, within the first thirty days after the effective date of resignation, write to the General Secretary-Treasurer, as set forth in paragraph 1.

**MACHINISTS NON-PARTISAN POLITICAL LEAGUE  
Political Action Wage Deduction Authorization Card**

I, \_\_\_\_\_, hereby  
(NAME OF EMPLOYEE) (CLOCK/SOC.SEC. NO.)  
authorize and direct \_\_\_\_\_ to deduct monthly from my wages the  
(NAME OF EMPLOYER)  
sum of \$ \_\_\_\_\_ and forward this amount monthly to the Treasurer of the Machinists  
Non-Partisan Political League at 9000 Machinists Place, Upper Marlboro, Maryland 20772-2687.

I have executed this wage deduction authorization voluntarily without any coercion, duress, or intimidation and none of the monies deducted are a part of my dues or membership fees to the local union. This authorization and the making of payments to MNPL are not conditions of membership in the Union or of employment with the Company and I understand that the money will be used by MNPL to make contributions and expenditures in connection with Federal Elections.

\_\_\_\_\_  
(EMPLOYEE SIGNATURE)

\_\_\_\_\_  
(DATE)

OPEIU376AFL-CIO

**LETTER 1**  
**Material to be provided to the Union**

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning material to be provided to the Union.

- (1) (a) The Company agrees to furnish the Union, during the months of January, April, July and October (to be provided by the fifteenth of each month) of each year during the life of this Agreement with a list in alphabetical order containing the name, clock number, and home address of each employee covered by this Agreement. Also to be provided is a list of employees showing the seniority, by seniority areas with job code and labor grade.  
  
(b) The Company will furnish to the Union at monthly intervals the home addresses of employees who have been transferred from jobs outside the bargaining unit into jobs within the bargaining unit.
- (2) The Company agrees to furnish the Union copies of the following Company records on the second Monday of each month:
  - (a) A copy of the "hourly personnel data listing" annotated with an employee's checkoff status and a copy of the alphabetical listing of employees by department

annotated with an employee's checkoff status, both compiled for the preceding month covering all bargaining unit employees, but having excised there from all information contained therein concerning employees not included in the bargaining unit. The checkoff status codes will be "U" for Union member and "A" for Agency Fee payer. If neither code applies, it will be left blank.

(b) A copy of the Associate Hire Report for each employee hired in the bargaining unit during the preceding month;

(c) Copies of all Associate Action Confirmation Reports reflecting any changes in the status of employees during the preceding month, but having excised therefrom information or data, if any, which discloses the details, but not the fact, of employment in jobs not included within the bargaining unit;

(d) Copies of the Associate Termination Reports for employees whose employment terminated during the preceding month;

(e) Copies of "performance appraisal" forms issued to employees.

(f) Copies of wage history classifications, furnished on a yearly basis, each January.

(3) The Company agrees to furnish the Union a copy of any HPAS announcement within twenty-four (24) hours of its posting.

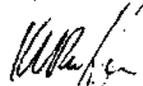
(4) The Union will be provided during the months of January, April, July and October (to be provided by the fifteenth of each month) of each year during the life of this Agreement with a report entitled Hamilton Sundstrand Local 743 Layoff Recall Report. This report, which is listed by job code, will include the following information: job code, job title, labor grade, department, shift, seniority area, clock number, name, seniority date, layoff date,

seniority days accrued at time of layoff, expiration date of recall rights, names of employees with expired recall rights, names of employee and date employees refused or failed to respond to recall and employees with recall rights.

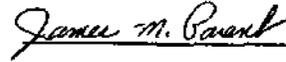
- (5) The Union will be provided with a list of recalled employees within five working days from the date the recalled employee reports to work. This list will show the name, clock number, date recalled and the job code, labor grade, department and shift of the recalled position.
- (6) In consideration of the above, it is understood and agreed that, except as otherwise provided for in the aforesaid Agreement, the Union shall not request nor receive during the life of that said Agreement any other information, data, or listings related to the wages, hours, or working conditions of employees covered by this Agreement. This waiver, however, shall not affect any right the Union may have with respect to information concerning pensions, wages or insurance necessary to bargaining for Agreements in the future.
- (7) The information cited above in Section 1 (with the exception of (b)); Section 2 (with the exception of (e)) and Section 4 will be provided to the Union on CD-R. During the term of this Agreement, the possibility exists for Hamilton Sundstrand to modernize its personnel records systems. In the event this occurs, the Union will continue to be provided with information cited in this Letter of Agreement by CD-R (unless otherwise noted), although the format in which the information is provided may change.

It is further agreed that a grievance alleging a violation of the above shall be submitted at Step 2 of the grievance procedure. Any such grievance, if not settled at Step 2 of the grievance procedure, may be submitted to arbitration in accordance with the provisions of Section 3(a) of Article 7.

Sincerely,

  
Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004





**LETTER 2**  
National Health Insurance

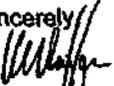
Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning National Health Insurance.

It is recognized that without any specific details of Federal legislation on National Health Insurance which could be enacted, it is not possible at this time to envision implications of such legislation on the Group Health, Dental and Life Insurance Plans. It is mutually recognized the Plans should not duplicate the benefits of a national health insurance program.

It is further agreed that in no case will the Company's total liability for costs for the Plans plus any tax or premium contribution required from the Company by legislation or regulation exceed that in effect immediately prior to the implementation of such Federal legislation or regulation.

Sincerely  
  
Kevin L. Puffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May, 2004  
James M. Parent Mark A. Hebert

**LETTER 3**  
Reallocation of Employees

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning the interpretation and application of Article 8, Section 9 as they pertain to the reallocation of employees in the presence or absence of a layoff.

The parties agree that seniority shall be the governing factor for the purpose of selecting for a preferred shift. For the purpose of surveys, a preferred shift is the first shift or the third shift; there is no obligation on the part of the Company to survey an employee for preference for the second shift, however, any employee desiring placement on the second shift may make this fact known to the Company and such a request will not be unreasonably denied.

In addition, and for surplus to need situations only, it is agreed that whenever an employee is required to change his/her shift, either in the department where he/she resides or in the department to where he/she will be transferred, he/she shall be entitled to displace a less senior employee in his/her code who resides on a shift preferred by the displaced employee. Prior to forcing a less senior employee to move, the Company shall first survey more senior employees in the affected codes for placement preference and such surveys shall be honored.

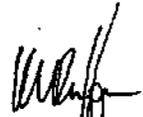
(a) Whenever the Company determines that in a department a surplus exists on a given shift and it intends to reallocate within the department, then:

- (1) The Company shall determine the number of employees surplus and the shift or shifts to which it intends to transfer those positions. Employees who are declared surplus shall be the least senior employees on the shift in the job code.
- (2) If any of the openings in (1) above are intended for the first or third shift, the Company will survey by seniority on the off shifts for preference to fill such openings.
- (3) Once preferred shift openings are filled, the Company will then move the remaining surplus employees to the shift where the need remains and such employees may opt to displace other less senior employees under the shift bumping provision outlined above.

(b) In the event that it becomes necessary to adjust employees between departments within the plant, then:

- (1) The Company shall determine the departments and job codes where such surplus and need situations exist. Employees declared surplus shall be the least senior in the job code, without regard to shift.
- (2) Survey for shift preference in the "need" department as outlined in (a) (2) above.
- (3) Transfer surplus employees to where the need now exists, again with shift bumping an option for employees who meet the requirements for this option.
- (4) In the event that there is more than one (1) "need" department, the determination of which department an employee is transferred to will be left to the discretion of the Company.

Sincerely,

  
Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004

  
\_\_\_\_\_

  
\_\_\_\_\_

LETTER 4  
Employee Assistance Program

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning the Employee Assistance Program.

On an as needed basis, the Directing Business Representative or his/her designee together with the President of Lodge 743 or his/her designee, the Senior Union EAP Coordinator, and the Lodge 743 EAP Coordinator will meet with the Vice President, Human Resources, or his/her designee, and the Manager of the Employee Assistance Program to discuss and establish training programs in support of the Employee Assistance Program. The Lodge 743 EAP Coordinator, who must absent himself/herself from his/her work for attendance at any Company provided training session, will be paid at his/her regular base hourly rate, plus cost-of-living allowance and shift premium, if any, for such attendance.

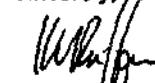
In the event that the Lodge 743 EAP Coordinator successfully completes accredited substance abuse courses, he/she will be reimbursed in full for the tuition of such courses. Such reimbursement shall include annual membership fees and/or certification maintenance for organizations such as Employee Assistance Professional Association (E.A.P.A.) and re-certifications such as Certified Employee Assistance Professional (C.E.A.P.). These courses and/or re-certifications must be taken outside of regular working hours.

During the life of the contract, the full-time position of Senior Union EAP Coordinator will be maintained and appointed by the Directing Business Representative of District 26 or his/her designee, subject to the approval of the Company. This employee may be selected from the bargaining unit of any one of the affiliated Lodges 700, 743, 1746 or 1746-A. The selected employee will be paid his/her regular hourly base rate plus cost-of-living allowance during the period of his/her appointment. In addition, overtime authorized by the Directing Business Representative or his/her designee and approved by the Vice President-Human Resources or his/her designee will be paid at the applicable rate. It is anticipated the Senior Union EAP Coordinator will support the Lodge 743 EAP Coordinator in the delivery of EAP services and work with the Company on treatment, referral, documentation, and insurance issues.

The Senior Union EAP Coordinator will maintain his/her office within District 26. In case of any performance deficiencies, the matter will be reviewed between the Vice President, Human Resources or his/her designee and the Directing Business Representative, District 26 or his/her designee, and if necessary, the employee will be returned to his/her former bargaining unit position if the matter cannot be resolved.

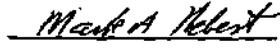
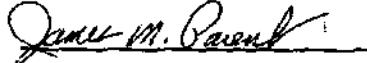
The Company will reimburse travel mileage that may be incurred by any recognized Union EAP Coordinator in the course of providing emergency treatment or admission, subject to the review and approval of the Medical Director.

Sincerely,



Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004



**LETTER 5.**  
**Employee Separation Package**

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

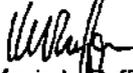
This is to confirm the understanding and agreement between the Company and the Union concerning an employee separation package prior to any reduction in the work force for bargaining unit employees.

The parties agree that prior to any reduction in the bargaining unit as defined in Article 8, employees may voluntarily terminate their employment with the Company. Employees will have five (5) working days to decide if they want to take the voluntary separation package. The Company will accept volunteers consistent with production requirements. If an insufficient number of employees volunteer to take this option and reductions are necessary, they will be done in accordance with Article 8.

It is with the understanding and agreement that employees who elect this option forfeit their rights to recall as outlined in the Collective Bargaining Agreement.

Employees who terminate under the employee separation package are eligible for the severance benefits under Article 8, Section 17.

Sincerely,

  
Kevin L. Stuffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004

James M. Parent Mark A. Hebert



## GUIDELINES FOR OVERTIME

1. Overtime will be recorded on HSF Form 1033-IE, Employee Overtime Record or computer generated equivalent, which shall be of the same composition of HSF 1033-IE, above.
2. A copy of the Hours Paid for Overtime Worked Form will be posted in each work area, updated on a weekly basis showing overtime worked under the supervision of each supervisor or "other supervisory title".
3. All overtime worked will be charged in terms of hours paid for overtime worked.
4. All overtime refused will be charged in terms of hours paid had the overtime been worked.
5. Employees who are scheduled for overtime and fail to report will be charged in terms of hours paid had they worked.
6. At the start of each year overtime records will be adjusted to reflect the differential in paid overtime hours between the employee with the highest number of paid overtime hours and the employee with the lowest number of paid overtime hours.
7. If practicable, employees with the least amount of overtime will be selected--low-person first.
8. Whenever overtime involves priority or emergency work, or requires special knowledge or skill, selection will be made to meet these requirements. Any resulting disparity will be offset as soon as practicable.
9. To be scheduled for overtime work, employees must be fully qualified to perform the work. If not, they will be charged.
10. All overtime worked while on loan will be charged to the employee's record in the parent work area.

11. An employee on protracted absence exceeding one week will be charged after all other employees in his/her job code have been charged with the same hours overtime and every time thereafter until he/she is capable of performing the job.
12. For record keeping purposes only, an employee who enters a group will be charged the average overtime for the group.
13. Employees out on Military Leave will not be charged for overtime during such absence.
14. Employees who are asked and refuse overtime because of weekend duty in the Military Reserve or National Guard will be charged with the appropriate number of overtime hours offered which will be reflected on the overtime record together with the letter "I".

The following explanation is given regarding the various keys which are located on the bottom of the form to be used for the recording of overtime.

1. V - Vacation - To be used whenever an employee is on vacation.
2. E - Emergency or Special Job - To be used when a hot or new job needs to be done which only one or two employees under the foreman are qualified to perform. Therefore, the qualified employee would be scheduled for overtime, while others in the same job code were excluded. This particular situation might prevail for two or three weeks, but should not occur over a prolonged period and other employees in the job code should be trained to perform the operation. This should not be used to bring in a working leader-specialist to perform work normally done by other employees.
3. S - Scheduled, Did Not Report - This key should be counted as a day worked and the hours the employee would have been paid should be entered into the total. The reason for

absences would also be recorded on the attendance and lateness record.

4. R - Offered, But Refused - This key is used for an employee who is offered overtime work but refused and the employee would be charged in terms of hours paid had he/she worked the overtime. May use "circle" instead of "R".
5. I - Ill or Otherwise Unavailable - This key should be used for an employee, who on the day overtime was scheduled, was absent because of illness or was otherwise unavailable. An employee on protracted absences exceeding one week will be charged after all other employees in his/her job code have been charged with the same overtime and every time thereafter until he/she is capable of performing the job.
6. NQ - Not Qualified - This key would be applicable for a probationary employee, an individual recently promoted or assigned to a new job code and who has not received sufficient training on the job and therefore, cannot perform the work without close supervision. Such an employee should be offered every opportunity to become qualified and share in the overtime offered to those in his/her job code. To be scheduled for overtime employees must be fully qualified to perform the work, if not, they will be charged.
7. L - Loaned - This key will be used to record the overtime of an employee who is loaned to the jurisdiction of another supervisor. The "L" will be recorded by his/her parent supervisor.
8. The Company will attempt to meet overtime requirements on a voluntarily basis.

**LETTER 7**  
**Overtime and Amended Shifts**

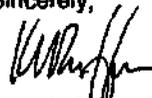
Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning amended shifts and overtime pay.

It is understood there are certain assignments which benefit the Company and employees, such as, but not limited to: training which requires the employee to change his/her regularly scheduled shift; visiting customers, such as Pratt & Whitney, Sikorsky, etc; and accommodating an employee's request for temporary adjustment of his/her regular shift hours. In such cases, Article 12, Sections 1. and 2. will apply for purposes of any overtime pay.

Sincerely,



Kevin L. Ruffier  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004

James M. Parent

Mark A. Hebert

LETTER 8  
Third Party Valuation

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, Connecticut 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning alternate medical plan options other than the Company sponsored national plans.

The Company and the Union have agreed that, notwithstanding the provisions of Article 22, any employee covered by the Agreement may elect to enroll in any one of the qualified alternate plans which, during the life of this Agreement, the Company has accepted and who services the area in which the employee resides, provided:

- (a) Except to the extent required by law, nothing herein shall be construed to require the Company to accept any particular alternate plan. Further, to the extent permitted by law, if the Company has accepted, or accepts in the future, any alternate plan, nothing herein shall be construed to require the Company to continue, extend or renew such plan nor to accept in the future any further notice from such plan and the Company reserves the right in its sole discretion to cancel any such alternate plan.
- (b) Contributions for alternate plans will be determined annually as follows:

The contribution level for all qualified alternate plans will be equal to the Company sponsored plan (CIGNA) contribution level, plus the third-party valuation of any benefit differential between the alternate plan and the Company sponsored plan, plus any

incremental administrative charges over the level of the administrative charges for the Company sponsored plan.

- (c) Employees will pay the following minimum weekly pre-tax contributions for the duration of this Agreement toward the alternate plan provided health care coverage.

	Effective <u>1/1/2005</u>	Effective <u>1/1/2006</u>	Effective <u>1/1/2007</u>
Employee Only	\$ 8.25	\$ 9.49	\$10.91
Employee plus Spouse	\$19.50	\$22.43	\$25.79
Employee plus Family	\$26.50	\$30.48	\$35.05
Employee plus Child(ren)	\$15.25	\$17.54	\$20.17

- (d) Effective May 3, 2004 to December 31, 2004 the contributions for alternate plans will continue at the levels established on January 1, 2002.
- (e) If any employee's wages are insufficient to collect the required contributions, the uncollected contribution will be accumulated and an extra weeks' contributions will be deducted from future wages until they have been fully collected.
- (f) There will be an open enrollment period once each year at which time eligible employees will be allowed a choice of the Company health benefits programs or a qualified alternate plan that has been accepted by the Company and that the Company, in its sole discretion, chooses to make available to employees. With the exception of certain employee life status changes, once an election has been made or the open enrollment period has expired, no change may be made until the next open enrollment period.

Sincerely,

  
Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004  
James M. Parent Mark A. Hebert

**LETTER 9**  
Individual Medical Account

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This letter is to confirm our understanding and agreement between the Company and the Union concerning the Individual Medical Account referred to in Article 21.

- (a) Continue the Individual Medical Account for the accumulation of funds to help offset medical costs for retirees.
- (b) Through January 2, 2005, contributions remain from \$1 to \$4 per week, in whole dollar amounts, which will be matched by the Company at 75%. Effective January 3, 2005, employees may contribute \$1 to \$6 per week, in whole dollar amounts, which will be matched by the Company at 75%.
- (c) Employees in the following age categories (employees may grow into these special categories) may contribute additional amounts, each week and be matched at 75%, as indicated below.

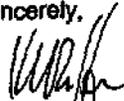
<u>Age Category</u>	<u>Additional Matched Contribution Per Week through January 2, 2005</u>
50 - 54	\$1 - \$2
55 - 59	\$1 - \$3
60+	\$1 - \$4

Effective January 3, 2005, contributions for employees in the following age categories (employee may grow into these special categories) may contribute additional amounts each week and be matched at 75%, as indicated below.

<u>Age Category</u>	<u>Additional Matched Contribution Per Week</u>
50 - 54	\$1 - \$3
55 - 59	\$1 - \$4
60+	\$1 - \$5

- (d) Employees may put part (in whole dollar amounts) or all of their contributions into the account on a before-tax basis in accordance with Section 401(k) of the Internal Revenue Code.
- (e) All contributions will be invested in the Income Fund.
- (f) No in-service withdrawals are permitted.
- (g) No loans are permitted.
- (h) Employees are immediately vested in Company contributions if currently vested in the Savings Plan, or when they become vested in the Savings Plan, but in no more than 2 years from start of their participation in the Individual Medical Account.
- (i) Upon termination prior to retirement, employees may leave their funds in the Individual Medical Account if the combined total of Savings Plan and IMA funds is at least \$5000.
- (j) Employees who are suspended from the Employee Savings Plan will not be suspended from the Individual Medical Account.
- (k) The payout options are the same as for the Savings Plan; except if the account balance at retirement is less than \$5000, a lump sum payment must be taken.

Sincerely,



Kevin L. Buffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004

James M. Parent Mark A. Kefert

**LETTER 10**  
**Job-Based Training**

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning the necessity of providing job-based training to bargaining unit employees.

The Company and Union both recognize that a trained workforce is the most important ingredient to any business and that our future depends on being able to deliver technical skills to our current and future workforce.

The Company will continue its commitment to develop a highly trained workforce. Job-based training will be assigned to bargaining unit employees consistent with business needs and the individual needs of the employees in support of those business needs.

The parties agree to the concept of a "pilot program" to assess the opportunity to establish a job-based training program. The purpose of this program will be to work cooperatively to determine job-based training needs in a particular business unit.

On or before September 1, 2004 the parties agree to form a committee consisting of three representatives from Management and three representatives from the Union. The charter for this committee will be:

- Identify a process for determining critical baseline skills needed in accordance with business requirements;
- Assess current baseline skill levels;
- Determine appropriate training programs; and
- Establish an action plan to implement specific job-based training.

Paid time spent by Union members on this committee will be based on the mutual recommendation of the Company and Union committee leaders.

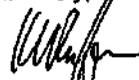
On or after September 1, 2005, the Director, Human Resources or his/her designee, and a designated Manager, Human Resources will meet with the Directing Business Representative, I.A.M. District 26 or his/her designee and the President, I.A.M. Local 743 to evaluate the program and determine appropriate next steps.

The Company intends to assign training on the basis of seniority, except where it is not practicable to do so, for example where (1) an employee, with the approval of management, opts out, (2) an employee is out due to illness, (3) physical or other restrictions that prevent an employee from engaging in the training, or (4) production requirements.

In Business Units not involved in the initial pilot program, the Company will continue its commitment to provide an average of 15 hours job-based training per employee annually.

No Grievance over any issue arising under this Letter of Agreement shall be subject to mandatory arbitration, except a Union Grievance alleging a consistent pattern of training being assigned out of seniority.

Sincerely,



Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May, 2004

James M. Parent Mark A. Hebert

**LETTER 11**  
Family and Medical Leave of Absence

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This letter is to confirm the understanding and agreement between the Company and the Union concerning Family and Medical Leave of Absence.

The Company and Union both recognize that it is sometimes necessary for employees to take leaves of absence because of family reasons. Knowing that these circumstances arise, it has been agreed that the following policies and procedures for such leave of absence apply and are in compliance with the Federal Family and Medical Leave Act of 1993, as amended, and the Connecticut Family and Medical Leave Act of 1990, as amended. Eligible employees will be granted job protected leaves of absence for the birth or adoption of a child or the serious illness of a child, spouse, parent or employee. This policy covers eligible employees (with one year of service and 1,000 hours of work in the preceding 12 calendar months), and provides for unpaid family leave for the following reasons:

- (a) birth/adoption of a child
- (b) serious illness of a child, spouse, parent or employee.

## 1. Definitions:

- a. A child is a natural, adopted, foster, stepchild or a legal ward, provided such child is under the age of 18 or 18 years of age or older and unable to care for themselves because of mental or physical disability.
- b. A parent is the biological parent, foster parent, stepparent, adoptive parent, or legal guardian of an eligible employee. This definition also includes a parent-in-law of the employee and a parent in "loco parentis." (Parent-in-law only included under Connecticut State Law.)
- c. A spouse includes spouses recognized under applicable state law, including common law marriages where recognized.
- d. An employee (defined above).
- e. Serious illness is a disabling physical or mental illness, injury, impairment or condition that involves: inpatient care in a hospital, residential medical care facility, or hospice, or outpatient care requiring continuous treatment or supervision by a health care provider.

## 2. Procedures:

- a. Description of Family and Medical Leave of Absence

Employees will be granted job protected family medical leaves of absence for the birth or adoption of a child or upon the serious illness of a child, spouse, parent or self. Family and Medical Leaves of Absence up to sixteen (16) weeks during any one (1) year period of time will not be denied by the Company upon written request by the employee. Furthermore, an employee may, upon

approval of department management, extend this family leave up to twenty-six (26) weeks during any one (1) year period including sick/family illness days. When practicable, the employee will give two (2) weeks notice prior to commencement of the leave of absence. The employee will give the company a ten (10) day notice in advance of his/her return to work date. Upon completion of such leave, the employee will be returned to the same or equivalent job at the same grade, pay and shift.

- b. Seniority

The seniority of an employee shall accumulate during an authorized leave.

No employee shall be disciplined or discriminated against because the employee has utilized the leave provision set forth above.

- c. Attendance

The employee's attendance record shall reflect the full period of absence resulting from a properly authorized leave.

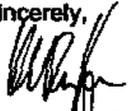
Absences due to family leave will not be counted as absences for the purpose of determining incentive vacation or vacation pay.

- d. Insurance

The medical, dental, life, OSLI insurance and health care reimbursement account may be continued while on Family and Medical Leave. The employee is responsible for the employee contributions, if any, to these plans. Employees may waive the continuation of their insurance benefits. If employees are required to contribute to any part of their insurance, appropriate deductions will be made when the employee returns to work.

The parties agree that if applicable laws change during the life of this Agreement, revision to the Family and Medical Leave of Absence provisions will not be implemented until the parties meet and discuss any changes.

Sincerely,

  
Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004

James M. Parent Mark A. Hebert

**LETTER 12**  
Hourly Employee Recognition Program

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning the Hourly Employee Recognition Program.

The purpose of this program is to provide supervision with the means to recognize various levels of group and individual accomplishments. The program consists of the following Awards:

Group Events are to reinforce group morale and accomplishments and will result in activities such as a luncheon or pizza party.

The Level I Award recognizes and rewards extraordinary performance or contribution. The Award consists of a cash award, ranging from \$1,000 to 10% of the employee's base annual pay.

The Level II Award provides an immediate cash award for outstanding employee performance and can range up to \$1,000.

The Level III Award provides an immediate cash award for excellent performance or effort and ranges in value from \$50 to \$250.

The parties agree such awards will be made wholly at the Company's discretion and will not be subject to the grievance procedure.

Sincerely,

  
Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004

James M. Parout Mark A. Hebert

**LETTER 13**  
**Savings Plan**

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This letter is to confirm the understanding and agreement between the Company and the Union concerning amendments to the Savings Plan referred to in Article 21.

Effective May 3, 2004:

Continue Savings Plan provisions as follows:

- (a) Employees may elect to put all or part (in whole dollar amounts) of their contributions into the plan on a before-tax basis in accordance with Section 401(k) of the Internal Revenue Code.
- (b) Employees may transfer their savings plan account balances only out of the Represented Employees Savings Plan (and only if they do not participate in the Individual Medical Account - IMA) into the salary savings plan if they are transferred out of the bargaining unit (because salary match is an ESOP).
- (c) Employees may continue to invest money in the funds available under the UTC Represented Employee Savings Plan.
- (d) Employees may transact plan transfers of part or all of their account values, in accordance with the plan provisions.

Contributions into accounts (funds) may be directed in 1% increments.

- (e) Account balances can be paid in monthly, quarterly or annual installments which will be paid over a period of 2 to 20 years after retirement. Once installments start, the amount of each payment is determined by the size of the account balance divided by the number of annual installments remaining to be paid. Subject to the following limitations:

Age of Member	Maximum Number of Years for Installment Payments
55 - 65	20
66	19
67	18
68	17
69	16
70	16
71	15
72	14

- (f) Eligible Rule of 65 participants and retirees may leave balances in the savings plan and take partial withdrawals. These partial withdrawals can occur in conjunction with installment payments.
- (g) Former employees and retirees, may leave account balances over \$5000 in the plan until April 1 following the calendar year in which they reach age 70-1/2 at which time payments must start.
- (h) Active savings plan members may transfer the taxable portion of their distribution from a qualified savings plan of a former employer into the represented savings plan, provided that a lump sum distribution is the normal form of distribution under such other plan.
- (i) The represented savings plan loan feature will continue. Employees may borrow up to 50% of their savings plan balance if they have a savings plan balance of at least \$2,000. The minimum

amount which can be borrowed is \$1,000 and the maximum loan amount is \$50,000. Loans involve no tax penalty or suspension of savings, as long as it is paid back. Payment is by payroll deduction or direct payment if payroll deduction is not possible. The loan period is 1,2,3,4 or 5 years with monthly increments. Full or partial prepayment can be made at any time. The interest paid on the loan is the prime rate as published in the Wall Street Journal plus 1% fixed for the term of the loan. All payments, including interest, go into the employee's account. A loan processing fee will be charged. Employees may have only one loan open at a time.

- Employees will have the ability to use the touchtone telephone information system. The system requires every employee to select a confidential personal identification number (PIN). The use of this PIN and social security number (SSN) will allow employees to obtain savings plan account balances, current investment fund balances and fund performance, amounts available for withdrawal, general plan information and to process savings plan loans, inter fund transfers, and payroll deduction amounts.

Effective July 5, 2004:

- (a) The maximum employee matched contribution shall be increased to \$54 per week.
- (b) Employees may contribute \$1 - \$74 per week, unmatched, to the Savings Plan in addition to their matched contribution.

Effective July 4, 2005:

- (a) The maximum employee matched contribution shall be increased to \$56 per week.
- (b) Employees may contribute \$1 - \$82 per week, unmatched, to the Savings Plan in addition to their matched contribution.

Effective July 3, 2006:

- (a) The maximum employee matched contribution shall be increased to \$58 per week.
- (b) Employees may contribute \$1 - \$90 per week, unmatched, to the Savings Plan in addition to their matched contribution.

Sincerely,

Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May, 2004

James M. Parent Mark A. Hebert

**LETTER 14**  
**Pension Plan**

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This letter is to confirm the understanding and agreement between the Company and the Union concerning the Pension Plan referred to in Article 21.

Effective June 1, 2004:

- (a) The monthly retirement benefits are increased as follows:

<u>Final Average Earnings</u>	<u>Monthly Pension Per Year of Credited Service</u>
Under \$30,000	29.00
\$30,000 to \$30,999	30.00
\$31,000 to \$31,999	31.00
\$32,000 to \$32,999	32.00
\$33,000 to \$33,999	33.00
\$34,000 to \$34,999	34.00
\$35,000 to \$35,999	35.00
\$36,000 to \$36,999	36.00
\$37,000 to \$37,999	37.00
\$38,000 to \$38,999	38.00
\$39,000 to \$39,999	39.00
\$40,000 to \$40,999	40.00
\$41,000 to \$41,999	41.00
\$42,000 to \$42,999	42.00

\$43,000 to \$43,999	43.00
\$44,000 to \$44,999	44.00
\$45,000 to \$45,999	45.00
\$46,000 to \$46,999	46.00
\$47,000 to \$47,999	47.00
\$48,000 to \$48,999	48.00
\$49,000 and over	49.00

(b) The eligibility requirements for a disability pension are continued with at least five (5) years of continuous service. In addition, the other two requirements of becoming permanently and totally disabled and receiving social security disability benefits remain. The method of calculation and payment of the benefit remain the same as in the current retirement plan.

(c) If a vested employee retires or otherwise terminates employment after becoming age 50, but before age 55, and his/her age and service total 65, they are eligible to receive a pension as early as age 55 as though they had retired at age 55 which entitles them to the .2% per month reduction in pension benefit for every month of retirement prior to age 62 rather than the 5% per year reduction for every year of retirement prior to the normal retirement age of 65 which applies under the current pension plan.

### SPECIAL RETIREMENT OPTION

Effective May 3, 2004:

Renew the SRO which provides retirement benefits for hourly employees who are directly affected by a layoff or who volunteer to retire to save someone who is directly affected by a layoff or who are declared surplus by management.

(a) A special retirement option will be offered during the life of this agreement to any hourly employee age 55 or over with 25 or more years of credited pension service who qualified by reason of paragraph (b) herein.

(b) This option applies to qualified employees in a job code within a seniority area who are directly affected by permanent job loss or to a qualified employee in the same job code within a seniority area who volunteers to substitute for another employee affected by permanent job loss in that job code within a seniority area. The total number of employees in each job code within a seniority area who may participate in this option will be limited by the Company. The option will be offered on the basis of seniority, starting with the most senior employee in the job code within the seniority area specified.

The option will continue to be offered to such employees in reverse seniority order until the number of employees designated by the Company is reached, or until there are no employees in the job code within the seniority area who meet the age and service requirements. The number of retirements permitted under this option cannot exceed the number of jobs being permanently reduced in the job code within the seniority area specified.

(c) The benefits under this option are:

- Benefits accrued under the pension plan to date of retirement (reduced for early retirement); plus
- A Social Security bridge of \$10 per month for each year of credited pension service, not reduced for early retirement, payable to age 65; plus
- A pension supplement of \$10 per month for each year of credited pension service paid for one (1) year from date of retirement and not reduced for early retirement. However, this supplement will be reduced by any amounts received under the Social Security bridge described above; plus

- A one time \$3,000 special payment at retirement. Retirees may elect to receive this payment in the year following retirement; plus
- Medical and dental insurance coverage will be provided to retirees and their dependents at no cost for a period of six (6) months following the employee's retirement date.

(d) If a retiree dies before receiving the entire amount of the Social Security bridge or the pension supplement, the balance will be paid to the retiree's spouse in monthly payments until the retiree would have attained age 65, or would have received a total of 12 months of payments under the supplement if age at retirement is greater than 64. In addition, if the retiree dies before receiving the entire six (6) months of free health care coverage, medical and dental insurance coverage will continue for the retiree's dependents at no cost until six (6) months after the employee's retirement date.

Sincerely,

*[Signature]*  
 Kevin L. Ruffler  
 Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004

James M. Parent Mark A. Hebert

**LETTER 15**  
Group Insurance Plans

Mr. Mark A. Hebert  
 President  
 Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
 P. O. Box 3218  
 Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union, concerning amendments to the group health insurance, life insurance, disability insurance and the group dental plan referred to in Article 22. The following represents a summary of benefits and amendments to contractual provisions.

**Reimbursement Accounts – Effective May 3, 2004:**

Health Care Reimbursement Account	\$120 to \$ 3,000 per year, pre-tax for eligible medical and dental expenses. \$120 - \$ 4,000 per year pretax, effective January 1, 2005.
Dependent Day Care Reimbursement Account	\$120 to \$5,000 per year, pre-tax for eligible child and/or adult/elder day care expenses.

Service	CIGNA Point of Service (POS)		CIGNA Preferred Provider Access (PPO)		CIGNA Medical (O
	In-Network	Out-of-Network	In-Network	Out-of-Network	All Provider
Ambulance Service to nearest hospital, if medically necessary	80% of negotiated rates after deductible	80% of billed charges after deductible if true emergency; otherwise 60% of R&C after deductible	80% of negotiated rates after deductible	80% of billed charges after deductible if true emergency; otherwise 60% of R&C after deductible	80% of R&C after ded
Deductible *	\$200/\$400/\$500	\$1,000/\$2,000/\$3,000	\$200/\$400/\$500	\$1,000/\$2,000/\$3,000	\$200/\$400/\$500
Dependents, Adding of	Within 30 days	Within 30 days	Within 30 days	Within 30 days	Within 30 days
Emergency Hospital Notification	Within 48 hours or the next business day.	Within 48 hours or the next business day.	Within 48 hours or the next business day.	Within 48 hours or the next business day.	Within 48 hours or the next business day.
Emergency Room	100% after \$75 copay (waived if admitted)	\$75 copay then 100% of billed charges if true emergency (no deductible); otherwise 60% of R&C after deductible	80% of negotiated rates after deductible	80% of billed charges after deductible if true emergency; otherwise 60% of R&C after deductible	80% of R&C after ded
Hearing Aids, initial purchase, fitting, maintenance and repairs. Expenses must be over \$200 and pre-authorized by CIGNA	80% of negotiated rates after deductible when authorized by PCP	60% of R&C after deductible, when authorized by physician	80% of negotiated rates after deductible when authorized by physician	60% of R&C after deductible, when authorized by physician	80% of R&C after ded when authorized by ph
Home Health Care	100% of negotiated rates (no deductible), when medically necessary. Unlimited visits.	60% of R&C after deductible (80 visits per calendar year combined with in-network)	80% of negotiated rates after deductible, when medically necessary. Unlimited visits.	60% of R&C after deductible (80 visits per calendar year combined with in-network)	80% of R&C after ded visits per calendar year
Hospice	100% of negotiated rate with prior approval (no deductible)	100% with prior approval (no deductible); otherwise 80% of R&C after deductible	100% of negotiated rates with prior approval (no deductible)	100% with prior approval (no deductible); otherwise 80% of R&C after deductible	100% with prior appro deductible); otherwise R&C
Hospitalization	80% of negotiated rates after deductible	60% of R&C after deductible. Pre-certification required. Must be medically necessary.	80% of negotiated rates after deductible. Pre-certification required. Must be medically necessary.	60% of R&C after deductible. Pre-certification required. Must be medically necessary.	80% of R&C. Pre-certification required. Must be medically necessary.

Service	CIGNA Point of Service (POS)		CIGNA Preferred Provider Access (PPO)		CIGNA Medical (O
	In-Network	Out-of-Network	All Providers	Out-of-Network	All Provider
Laboratory and Radiology Services - MRI, MRA, CAT, PET	\$150 copay per procedure; then 100% of negotiated rates with prior approval	60% of R&C after deductible	80% of negotiated rates after deductible with prior approval	60% of R&C after deductible	80% of R&C after de with prior approval
Other Laboratory Tests in independent x-ray and/or Lab Facility (including doctor's office)	100% of negotiated rates (no deductible)	60% of R&C after deductible	80% of negotiated rates after deductible	60% of R&C after deductible	80% of R&C after de

\* Deductible and Out-of-Pocket limits stay at "employee only", "employee plus one dependent" and "employee plus family".

Service	CIGNA Point of Service (POS)		CIGNA Preferred Provider Access (PPO)		CIGNA Medical (Out-of-Network)
	In-Network	Out-of-Network	In-Network	Out-of-Network	All Providers
Other Laboratory tests not in independent facility	80% of negotiated fees after deductible	60% of R&C after deductible	80% of negotiated rates after deductible	60% of R&C after deductible	80% of R&C after deductible
Maternity fee, Global (includes charges for pre- and post-natal exams and delivery, but not initial office visit)	80% of negotiated rates after deductible. Covers birth and newborn until Mother's discharge.	60% of R&C after deductible (CIGNA certification required). Covers birth and newborn until Mother's discharge.	80% of negotiated rates after deductible. Covers birth and newborn until Mother's discharge.	60% of R&C after deductible (CIGNA certification required). Covers birth and newborn until Mother's discharge.	80% of R&C after deductible (CIGNA certification required). Covers birth and newborn until Mother's discharge.
Medical Equipment, Durable	100% of negotiated rates (no deductible) with prior authorization	60% of R&C after deductible (\$10,000 annual maximum combined w/in-network)	80% of negotiated rates after deductible	60% of R&C after deductible (\$10,000 annual maximum combined w/in-network)	80% of R&C after deductible (\$10,000 annual maximum)
Medical Supplies, Consumable	80% of negotiated rates after deductible with prior authorization	60% of R&C after deductible	80% of negotiated rates after deductible	60% of R&C after deductible	80% of R&C after deductible
Mental Health and Substance Abuse: - Outpatient	Must call ValueOptions.  100% after \$10 copay for visits 1 - 10 and \$25 copay for visits 11 - 50. 30 visits per plan year for in-network and out-of-network combined.	Must call ValueOptions.  50% of ValueOptions' program cost. 30 visits per plan year for in-network and out-of-network combined.	Must call ValueOptions.  100% after \$10 copay for visits 1 - 10 and \$25 copay for visits 11 - 50. 30 visits per plan year for in-network and out-of-network combined.	Must call ValueOptions.  50% of ValueOptions' program cost. 30 visits per plan year for in-network and out-of-network combined.	Same as In-Network or Out-of-Network coverage.
- Inpatient	80% of network fee. Admission limits apply.	50% of ValueOptions' program cost. Admission limits apply.	80% of network fee. Admission limits apply.	50% of ValueOptions' program cost. Admission limits apply.	Same as In-Network and Out-of-Network coverage.
OB/GYN Services (not selected as PCP)	100% of negotiated rates after \$30 copay by network provider	60% of R&C after deductible	100% of negotiated rates after \$30 copay by network provider	60% of R&C after deductible	100% of R&C less \$30 (R&C after deductible for ancillary services)
Office Visits, PCP	100% of negotiated rates after \$20 copay by network provider (no deductible)	60% of R&C after deductible	100% of negotiated rates after \$20 copay by network provider (no deductible)	60% of R&C after deductible	100% of R&C less \$20 (R&C for ancillary services)
Office Visits, Specialist	100% after \$30 copay with referral	60% of R&C after deductible	100% after \$30 copay	60% of R&C after deductible	100% of R&C less \$30 (R&C for ancillary services)
PCP Referrals	Yes, but not for OB/GYN Network services.	No, but services must be medically necessary.	No, but services must be medically necessary.	No, but services must be medically necessary.	No, but services must be medically necessary.

168

Service	CIGNA Point of Service (POS)		CIGNA Preferred Provider Access (PPO)		CIGNA Medical (Out-of-Network)
	In-Network	Out-of-Network	In-Network	Out-of-Network	All Providers
PCP Selection	Mandatory	No	No	No	No
Physical Therapy and Rehabilitative Services	100% of negotiated rates, no deductible, after \$30 copay per visit (Up to a max of 30 treatment days per calendar year combined w/out-of-network)	60% of R&C after deductible (Up to a max of 30 treatment days per calendar year combined w/in-network)	100% of negotiated rates, no deductible, after \$30 copay per visit (Up to a max of 30 treatment days per calendar year combined w/out-of-network)	60% of R&C after deductible (Up to a max of 30 treatment days per calendar year combined w/in-network)	100% of R&C after \$30 per (Up to a max of 30 treatment days per calendar year). 80% R&C after deductible for ancillary services
Pre-admission Certification and Utilization Review	PCP responsibility	Employee responsibility. 10 days prior to hospital admission and surgery not performed in doctor's office.	Employee responsibility. Must get approval from Intracorp 10 days prior to hospital admission and surgery not performed in doctor's office	Employee responsibility. Must get approval from Intracorp 10 days prior to hospital admission and surgery not performed in doctor's office	Employee responsibility. Must get approval from Intracorp 10 days prior to hospital admission and surgery not performed in doctor's office.
Pre-certification Penalties	NA	\$500 in-hospital/50% of facility fee for outpatient surgery. 100% denial for days or services deemed medically unnecessary.	\$500 in-hospital/50% of facility fee for outpatient surgery. 100% denial for days or services deemed medically unnecessary.	\$500 in-hospital/50% of facility fee for outpatient surgery. 100% denial for days or services deemed medically unnecessary.	\$500 in-hospital/50% of facility fee for outpatient surgery. 100% denial for days or services deemed medically unnecessary.
Pregnancy, initial office visit to confirm pregnancy (see Maternity)	100% of negotiated rates, no deductible, after \$30 copay (specialist)	60% of R&C after deductible	100% of negotiated rates, no deductible, after \$30 copay (specialist)	60% of R&C after deductible	100% of R&C after \$30 copay (specialist). 80% of R&C after deductible for ancillary services
Prescription Drugs (PCS provides prescription drug benefits)	Retail \$8 Generic; \$16 brand name on PCS Preferred Drug List (PDL); \$35 brand name not on PCS PDL; max 34 day supply retail.  Mail order 30 - 90 day supply: \$12 generic, \$35 brand name on PCS	Reimbursement for the price that would have been charged at a participating pharmacy, less the applicable copay.  No mail order benefit.	Retail \$8 generic; \$16 brand name on PCS Preferred Drug List (PDL); \$35 brand name not on PCS PDL; max 34 day supply retail.  Mail order 30 - 90 day supply: \$12 generic, \$35 brand name on PCS	Reimbursement for the price that would have been charged at a participating pharmacy, less the applicable copay.  No mail order benefit.	Retail \$8 generic; \$16 brand name on PCS Preferred Drug List (PDL); \$35 brand name not on PCS PDL; max 34 day supply retail.  Reimbursed what would have been charged at participating pharmacy minus copay, if not PCS pharmacy.

Service	CIGNA Point of Service (POS)		CIGNA Preferred Provider Access (PPO)		CIGNA Medical (Out-of-Network)
	In-Network	Out-of-Network	In-Network	Out-of-Network	All Providers
Prosthetic Devices	80% of negotiated rates after deductible up to \$25,000 annual maximum (combined with out-of-network)	60% of R&C after deductible (up to \$25,000 annual maximum combined with in-network)	80% of negotiated rates after deductible up to \$25,000 annual maximum (combined with out-of-network)	60% of R&C after deductible (up to \$25,000 annual maximum combined with in-network)	80% of R&C after deductible (up to \$25,000 annual maximum)
R & C Limits	None	Yes. Employee responsible for costs over R&C.	None	Yes. Employee responsible for costs over R&C.	Yes. Employee responsible for costs over R&C.
Second Opinion, Specialist office visit (Voluntary)	100% of negotiated rates after \$30 copay with referral, no deductible; 100% for x-ray/lab billed by independent facility	60% of R&C after deductible	100% of negotiated rates after \$30 copay, no deductible; 80% of negotiated rates after deductible for x-ray/lab	60% of R&C after deductible	100% of R&C less \$30 copay; 80% of R&C deductible for x-ray/lab
Stop-Loss Provision (Out-of-Pocket Annual Limit)	\$1,200/\$2,400/\$3,000	\$4,800/\$9,600/\$12,000	\$1,200/\$2,400/\$3,000	\$4,800/\$9,600/\$12,000	\$1,250/\$2,500/\$3,125
Surgery, Inpatient	See Hospitalization	See Hospitalization	See Hospitalization	See Hospitalization	See Hospitalization
Surgery, Outpatient; Not in Doctor's Office	80% of negotiated rates after deductible	60% of R&C after deductible. Pre-certification required. Paid at 50% of facility fee when not certified.	80% of negotiated rates after deductible. Pre-certification required. Paid at 50% of facility fee when not certified.	60% of R&C after deductible. Pre-certification required. Paid at 50% of facility fee when not certified.	80% of R&C after deductible. Pre-certification required. 50% of facility fee when not certified.
Surgery, Outpatient; In Doctor's Office (Specialist)	100% of negotiated rates, no deductible after \$30 copay	60% of R&C after deductible	80% of negotiated rates after deductible	60% of R&C after deductible	80% of R&C after deductible
Urgent Care Centers	100% of negotiated rates after \$75 copay per visit, no deductible	100% of billed charges if true emergency, no deductible after \$75 copay; otherwise 60% of R&C after deductible	80% of negotiated rates after deductible	80% of billed charges after deductible if true emergency; otherwise 60% of R&C after deductible	80% of R&C after deductible

170

Service	CIGNA Point of Service (POS)		CIGNA Preferred Provider Access (PPO)		CIGNA Medical (Out-of-Network)
	In-Network	Out-of-Network	In-Network	Out-of-Network	All Providers
Vision, Eye Exams					
-Routine	100% after \$10 copay once per 12 months	Reimbursed at \$20 once per 12 months. No deductible.	100% after \$15 copay once per 12 months	Reimbursed at \$20 once per 12 months. No deductible.	Reimbursed at \$20 once per 12 months. No deductible.
-Non-Routine	Non-routine exams for treatment of injury or disease 100% after \$10 copay	60% of R&C after deductible for non-routine exams for treatment of injury or disease	Non-routine exams for treatment of injury or disease 100% after \$15 copay	60% of R&C after deductible for non-routine exams for treatment of injury or disease	80% of R&C after deductible for non-routine exams for treatment of injury or disease
Vision Care Items					
-Single vision lenses	\$15	\$15	\$15	\$15	\$15
-Bifocal Lenses	\$30	\$30	\$30	\$30	\$30
-Trifocal Lenses	\$42	\$42	\$42	\$42	\$42
-Lenticular lens	\$54	\$54	\$54	\$54	\$54
-Contact lens (if needed following cataract surgery or if conventional lenses cannot bring the better eye to 20/70)	\$72	\$72	\$72	\$72	\$72
-Other Contact lens (no more than one pair of lenses every 12 months)	\$30	\$30	\$30	\$30	\$30
-Frames (no more than one frame every 24 months)	\$15	\$15	\$15	\$15	\$15

Administrative Items -- Effective May 3, 2004:

COBRA	Continue health, dental and health care reimbursement account after termination as provided under COBRA.
Medical and Dental Dependent Eligibility	Spouse and unmarried dependent children to age 19 (to age 23 if full-time student); and totally disabled dependent children who meet eligibility requirements.
Dental Coverage	Continue services for accidental injury to sound, natural teeth, temporomandibular joint disorder, routine and complex oral surgery. Complex oral surgery may require use of medical plan and adherence to plan procedures, either in-network or out-of-network. Hospitalization, if required, is covered under the medical plan.
Coordination of Benefits	Maintenance of benefits for medical plan benefits. No coordination of managed care fees or HMO fees or benefits. No coordination for prescription drugs. Continue dental coordination so that the dental plan will pay only the difference, if any, between the benefit from a spouse's plan and the employee's normal dental plan payment.
Medical Plan Maximum	\$1,500,000 lifetime maximum for in-network covered services under Managed Care Plans and Medical Plan less out-of-network. \$1,000,000 lifetime maximum for out-of-network plans less in-network.

Dental Plan Schedule - Effective May 3, 2004 through May 31, 2005:

Maintain present schedule.

Dental Contributions - Effective May 3, 2004 through December 31, 2004:

Employee Only	Employee + One	Employee + Family
\$ 0.50	\$ 1.00	\$ 1.50

Dental Contributions - Effective January 1, 2005

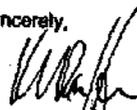
	Effective 1/1/2005	Effective 1/1/2006	Effective 1/1/2007
Employee Only	\$1.00	\$1.50	\$2.00
Employee plus Spouse	\$2.18	\$3.27	\$4.36
Employee plus Family	\$3.55	\$5.32	\$7.09
Employee plus Child(ren)	\$2.36	\$3.55	\$4.73

Dental Plan Schedule - Effective June 1, 2005:

Class I Schedule	100% of reasonable and customary charges.
Class II Schedule	80% reimbursement level, not to exceed an actual 25% increase in schedule.
Class III Schedule	50% reimbursement level, not to exceed an actual 25% increase in schedule.
Class IV Schedule	100% of reasonable and customary charges. \$1,500 lifetime maximum.

This benefit summary is intended to provide an easy-to-understand benefits guide. If any conflict arises between this summary and the official plan documents, the official plan documents will always govern. Employees do not gain any new rights because of a misstatement in or omission from these summaries.

Sincerely,



Kevin L. Ruffler  
Director, Human Resources

Accepted this

3<sup>rd</sup>

day of

May 2004

*James M. Parent*

*Mark A. Hefert*

Facilities and Machine Tool Services Subcontracting

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning subcontracting of Facilities and Machine Tool Services work.

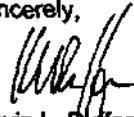
Both the Company and the Union acknowledge a substantial portion of the work has been and will continue to be performed by subcontractors.

The Company intends, insofar as competitive forces permit, that the present number of trades employees in Facilities and Machine Tool Services for the work on the premises not be reduced through subcontracting. This expression of intent is no promise or guarantee to maintain any number of jobs in the workforce nor a restriction in any sense of the Company's right and need to subcontract. Rather it is intended to convey the Company's good faith desire to prefer its own employees in these trades to those of subcontractors insofar as that desire is compatible with good business judgment.

The parties have agreed to continue with a committee to review the current Facilities and Machine Tool Services contractors and the duties they perform for the Company. The Company will discuss with the Union whether it is compatible with good business judgment to have any of that work performed by current bargaining unit employees and/or those Manufacturing Support employees on layoff with recall rights. Any decision with regard to subcontracting remains within the sole discretion of the Company.

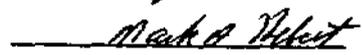
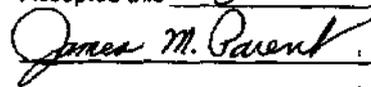
Further, representatives of the Human Resources Department and the Facilities Manager will meet at the request of the Union President, but no more frequently than twice a year with the Union president, vice president, and the shop committee to discuss subcontracting as it pertains to Facilities and Machine Tool Services. The Union and its representatives will protect the confidentiality of any Company sensitive and proprietary information that might be disclosed in such briefings. The scope of the issues to be discussed will be solely within the discretion of management.

Sincerely,



Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004



**LETTER 17**  
Excess Union Time

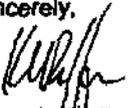
Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

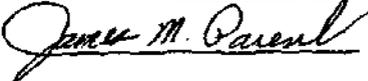
Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning excess union time.

It is agreed that if time spent by Shop Stewards and Committeepersons in the grievance procedure exceeds that amount allowed under Article 7, Section 9, the excess time will be billed to Lodge 743 on a monthly basis. Remittance for such time shall be made payable to the Company not later than thirty (30) days following the submission of said bill.

Sincerely,

  
Kevin L. Puffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004  
 

**LETTER 18**  
Union Coordinator of Cooperative Programs

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P.O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

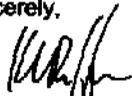
This letter is to confirm the understanding and agreement between the parties concerning the appointment and responsibilities of a Union Coordinator of Cooperative Programs.

The parties recognize that in addition to the normal dealings between the Company and Union at various organizational levels (e.g. Stewards, Shop Committee, Union leadership, etc.), a Union Coordinator of Cooperative Programs can be helpful in facilitating the day-to-day activities of the Union as they relate to cooperative programs such as United Way, and other activities as outlined in this Agreement. Therefore, the parties agree the Union may designate one bargaining unit employee as the Union Coordinator of Cooperative Programs. No person may be designated as, or continue as, the Union Coordinator of Cooperative Programs who is not an active employee of the Company, employed in the bargaining unit. The duties of the Union Coordinator of Cooperative Programs, as such, will be assigned by, and subject to the authority of, the President of Lodge 743, but must relate to the activities of Lodge 743 in its role as the representative of employees in the bargaining unit. Any office and any clerical support for the Union Coordinator of Cooperative Programs will be provided by the Union.

The Company will permit the Union Coordinator of Cooperative Programs time off to a maximum of eight (8) hours each day (maximum 40 hours per week) during normal working hours for the purpose of facilitating Union business in accordance with this letter. Time spent in such activity during his/her scheduled working hours shall be paid at his/her regular base rate plus cost of living allowance, exclusive of overtime allowances, but

including shift premium, if any. The daily (8) and/or weekly (40) maximum hours permitted pursuant to this paragraph may be exceeded with the express prior approval of the Company when required for specific Company - Union meetings and the like, such excess hours will be paid at the appropriate overtime rate.

Sincerely,



Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004

James M. Parent

Mark A. Hebert

LETTER 19

Absence on Martin Luther King, Jr. Day and Veteran's Day

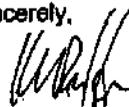
Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning absence on Martin Luther King, Jr. Day and Veteran's Day.

In the event an employee decides not to work on Martin Luther King, Jr. Day and/or Veteran's Day, this decision shall not disqualify him or her from incentive vacation and shall not be considered an absence for the purposes of assessing the employee's overall attendance record.

Sincerely,



Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004

James M. Parent

Mark A. Hebert

LETTER 20  
Red-Flag Pay Rates

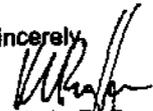
Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

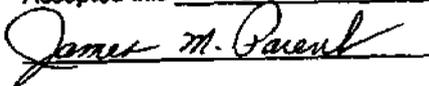
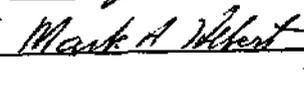
This is to confirm the understanding and agreement between the Company and the Union concerning "Red Flag" pay rates.

Employee pay rates were red flagged when employees were classified on a lower grade job because their job code was placed into a new JET job at a lower grade. ("Red Flag" means their pay is treated as if they remained at their labor grade level before their reclassification.) It is further agreed such employees will be entitled to receive any general wage increases (as though the employee remained in the higher labor grade) and cost-of-living adjustments as defined in this Agreement. Such employees pay will be treated as red flagged for the life of this Agreement or until the employee reaches an equivalent grade and rate of pay. The red flag status will be discontinued if the employee is readjusted to another position in accordance with Article 8 of this Agreement or voluntarily requests another position.

Sincerely,

  
Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004

LETTER 21  
Union-Management Committee on Productivity, Competitiveness  
and Job Security

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning job security issues in an environment of business growth and change.

It is understood and agreed by the parties that Hamilton Sundstrand's Aerospace Operations are engaged in an industry that has been marked by business consolidations and increased competition. It is difficult, if not sometimes impossible, to predict business developments that may impact the Company and the bargaining unit during the term of the present Agreement. Nevertheless, the Company agrees during the life of this Agreement that it will continue to employ bargaining unit members at its facilities in Windsor Locks. This guarantee does not apply in the event of economic conditions beyond the control of the company or acts of God (fire, floods, etc.).

It is the mutual interest of both parties for the Company to be more competitive in the global marketplace, thereby providing enhanced job security for bargaining unit employees. During the prior Agreement, the Company and Union attended a training session on the Union's program known as "High Performance Work Organization Partnerships" or HPWO. The parties agree that familiarity with the HPWO concept and principles has the potential for advancing cooperation between the Company and the Union.

The joint Union/Management Committee established under the prior Agreement will be continued.

- A. The Union members of the Committee shall be a representative from the International Union, the District 26 Directing Business Representative, the President, Vice President, Recording Secretary and Secretary-Treasurer of Local Lodge 743. The Company members of the Committee shall be the Vice President - Human Resources, Director of Mechanical Operations, Plant Manager - Worldwide Repair, Windsor Locks, Director of Operations - Space Systems, and Director, Human Resources.
- B. The Committee will meet every other month, unless otherwise mutually agreed, for the purpose of reviewing the state of the business and to study any problems affecting productivity, competitiveness, or job security. More frequent meetings may be held on mutual agreement of the parties. Included in such discussions will be consideration of work that is currently being performed by vendors and could potentially be brought in-house. In addition, the parties agree to discuss technological changes that can help the Company be more competitive in the marketplace, which enhances job security. This Committee will cooperate to minimize any adverse effects these changes may have on employees.
- C. In addition to A and B above, the Committee will study, and, where appropriate, recommend various cooperative approaches to enhance the Company's competitiveness and productivity, and thus job security. These approaches could include appropriate principles of HPWO as well as current Company efforts.
- D. The Committee shall have access to information concerning manufacturing costs, productivity, scheduling, business and staffing plans affecting the bargaining unit and such other information as mutually deemed relevant by the parties. Any such information must be kept confidential by Union members of the Committee. The availability of this information to the Union shall be withdrawn in the event the Company has reasonable cause to determine a breach of confidentiality occurred. Any such information must be kept confidential by Union members of the Committee. The availability of this information to the Union shall be withdrawn in the event the Company has reasonable cause to determine a breach of confidentiality by the Union members of the Committee has occurred.

Sincerely,



Kevin L. Ruffler  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004  
James M. Parent Mark A. Hubert

LETTER 22  
Environmental, Health and Safety Teams

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning Environmental, Health and Safety Teams.

The Company and Union agree to continue to work cooperatively and proactively to provide a safe work place for its employees by prevention of accidents and environmental incidents, resolution of environmental, health and safety (EH&S) concerns, and communication to enhance safety awareness.

In keeping with the mutual goal of the parties, which is to provide a healthy and safe work environment for all employees, the Union and Company recognize that employees should be encouraged to follow safe work practices. An important factor in providing workplace safety is active employee involvement in environmental, health and safety issues.

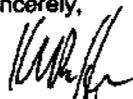
The Local Lodge President will encourage Union Safety Representatives and EHSVs to actively participate in a wide variety of activities with the Company, focused on identifying and eliminating the potential for accidents and environmental incidents. The Company will provide such opportunities.

The following are guidelines agreed to between the Company and the Union:

1. The Company will pay for and coordinate mutually established EH&S training of Union Safety Representatives & EHSVs on Company time of up to two sessions per year beyond mandated training.

2. The Chief Union Safety Representative may meet with the EHSVs as a group on a monthly basis. The Company will pay for this monthly meeting up to one (1) hour.
3. The Company will pay for team meeting attendance and encourages participation by the Union Safety Representatives and EHSVs.
4. The Chief Union Safety Representative of the bargaining unit may attend follow-up meetings on a District-wide basis.

Sincerely,

  
Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004  
James M. Parent Mark A. Hebert

LETTER 23

Voluntary Early Retirement (VER) Medical Coverage

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P.O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning Voluntary Early Retirement (VER) medical coverage for employees who terminate their employment after the effective date of this Agreement and are eligible to retire under the terms of the retirement plan referred to in Article 21 of the Agreement (hereafter referred to as "retirees").

It is agreed that VER medical coverage will be offered to all new (future) retirees as follows:

1. Eligibility for VER medical coverage will remain the same as stated in the "Medical Benefits, Summary Plan Description" referenced under Article 22.
2. The Hourly retiree VER medical coverage available will be identical to the salary retiree VER medical coverage and will be subject to the same medical plan changes which affect the salary retirees.
3. The cost (premium) of the hourly retiree VER medical coverage will be calculated on an annual basis and will be based on the melded (average) utilization experience of all domestic hourly retirees, covered spouses and covered dependents participating in this VER medical coverage.

4. For those retirees who terminate their employment prior to December 31, 2006, the Company will offset (subsidize) a fixed portion of the cost of VER medical coverage, for those retirees who elect to participate, based on years of continuous service at retirement per the following schedule:

Years of Continuous Service At Retirement	Company Contribution Toward VER Medical	
	Retiree or Dependent Only	Retiree +1 or Family
After 10	\$1,250	\$2,500
For Each Year 11 through 20	Add \$100 Per Year	Add \$200 Per Year
For Each Year 21 through 30	Add \$150 Per Year	Add \$300 Per Year

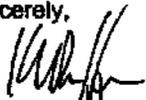
5. The retiree, if they elect VER medical coverage, will pay an amount equal to the annual premium from Paragraph 3 above, minus the fixed Company contribution calculated using the schedule in Paragraph 4 above for this coverage. For example, if the melded annual premium for hourly retiree VER medical coverage is \$6,000 for a retiree only and that retiree has 25 years of continuous service at retirement, the retiree's cost is calculated as follows:

Melded Annual Premium =	\$6,000	
Minus Company Contribution	<u>\$3,000</u>	\$1,250+(10 x \$100)+(5 x \$150)
	\$3,000	Retiree's Annual Cost

6. There will be no company subsidy for VER medical coverage for any employee who terminates his or her employment on or after December 31, 2006. An employee who terminates after December 31, 2006, will have access to the VER medical coverage and will pay the full cost at the group rate.
7. Eligibility for group life insurance for retired employees, pursuant to the terms of the Group Life and Disability Insurance Plan of United Technologies Corporation, will continue for

employees who terminate their employment prior to December 31, 2006. Group life insurance for retired employees will not be available to any employee whose employment terminates on or after December 31, 2006.

Sincerely,



Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004

James M. Parent Mark A. Hebert

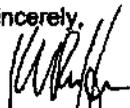
**LETTER 24**  
Ratification Bonus

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W  
P. O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and Union relative to the payment of a \$1,000 cash bonus. Employees who are on the payroll of the Company and covered by this Agreement as of May 3, 2004, shall receive on May 6, 2004, a \$1,000 cash bonus. No other employee or former employee shall be eligible for this bonus.

Sincerely,



Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004

James M. Parent Mark A. Hebert

**LETTER 25**  
**Appendix B (New Job Ladders)**

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P.O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This will confirm the understanding and agreement between the parties relative to the development and introduction of new job ladders and corresponding jobs.

It is agreed to separate certain functions not specifically identified in Appendix B by developing new job ladders within Mechanical Operations. The functions are production welding and nondestructive testing (NDT). When activated, those new job ladders will be incorporated into Appendix B of this Agreement.

The parties will work together to develop the new job ladders and job descriptions, as well as revise the existing job descriptions impacted by the separation of these functions. The Company will pay for all time spent by the Union Job Evaluation Specialist plus one bargaining unit member (designated by the Union) from Mechanical Operations in this process. The new job ladders and job descriptions will be activated on or before October 1, 2004.

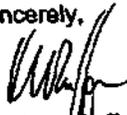
Should the parties fail to reach agreement on the new job descriptions, the Company maintains the right to implement those new jobs, and the Union retains the right to challenge the new jobs under the provisions of Article 7, Section 2.

Additional agreements are as follows:

- The function of production welding is currently within: Department 131/231, Heat Exchangers/Water Separator, job ladder 211, job codes 2042, 2043, 2044.
- The new welding ladder will remain in Seniority Area 3, Air Management Systems.
- The new NDT ladder will be within Seniority Area 5, Manufacturing Support.
- The function of NDT is currently within: Department 101, Tooling and Repair/Machining, job ladder 203, job code 2015, Department 131/231, Tooling and Repair/Machining, job ladder 209, job code 2036 and job ladder 211; Heat Exchangers/Water Separator, job codes 2042 and 2043; Manufacturing Support, Department 191, Special Processes, job ladder 212, job codes 2045 and 2046.
- Employees currently performing welding and NDT functions have been identified. An employee listing is attached as Appendix F. These employees (if active employees and performing the identified function(s) at the time the new jobs are activated) will be transferred to the new job ladders/job codes.
- No employee transferred to the new job ladders will be adversely impacted. If the labor grade of a transferred employee is the same as the new job, then that employee will be transferred laterally to the new job code. If the labor grade of the transferred employee is either higher or lower than the new job, then that employee will be transferred laterally using his/her current job code and that job code will be red circled in the new job ladder.
- Any revisions to the current job descriptions resulting from the separation of the identified functions will not result in a change to the current labor grade.
- In the event of a reduction in the workforce between May 3, 2004 and May 3, 2005, the identified employees (Appendix F) will be treated as

though they are in their current job ladders and job codes as of the signing of this Agreement.

Sincerely,

  
Kevin L. Buffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004

James M. Parent

Mark A. Hebert

**LETTER 26**  
Long Term Absence/Disability

Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P.O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the parties regarding payment to bargaining unit employees of Workers' Compensation and short-term Group Disability Benefits.

It is agreed that within the third quarter of 2004 the Company and the Union will meet to discuss the problems that employees have experienced in this area.

The purpose of these discussions is to attempt to streamline the process wherever practicable and to ensure that all employees are familiar with the applicable Section in the State of Connecticut General Statutes regarding Workers' Compensation and the process involved in timely application for Group Disability Benefits.

Sincerely,

  
Kevin L. Buffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004

James M. Parent

Mark A. Hebert

LETTER 27  
Shop Stewards

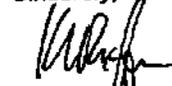
Mr. Mark A. Hebert  
President  
Hartford Aircraft Lodge No. 743, I.A.M.A.W.  
P.O. Box 3218  
Windsor Locks, CT 06096

Dear Mr. Hebert:

This is to confirm the understanding and agreement between the Company and the Union concerning notification by the Company of Shop Stewards for the purpose of handling grievances and complaints under Article 7 of this Agreement.

As soon as practicable after the ratification of this Agreement the Company and Union will meet to develop a means by which members of supervision can access covering Shop Stewards directly so as to reduce the waiting time for aggrieved employees.

Sincerely,



Kevin L. Ruffer  
Director, Human Resources

Accepted this 3<sup>rd</sup> day of May 2004  
James M. Parent Mark A. Hebert

INDEX

A

Adjustment of a grievance .....	13
Agency shop provision .....	4
Agenda for meeting of Written Step 2 .....	15
Agreement clause .....	1
Amend time .....	41
Appeal of a grievance .....	22
Appendix A (Seniority Areas/Department Numbers) .....	95-97
Appendix B (Job Ladders) .....	98-116
Appendix F (NDT & AMS Welding) .....	117
Arbitration	
Appeal process .....	18
Arbitrable grievances .....	19
Expedited grievances .....	21
Expedited hearing procedure .....	21
HJRP grievances .....	17
Mutual agreement .....	19
Non-arbitrable grievances .....	19
Order of appearance at hearing .....	20
Arbitrators	
Decision of .....	19
Expedited hearing procedure .....	20
Federal Mediation and Conciliation Service .....	21
Fees and expenses .....	20
Jurisdictional limitations of .....	19
Names of .....	20
Automatic Progression .....	46

B

Back pay	
For discharge/suspensions .....	22
Misclassification .....	21
Retroactivity .....	22
Bargaining unit coverage .....	2
Benefits - transfers with seniority .....	33
Bereavement leave/pay	
Eligibility requirements .....	67
Immediate family, definition of .....	67
Bonus, Ratification .....	189
Bulletin boards .....	72

C

Call-back pay.....	66
Checkoff	
Agency shop provision .....	4
Cards, Membership Application .....	7, 118-120
Deductions .....	4,5
Indemnification by Union .....	7
Remittance to Union .....	6
Initiation fee .....	5
M.N.P.L. checkoff .....	121
Service fee .....	5
Company present assignment card .....	7
Termination of Company's obligations .....	6
Termination of Employee .....	5
Chief Union Safety Representative .....	80-85
Committee of Management .....	15
Company grievance .....	16
Concerted work stoppage .....	76
Consumer Price Index .....	50-51
Cost-of-living allowance	
Bereavement leave .....	67
Holiday pay .....	61
Jury duty/examination pay .....	68
Military make-up pay .....	70
Shift premiums .....	51
Sick and personal pay .....	64
Vacation pay .....	56
Wages .....	48
Coverage .....	2

D

Deductions (checkoff).....	4,5
Demotions (Rate of pay).....	28
Dental contribution & plan.....	172-173
Direct deposit of paychecks.....	76
Discipline, effect on calling a steward.....	13
Distribution of overtime.....	53
Double time .....	53
Duration.....	89

E

Electronic Transfer of Information (CD-R) .....	124
Emergency work (call-back pay).....	66
Employee Assistance Program.....	130
Indemnification by the Company .....	79
Senior Union Employee Assistance Coordinator .....	79
Training program .....	79
Union EAP coordinator .....	79
Employee Retraining Assistance .....	43
Employee Separation Package .....	132
Environmental, Health & Safety	
Issue Resolution Process .....	82
Meetings between Company/Union representatives .....	84
Observation rights .....	84
Plant tours .....	84
Teams .....	184
Procedure for employees to call for Union safety representative .....	82
Union notification of spills/accidents .....	81
Union safety representatives, number of .....	80
Excess Union time .....	176
Excusals, Union business .....	74-75
Executive board members, Union .....	75
Expiration date of contract .....	89

F

Family and Medical Leave.....	149
Federal Mediation and Conciliation Service.....	21
Formula, shop steward .....	10
Funeral/bereavement leave .....	67

G

General increase .....	48
General Provisions	
Bulletin boards .....	72
Discharge for security violations .....	74
Excused absence for Union officials .....	75
Leave of absence .....	74

Solicitation, limitations on.....	73
Union literature, locations for distribution .....	73
<b>Grievance Procedure</b>	
Adjustment of a grievance.....	13
Agenda letter.....	15
Appeal of grievances.....	22
Arbitrable grievances.....	18
Arbitration.....	18
Arbitrators.....	20
Brevity of discussion.....	13
Calling a Shop Steward.....	13
Company designated representative.....	14
Company grievances.....	16
Discharge/suspension grievances.....	13, 21
Earnest effort.....	13
Exceptions to calling a shop steward .....	13
Expedited grievances.....	21
Five-day limitation .....	14
Grievance form.....	14
Grievance procedure review meetings.....	12
HJRP grievances.....	17
Mass grievances.....	16
Misclassification grievances.....	21
Non-arbitrable grievances.....	19
No precedent clause.....	17
Oral Step.....	13
Pay for Union officials.....	24, 25
Production of records.....	13, 15
Promotion grievances.....	20, 40
Retroactivity.....	22
Step 1.....	14
Step 2.....	15
Suspension/discharge grievances.....	13, 21
Steward responsibilities.....	23
Termination of employee re LOA .....	74
Time limits.....	13-17
Union grievances.....	16
Group Insurance Plans.....	163-173

**H**

<b>Holidays</b>	
Double time.....	53
Eligible for pay.....	61
On Saturday or Sunday.....	62

Pay for holidays (No need for request).....	81
Recognized holidays.....	60
Scheduling work during holidays.....	63
Hourly Base Wage Rate Schedules (A through C).....	92-94
Hourly Employee Recognition Program.....	163
<b>Hourly Job Rating Plan</b>	
Definition of a new job.....	45
Grievances.....	17
Job descriptions to the Union.....	44
Job Evaluation Specialist.....	45
On-site review/inspection.....	45
Hourly Position Announcement System (HPAS).....	39

**I**

Incentive vacation.....	58
Individual Medical Account.....	143
Information to the Union.....	122
Initiation fee, Union.....	5
Insurance, group health.....	163-173

**J**

Job-Based Training.....	146
Job Evaluation Grievance.....	17
Job Ladders (Appendix B).....	98-116
Job Security (Union-Management Committee).....	181
<b>Jury duty</b>	
Court statement, requirement to produce.....	69
Eligibility for pay.....	69
First shift employees.....	68
Jury examination pay.....	69
Not reduce pension benefits.....	71
Second/third shift employees.....	68

**L**

Lateness (third shift).....	53
<b>Layoff</b>	
Grievances.....	26
Insurance coverage.....	42
Liability for recall.....	26
Method of.....	26

Notification to Union .....	27
Audit by Union .....	24
Readjustment following .....	28
Severance pay .....	41-43
Support services for employees .....	43
Temporary .....	31
Leave of Absence	
Discharge for failure to return to work .....	74
Family and Medical .....	149
Union .....	34
Lockout .....	76

M

Management Functions .....	2
Martin Luther King Day, absence on .....	179
Military Service	
Effect on holiday pay .....	62
Eligibility requirement for pay .....	70
Not reduce pension benefits .....	71
Reemployment rights .....	71
Misclassification .....	21
MNPL checkoff and card .....	86, 121

N

National Health Insurance .....	126
New or changed job, time limit for presentation by Union .....	44
Ninety day clause .....	33
Nondiscrimination .....	4
No precedent clause .....	17

O

Oral step, grievance procedure .....	13
Overtime	
Distribution of .....	53
Double time .....	53
Form for recording overtime .....	135
Grievances .....	54
Overtime codes and recording procedures .....	136-138
Posting of overtime record .....	134
Pyramiding of .....	55

Recording of overtime .....	134
Time and one-half .....	53

P

Pay for Union officials	
Chief Union Safety Representative .....	85
Direct billing to Union for excess time .....	176
Job Evaluation Specialist .....	45
Shop Committeeperson .....	23-24
Shop Steward .....	23-24
Union EAP Coordinator .....	79
Union Safety Representative .....	85
Pension Plan .....	159
Personal and Sick Leave .....	63
Plant tours .....	84
Political meetings, excusals for .....	76
Probationary employees .....	29
Promotions .....	29-30
Purpose clause .....	1

R

Rate of pay (when demoted) .....	28
Reallocation of Employees .....	127
Recall	
Employee responsibility .....	36
Failure to respond to .....	37
Length of .....	36
Readjustment following layoff .....	28
To higher-rated job .....	29
Recognition .....	3
Records (grievance procedure) .....	13-14
Relocation of work .....	44
Reporting pay .....	66
Rest period .....	69
Retirement & Savings Plan titles	
Monthly Retirement Benefit .....	159
Special Retirement Option .....	160

Savings Plan.....	155
Schedule A (Wage rates 5/3/04).....	92
Schedule B (Wage rates 5/2/05).....	93
Schedule C (Wage rates 5/1/06).....	94
Senior Union Employee Assistance Coordinator.....	79
Seniority.....	
Accumulation for employees in military service.....	70
Accumulation for employees on leave of absence.....	74
Accumulation for employees outside bargaining unit.....	36
Accumulation for Union officials on leave of absence.....	34
Basis for layoff and recall.....	26
Definition of.....	26
Demotions, determination of pay.....	28
Hourly job posting.....	38-39
Layoff, notification to Union.....	28
Layoff, temporary.....	31-32
Leave of absence for Union officials.....	34
Limits on Recall or transfer to higher-rated job.....	29
Loss of.....	37
Ninety-day clause.....	33
Probationary employees.....	29
Promotion.....	30-31
Readjustment following layoff.....	28
Recall from layoff.....	26
Recall list available to the Union.....	123
Seniority list to the Union.....	122
Severance pay.....	41-42
Shift transfers.....	33
Super-seniority.....	37-38
Temporary layoff procedure.....	31-32
Transfers in lieu of layoff (Surplus to Need).....	26
Transfers with Seniority for Benefits.....	33
Service fee (agency shop).....	5
Severance pay.....	41-42
Shift hours, changes to.....	76
Shift, occasional modified.....	139
Shift premiums.....	51
Shift transfers.....	33, 127-128
Shop Committeepersons.....	
Attendance at meetings.....	24-25
Eligibility requirements for.....	11
Number of.....	11
Payment of.....	24-25
Recognition by Company.....	11

Super-seniority.....	37-38
Transfer and promotion.....	38

## Shop Stewards

Adjustment of a grievance.....	13
Attendance at meetings.....	23-25
Brevity of discussion.....	13
Calling of.....	13
Eligibility requirements for.....	11
Formula for number of.....	10
Outlying Areas.....	12
Payment of.....	23-24
Recognition by Company.....	11
Reduction in number of.....	11
Responsibilities of.....	23
Super-seniority.....	37-38
Transfer and promotion.....	38
Sick and Personal Leave.....	
Definition of.....	63
Eligibility requirements.....	64
Payment, when received.....	63-64
Recall during first quarter.....	64
Slowdown.....	76
Solicitation.....	7
Standard rate, qualification for.....	45
Step 1, grievance procedure.....	14
Step 2, grievance procedure.....	15
Strike.....	76
Subcontracting (Facility Services and Machine Tool Services).....	174
Super-seniority.....	37-38
Shop Committee.....	15

## T

Tellers (Union excusals).....	77
Temporary layoff procedure.....	31-32
Termination of contract.....	89
Third Party Valuation.....	140
Third shift bonus.....	52
Third shift lateness.....	52
Time limits, grievances.....	
Arbitration.....	19
Disposition.....	13-16
Job evaluation grievances.....	17

Oral step.....	13
Step 1.....	14
Step 2.....	15

**Training**

Employee Retraining Assistance.....	43
Technical Training.....	146
<b>Transfer of ongoing production work</b>	
Advanced notification.....	88
Information requests.....	88
Meet and confer requirement.....	88
<b>Transfers</b>	
In lieu of layoff (Surplus to Need).....	26
Ninety-day clause.....	33
Of Union officials.....	38
To preferred shift.....	33, 127-128
Travel & relocation expenses.....	76

**U**

Union Coordinator of Cooperative Programs.....	177
Union Employee Assistance Program Coordinator.....	79
Union dues.....	4
Union grievances.....	15
Union leave of absence.....	34
Union literature, locations for distribution.....	73
Union-Management Committee on Productivity, Competitiveness & Job Security.....	181
<b>Union Representation</b>	
Eligibility requirements.....	11
List of Union officials.....	11
Recognition by the Company.....	11
Reduction in Shop Stewards.....	11
Shop Committeepersons.....	11
Shop Stewards.....	11
Union Safety Representatives.....	80, 84, 185
Union security provisions (agency shop).....	4

**V**

**Vacations**

Determination and scheduling of.....	58
Discharge, pay provision.....	58
Eligibility requirements.....	55

Incentive vacation.....	58
Pay for.....	56
Pay in lieu of vacation time (for excess over three weeks).....	58
Powerhouse Employees.....	57
Pro-rata.....	57
Time taken one-half days.....	59
Veterans Day, absence on.....	179
Vision care.....	171
Voluntary Early Retirement medical coverage.....	186

**W**

**Wages**

Consumer Price Index.....	50-51
Cost-of-living allowance.....	49
General Increase.....	48-49
Rate progression.....	45-48
Red-Flag Pay Rates.....	180
Standard rate.....	45
Shift premiums.....	51-52

# 2004

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☐ Holiday

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 Holiday     COLA

# 2007

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 Holiday     COLA     Contract Expiration

