AGREEMENT

between

LOCKHEED MARTIN AERONAUTICS COMPANY - MARIETTA

And

THE AERONAUTICAL MACHINISTS LOCAL LODGES 709, 1027, AND 2386

and

THE INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS,
A.F. of L.-C.I.O.

EFFECTIVE DATE: March 3, 2014

ANNIVERSARY DATE: March 4, 2018
PART A AND PART B

of the

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PREAMBLE

This agreement, between the Company and the Union, evidences the desire of the parties hereto to promote and maintain harmonious relations between the Company and its employees, and the Union as their representative.
PART A - SECTION 1

PART A

PROVISIONS APPLICABLE TO THE ENTIRE MULTI-PLANT BARGAINING UNIT

Section 1 - Recognition and Jurisdiction

(A) For the period of this Agreement, Lockheed Martin Aeronautics Company – Marietta, sometimes hereinafter referred to as "LM Aero – Marietta", recognizes the International Association of Machinists and Aerospace Workers, AFL-CIO, sometimes hereinafter referred to as the "IAM&AW", and its Local Lodges 709, 1027, and 2386 thereof as the exclusive representative of hourly-paid employees in the multi-plant collective bargaining unit consisting of the following groups of employees, as hereinafter defined, for purposes of collective bargaining in respect to rates of pay, wages, hours of employment, or other conditions of employment:

(1) Marietta Plant Represented Employees, as defined in Part B of this Agreement;

(2) Clarksburg Plant Represented Employees, as defined in Part C of this Agreement;

(3) Meridian Plant Represented Employees, as defined in Part I of this Agreement.

All of the employees in the three groups of employees referred to above constitute a single multi-plant
collective bargaining unit. The three employee
groups which constitute this multi-plant collective
bargaining unit and which are each defined in the
Parts of the Agreement referred to above are some-
times hereinafter referred to as the "Contract Admin-
istration Groups", or individually as a "Contract Ad-
ministration Group".

(B) If, during the term of this Agreement, LM Aero -
Marietta establishes, within any of the fifty states of
the United States except the State of Georgia, a new
"feeder plant" which produces aircraft assemblies
for use in the aircraft assembled at the Marietta Plant
of LM AERO - MARIETTA, the IAM&AW will
make a written claim that it represents, and LM
AERO - MARIETTA will recognize the IAM&AW
as the exclusive collective bargaining representative
for, the hourly-paid employees of LM AERO -
MARIETTA who work at that new feeder plant and
who are employed in one of the represented job clas-
sifications covered by Parts C or I of this Agreement
and such other new production and maintenance job
classifications as may be initially established at the
new "feeder plant", provided that no such represen-
tation will be claimed and no such recognition will
be extended where such recognition would consti-
tute a violation of the law. For the purposes of this
initial representation and recognition and to evi-
dence the intention of all of the parties to this Agree-
ment that the represented employees at any such
new feeder plant are to be added to the multi-plant
bargaining unit to which this Agreement is appli-
cable, the parties to this Agreement agree that the IAM&AW shall be deemed to also be acting on behalf of the Local Lodges which are parties to this Agreement. After such recognition has been accomplished, the IAM&AW shall charter a separate Local Lodge to automatically become a party to this Agreement and shall, along with that Local Lodge, enter into negotiations with LM AERO - MARIETTA, to the extent hereinafter provided, for the purpose of adding another Part to this Agreement and of making only related and necessary changes in this Part A, such as adding an additional Contract Administration Group. This added Part shall be applicable to the employees at the new feeder plant and shall be interpreted and applied in the same manner as provided for Parts B through I in Section 2 of this Part A. Any Local Lodge which becomes a party to this Agreement shall have rights and duties under this Part A comparable to the rights and duties which this Part A provides for Local Lodge 2386. Notwithstanding the foregoing, all of the parties to this Agreement now agree that the provisions of Part I of this Agreement shall constitute the basic provisions to be included in the Part to be added to this Agreement, except that all changes that are necessary to make those Part I provisions applicable to the new plant, Contract Administration Group, and Local Lodge shall automatically be made in those Part I provisions and that the IAM&AW and the new Local Lodge to be chartered as hereinbefore provided shall negotiate with LM AERO - MARIETTA concerning the wages, job classifications, and local
PART A - SECTION 1

hospital and medical benefits (to be substituted for the group insurance benefits provided for in Part I) and shall include these newly negotiated terms of employment in the added Part in place of the wages, job classifications, and local hospital and medical benefits provided for in Part I. Furthermore, the provisions of Part C, Article I, Section 9, entitled "Union Security", shall also be automatically included in any new Part added to this Agreement pursuant to this Subsection (B) unless the inclusion of the provisions of that Section or compliance with those provisions would be a violation of an applicable law.

(C) If, during the term of this Agreement, LM AERO - MARIETTA establishes, within the State of Georgia, a new "feeder plant" which produces aircraft assemblies for use in the aircraft assembled at LM AERO - MARIETTA, Local Lodge 709 and the IAM&AW will make a written claim that they represent, and LM AERO - MARIETTA will recognize Local Lodge 709 and the IAM&AW as the exclusive collective bargaining representative for, the hourly-paid employees of LM AERO - MARIETTA who work at that new feeder plant and who are employed in one of the represented job classifications covered by Parts C through I of this Agreement and such other new production and maintenance job classifications as may be initially established at the new "feeder plant", provided that no such representation will be claimed and no such recognition will be extended where such recognition would constitute a violation of the law. For the purposes of this
PART A - SECTION 1

initial representation and recognition and to evidence the intention of all of the parties to this Agreement that the represented employees at any such new feeder plant are to be added to the multi-plant bargaining unit to which this Agreement is applicable, the parties to this Agreement agree that Local Lodge 709 and the IAM&AW shall be deemed to also be acting on behalf of all of the other Local Lodges which are parties to this Agreement. After this recognition has been accomplished, Local Lodge 709 and the IAM&AW shall enter into negotiations with LM AERO - MARIETTA, to the extent here in after provided, for the purpose of adding another Part to this Agreement and of making only related and necessary changes in this Part A, such as adding an additional Contract Administration Group. The added Part shall be applicable to the employees at the new feeder plant and shall be interpreted and applied in the same manner as provided for Parts B through I in Section 2 of this Part A. Local Lodge 709 shall have rights and duties, under this Part A and with respect to the new feeder plant, which are comparable to the rights and duties which this Part A provides for Local Lodge 709 with respect to the Marietta Plant Represented Employees. Notwithstanding the foregoing, all of the parties to this Agreement now agree that the provisions of Part I of this Agreement shall constitute the basic provisions to be included in the part to be added to this Agreement, except that all changes that are necessary to make those Part I provisions applicable to the new plant, the new Contract Administration Group,
PART A - SECTION 1

and Local Lodge 709 shall automatically be made in those Part I provisions and that the IAM&AW and Local Lodge 709 shall negotiate with LM AERO - MARIETTA concerning the wages, job classifications, and local hospital and medical benefits (to be substituted for the group insurance benefits provided for in Part I) and shall include these newly negotiated terms of employment in the added Part in place of the wages, job classifications, and local hospital and medical benefits provided in Part I. Local Lodge 709 and the IAM&AW shall have authority to administer and enforce the provisions of this Subsection (c).

(D) In the event that LM AERO - MARIETTA during the period of this Agreement establishes or acquires and operates a new plant in the State of Georgia other than the Marietta Plant, the Lockheed Nuclear Products Plant, the Lockheed Industrial Products Plant, or a feeder plant, and such plant is engaged in the manufacture or modification of airframes, missiles, or components of either airframes or missiles, aircraft, spacecraft or items necessary to the functions of aircraft, missiles, spacecraft, Anti-Submarine Warfare and Ocean Systems and related products, Local Lodge 709 and the IAM&AW will claim the bargaining rights for hourly-paid personnel employed at such new plant to work in any job classification covered by Part B of this Agreement. LM AERO - MARIETTA will recognize Local Lodge 709 and the IAM&AW as the exclusive representa-
PART A - SECTION 2

tive for purposes of collective bargaining in respect to rates of pay, wages, hours of employment, or other conditions of employment for such personnel at such new plant, except where another collective bargaining agent has established collective bargaining rights in the affected unit at such new plant. LM AERO - MARIETTA will negotiate with Local Lodge 709 and the IAM&AW the terms and conditions of a separate agreement covering employees in the bargaining unit referred to in this Subsection (D). Except that any such facility as defined in this Paragraph (D) acquired and operated within a one-hundred (100) mile radius of the Marietta Plant within the State of Georgia, representation rights shall be extended to Local Lodge 709 and the IAM&AW and the current Labor Agreement shall apply. Local Lodge 709 and the IAM&AW shall have authority to administer and enforce the provisions of this Sub-section (D).

Section 2 - Interpretation and Application

(A) This Agreement consists of Four (4) Parts. These Parts are designated as Parts A, B, C, and I. This entire Agreement resulted from joint negotiations between LM AERO - MARIETTA and the IAM&AW and each of the Local Lodges listed in Section 1 of this Part A of the Agreement. The entire Agreement was approved by the cumulative votes of the individual members of each of those Local Lodges. It is understood that the printing of
PART A - SECTION 2

certain Parts of this Agreement separately from other Parts of this Agreement is for convenience only and is not intended to create separate collective bargaining units.

(B) For the purposes of interpretation, application, administration and enforcement, all of the provisions of this Agreement except Section 1 of this Part A, shall be interpreted and applied separately but uniformly to each of the three separate Contract Administration Groups. The provisions of this Part A are applicable to each of the Contract Administration Groups. Only Part A and one other Part of this Agreement shall, however, be applicable to each of the three separate Contract Administration Groups. The following rules shall be used to determine which Part of the Agreement other than this Part A shall be applicable in any particular situation:

(1) Part B shall be applicable only to Marietta Plant Represented Employees;

(2) Part C shall be applicable only to Clarksburg Plant Represented Employees;

(3) Part I shall be applicable only to Meridian Plant Represented Employees.

(C) The IAM&AW and LM AERO - MARIETTA shall have full and exclusive authority to administer and enforce the provisions of this Part A of the Agreement, except as otherwise provided in Section
PART A - SECTION 3

1 (C) and (D) and Section 3 (C) of this Part A.

Section 3 - Period of Agreement and Procedure for Amending or Replacing Agreement

(A) This Agreement shall remain in full force and effect from March 3, 2014, until and through March 4, 2018 and thereafter from year to year unless either the IAM&AW or LM AERO - MARIETTA gives notice in writing to the other party to this Agreement during the period from 12:01 a.m., December 1, 2017, through midnight December 31, 2017, or during a like period in any subsequent year proposing modifications or amendments to this Agreement. Such notice shall specify the modifications or amendments desired. All of the parties to this Agreement agree to commence negotiations within fifteen (15) days after the giving of such notice and it is the intent of the parties to confine negotiations to such modifications or amendments as are specified in such notice. However, the 15 day time period for commencing negotiations may be extended by mutual agreement. In the event of a failure of the parties to reach an Agreement upon such modifications or amendments by March 4, 2018, or by the first Sunday in March of any subsequent yearly period for which this Agreement remains in full force and effect, either the IAM&AW or LM AERO - MARIETTA, at any time thereafter, may terminate this Agreement. Observers or specialist (excluding IAM Grand Lodge representatives) may participate in the above referenced negotiations if mutually
agreed upon by the parties.

(B) The Negotiating Committee which shall represent the IAM&AW and each of the Local Lodges which are parties to this Agreement in the negotiations contemplated under Subsection (A) of this Section shall consist of four (4) LM AERO - MARIETTA employees who are members of Local Lodge 709 plus the President of Local Lodge 709 plus one (1) representative from each of the other Local Lodges which is a party to this Agreement plus one (1) or two (2) Grand Lodge Representatives. This Negotiating Committee is sometimes hereinafter referred to as the Union Negotiating Committee. In votes taken by the representatives of the Local Lodges, the vote of each such representative shall be weighted in proportion to the number of employees he represents. Accordingly, the vote of each such representative shall have the same relative weight in the count of the total votes of all of such representatives of the Union Negotiating Committee as the number of employees represented by that member bears to the total number of employees included in the multi-plant bargaining unit to which this Agreement is applicable. For this purpose each of the five (5) representatives of Local Lodge 709 on the Union Negotiating Committee shall be deemed to represent one-fifth (1/5) of the Marietta Plant Represented Employees and each of the representatives from each of the other Local Lodges shall be deemed to represent the employees in the Contract Administration Group which his Local Lodge represents for the purpose of administering this Agreement.
PART A - SECTION 3

The Negotiating Committee which shall represent LM AERO - MARIETTA in these negotiations, sometimes hereinafter referred to as the Company Negotiating Committee, shall consist of no more members than the number of members on the Union Negotiating Committee. By mutual agreement the Union and Company Committees may establish such special sub-committees as they deem appropriate to recommend and advise them concerning specific and specialized subjects, and the persons comprising such sub-committees shall be permitted to participate in discussions concerning the subject of their specialty but shall have no vote. After the Union Negotiating Committee and the Company Negotiating Committee have reached agreement on all amendments and modifications to this Agreement or have entered into a new Agreement to replace this Agreement, all such amendments and modifications or the new Agreement in its entirety shall be accepted or rejected as a whole without acceptance or rejection of parts thereof, and the ratification and final acceptance or the rejection, by the IAM&AW and by each of the Local Lodges listed in this Part A, Section 1, of such amendments or modifications or of a new Agreement, as the case may be, shall be by a majority of the total pooled votes from throughout the multi-plant bargaining unit of all employees who are eligible to and who actually vote in each of the three (3) Contract Administration Groups enumerated in Part A, Section 1, of this Agreement.

(C) In the event of instructions from the Federal
PART A - SECTION 3

Government to alter or change the working schedule now in effect, LM AERO - MARIETTA may, upon fifteen (15) days’ written notice, reopen negotiations with the IAM&AW and the affected Local Lodge or Lodges for the purpose of amending such sections of this Agreement as pertain to hours of work and/or over-time payment for the sole purpose of considering objectives desired by the Government. The affected Local Lodge or Local Lodges and the IAM&AW shall have authority to administer and enforce the provisions of this Subsection (C).

(D) Any notice given under this Section of the Agreement shall be effective only if mailed, postage prepaid, by registered or certified mail, return receipt requested, and if addressed:

(1) When given to LM AERO - MARIETTA, to the Site General Manager of LM AERO - MARIETTA, 86 South Cobb Drive, Marietta, Georgia 30063, or

(2) When given to the IAM&AW, to the General Vice President of the International Association of Machinists and Aerospace Workers who has jurisdiction over Local Lodge 709 at the address which has been furnished to LM AERO - MARIETTA by the IAM&AW.

The date of receipt shown on the registered or certified mail return receipt shall be deemed to be the date on which the related notice is given and re-
PART B - ARTICLE I, SECTION 1

ARTICLE I - GENERAL PROVISIONS

Section 1 - Jurisdiction and Definitions

(A) The phrase "Marietta Plant Represented Employees," as used throughout this Agreement, shall mean the following groups of employees of the Company who work at the Marietta, Georgia, Plant of LM AERO - MARIETTA:

(1) Production, Maintenance and Plant Clerical Unit, as certified by the National Labor Relations Board, October 2, 1952, in Cases Nos. 10-RC-1909, 10-RC-1918, 10-RC-1951, and including the Electrical Unit as certified in the NLRB Case No. 10-RC-3381, March 29, 1956, and such other job classifications listed in Supplement A of Part B of this Agreement, and such new factory jobs established pursuant to the provisions of Part B, Article VIII, Section 1, (2) of this Agreement; and

(2) Office and Technical Unit, as certified by the National Labor Relations Board, October 2, 1952, in Cases Nos. 10-RC-1909, 10-RC-1918, 10-RC-1951, and such other job classifications listed in Supple-
ment B of Part B of this Agreement, and such new Office and Technical jobs established pursuant to the provisions of Part B, Article VIII, Section 1, (2) of this Agreement, and including employees of the Identification Bureau of the Plant Protection Department, but excluding employees in the Statistical and Investigation groups of the Personnel Records Section.

(B) The words "employee" and "employees", as used in this Part of the Agreement, shall include only those persons who are members of the group referred to as the Marietta Plant Represented Employees, unless another meaning is specifically and expressly stated in the provision in which the word "employee" or "employees" is used.

(C) The word "Union", as used in this Part of the Agreement, shall mean Local Lodge 709 and the IAM&AW only, unless another meaning is specifically and expressly stated in the provision in which the word "Union" is used.

(D) The word "Company" and the word "plant", as used in this Part of the Agreement, shall mean or refer only to the Marietta, Georgia, Plant of LM AERO - MARIETTA, unless another meaning is specifically and expressly stated in the provision in which the word "Company" or "plant" is used.

(E) Bargaining Unit Work:

Non-represented employees of the Company shall
not perform duties which constitute an erosion of bargaining unit work. A non-represented employee shall not perform work covered by this Agreement except in the following types of situations:

(a) In cases of emergency such as where immediate action is required in order to prevent injury to employees or damage to Company or customer property or equipment.

(b) To properly instruct employees.

(c) When such work is incidental to and essential to the performance of the non-represented employee by that non-represented employee.

**Section 2 - Authority of Union**

The Union shall have full authority to administer and enforce the provisions of this Part B of the Agreement and to exercise the full authority of the collective bargaining representative with regard to the Marietta Plant Represented Employees during the period of this Agreement, except that this authority shall not be exclusive with regard to the negotiation and acceptance of an agreement to amend or replace this Agreement pursuant to Part A, Section 3, of this Agreement.

**Section 3 - Sole Agreement**

This Agreement, when accepted by the parties here-to, and signed by their duly authorized agents, shall
constitute, except for the Lockheed Martin Corporation Retirement Plan for Certain Hourly Employees as in effect on March 7, 2011, as amended by the Retirement Plan Amendment Agreement effective March 7, 2011; the Lockheed Martin Capital Accumulation Plan for Hourly Employees in effect on March 7, 2011; the Lockheed Martin Basic Benefit Plan for Hourly Employees in effect on March 7, 2011; the Lockheed Martin Hourly Employee Savings Plan Plus as in effect on March 7, 2011; as amended by the Hourly Employee Savings Plan Plus Amendment Agreement effective March 7, 2011, with contribution increases effective April 11, 2011 and the Agreement for Flexible Benefits Plan and Dependent Care Account Plan as in effect on March 1, 1996, the sole agreement between them.

Section 4 - Performance Required

The Company and the Union agree that they will administer this Agreement in accordance with the true intent of its terms and provisions and will give each other fullest cooperation to the end that harmonious relations may be maintained in the interest of both the Company and the Union. It shall be the duty of the Company and its representatives and the Union and its representatives to comply with and abide by all the provisions of this Agreement.

Either party hereto shall be entitled to require specific performance of the provisions of this Agreement. Time is the essence of this Agreement. The waiver of any breach or condition of this Agree-
PART B - ARTICLE I, SECTION 5, 6, 7 & 8

ment by either party shall not constitute a precedent for any further waiver of such breach or condition.

Section 5 - Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of any successor or assignee of all or substantially all of the Company's business or assets unless prohibited by law or regulation; however, this Agreement is not otherwise assignable without the mutual consent of the parties.

Section 6 - Right to Manage Plant

The Company has and will retain the right and power to manage the plant and direct the working forces, including the right to hire, to suspend or discharge for just cause, to promote, demote and transfer its employees, subject to the provisions of this Agreement. Any claim that the Company has exercised such right and power contrary to the provisions of this Agreement may be taken up as a grievance.

Section 7 - Apprenticeship Agreement

Any apprenticeship agreement shall be the subject of a separate agreement between the Company and the Union.

Section 8 - Strikes and Lockouts

For the duration of this Agreement the Union agrees that it shall not cause or engage in, nor condone its’
members to cause or engage in, nor shall any employee covered by this Agreement take part in any strike, picketing, sympathy strike, slowdown, or stoppage of work against the Company, and the Company agrees that it shall not cause or engage in any lockout. Either party hereto shall be relieved of this obligation in the event of failure of the other party to comply with an arbitration award made within the authority of this Agreement.

Section 9 - Union Responsibility

The Union agrees with the objective of achieving the highest level of employee performance and efficiency consistent with safety, good health and sustained effort, and will not take, authorize, or condone any action which interferes with the attainment of such objective.

In the event of a breach by the Union of the provisions of Article I, Section 8 of this Agreement, the Company may abrogate this entire Agreement. Any action by a Union Steward or Committeeman which is not authorized, concurred in, or supported by the Union, will not constitute a breach of this Agreement on the part of the Union for purposes of this paragraph.

Section 10 - Deductions from Earnings for Union Dues

1. The Company will deduct from their wages and
PART B - ARTICLE I, SECTION 10

turn over to the Union, the Union Membership Dues of each employee who individually and voluntarily authorizes the Company in writing to make such deductions. The term "Union Membership Dues", as used herein, shall include Union initiation fees or reinstatement fees of employees rehired by the Company, with or without seniority, when such employees are reinstated or rejoin the Union. The Union indemnifies and holds harmless the Company for this provision of the Collective Bargaining Agreement. Such deductions shall be made in accordance with the following provisions:

(a) Such deductions shall be made only in accordance with instructions upon authorization cards which shall be in a form mutually agreed to between the Company and the Union in the 2005 negotiations. Dues Deduction Authorization forms in effect prior to the 2005 negotiations shall remain in effect and will be applied in accordance with provisions set forth at the time the form was signed. In order to be effective, such authorization cards shall be delivered by the Union to the Payroll Accounting Department of the Company.

(b) Deductions from that portion of the Union Membership Dues consisting of Union initiation fees or reinstatement fees, as provided above, shall be made from the employee's pay-check weekly in the amount and from the number of such checks as specified by the employee on the authorization card.
(c) Deductions for other Union Membership Dues shall be made from the employee's paycheck weekly, for fifty-two (52) weeks of the calendar year. Such deductions shall be in the amount certified to the Company by the Union. Any change in the amount of deductions for such Union Membership Dues shall be made effective for the weekly pay period following two (2) full weeks' written notice of such change by the Union to the Company. In the event a deduction for such dues is not made from one or more consecutive weekly paychecks due to insufficient earnings by the employee, then on the next paycheck that the employee has sufficient earnings, a retroactive deduction shall be made.

(d) To be effective as of a weekly payroll period, dues deduction authorizations must be received by the Payroll Accounting Department of the Company by 4:45 p.m. on the second Tuesday preceding the Friday ending such payroll period.

(e) In accordance with the new (2005) Dues Deduction Authorization form the employee agrees that the dues authorization shall be automatically renewed for successive one year periods or until the termination of the collective bargaining agreement, whichever is the lesser, unless the employee revokes it by giving written notice to the Company and Union not more than 20 and not less than 5 days prior to the expiration of the appropriate yearly period or contract term. The
PART B - ARTICLE I, SECTION 10

Company's obligation to make such deductions shall terminate upon receipt by the Company from the Union of such authorization or in the event the employee shall cease to be an employee as defined in Article I, Section 1 of this Agreement, except that deductions shall be continued for employees temporarily transferred from the bargaining unit for a period of twenty-four (24) weeks or less unless such dues deductions are revoked by the employee.

(f) Revocations shall be made effective on employees' paychecks for the first weekly pay period following receipt of notice as herein set forth. To be effective on such period, revocations must be received in the Payroll Accounting Department of the Company by 4:45 p.m. on the second Tuesday preceding the Friday ending such payroll period.

(g) Deductions for Union Membership Dues (with a maximum pickup of four (4) weeks plus the current week) shall be resumed by the Payroll Accounting Department in the following situations unless written revocation notice from the Union has been received by the Company in accordance with Sub-paragraph (e) of this Section:

(1) Upon recall from layoff.

(2) Upon return from prolonged leave of absence.
PART B - ARTICLE I, SECTION 11

(3) Upon return to the bargaining unit with seniority after transfer to a non-bargaining unit job.

(4) Upon return to the bargaining unit with seniority by any other employee who leaves the bargaining unit on or after the effective date of the Agreement.

2. The Company will mail a check to the Union for the deductions referred to in this Section within ten (10) days following the pay day in which such deductions are reflected in the paychecks.

The Company shall provide the Union with a monthly record of dues deductions, with such record to be on the basis of the Company's accounting months.

Section 11 - Separability

Should any part hereof or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by a decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof and they shall remain in full force and effect. In event of any such invalidation, the Company and the Union shall meet promptly for the purpose of resolving such invalidation.
PART B - ARTICLE I, SECTION 12

Section 12 - Security Regulations

The Union recognizes that the Company has certain obligations in its contracts with the Government pertaining to security, and agrees that nothing contained in this Agreement is intended to place the Company in violation of its security agreements with the Government.

Therefore, in the event that the U. S. Air Force, U. S. Navy, or other Government agency duly concerned with Lockheed Martin Corporation security regulations, advises the Company in writing that any employee in the Union bargaining unit is restricted from work on or access to classified information and material, the Union will not contest such action as the Company may take pursuant to such advice to comply with its security obligations to the Government. In the event such Government Agency, following the taking of such action, advises the Company in writing that such an employee is no longer restricted for work on or access to classified information and material, the Company shall, promptly after receipt of such written advice from such Government Agency, reinstate with seniority and subject to the provisions of Article IV such an employee, if he promptly applies for such reinstatement, to the same job classification and rate of pay he held at the time such action was taken, and will join such employee and/or the Union, at such employee's request, in an application to such Government Agency for restoration by the Government of lost pay.
PART B - ARTICLE I, SECTION 13 & 14

Section 13 - Non-Discrimination

The Company and the Union agree that there will be no discrimination in the application of this Agreement because of age, race, color, creed, religion, sex, national origin, disability, or status as a U. S. Military Veteran or Disabled U. S. Military Veteran. The intent of the parties is to comply with all Federal, State, and Municipal employment laws as may apply to the workforce.

The masculine gender provisions which are contained in this Company-Union Agreement are intended to apply to both males and females and there is no intent to limit any rights of an employee based upon the sex of that employee.

Section 14 - Subcontracting

The Company agrees that it will not subcontract maintenance work (as distinguished from new construction or major modification or rehabilitation work) to be performed on Company premises when the work operations involved have normally been performed by employees in the bargaining unit, except in the following instances:

(a) Where peculiar skills or specialized equipment are involved which are not available within the Company.

(b) Where short-term or peak requirements necessitate the need for additional assistance be-
PART B - ARTICLE I, SECTION 14

cause of an insufficient number of employees then available possessing the necessary maintenance skills to perform such work operations within the time required.

(c) Where unusual or one-shot jobs are required which are not usually performed by the Company.

(d) Where the volume of work on any particular job precludes the possibility of its completion within scheduled time limits.

It is not the intent of the Company to use on-site contractors for the purpose of reducing or transferring work ordinarily performed by maintenance employees in the bargaining unit.
PART B - ARTICLE II, SECTION 1

ARTICLE II - UNION-COMPANY RELATIONS

Section 1 - Union Stewards and Committeemen

(A) Number of Stewards and Committeemen:

(1) As designated by the Union there shall be in the departments of the Plant, on every shift, a Committeeman for every eighty-five (85) employees, or major fraction there of, and a Steward for each department provided, however, that a department consisting of less than eighty-five (85) employees may be represented only by a Steward. Each Steward or Committeeman shall be an employee other than a Lead, regularly assigned to work in the same department and on the same shift as the employees he represents.

(2) In unusual circumstances, particularly as may be presented in departments covering more than one location, the required number and location of Union Stewards and Committeemen may be adjusted by agreement between the parties. At a time mutually agreed upon, the Company shall permit all employees who are Union members to vote on Company property and during working hours once each year for Stewards and once each year for Committeemen. Additionally, when the merger of departments or the addition of a department or a shift makes necessary the election of a Union Steward and/or Committeeman, such election may be held on Company property and
PART B - ARTICLE II, SECTION 1

during working hours. The voting shall be conducted under rules and regulations agreed to between the Company and the Union. The Union will provide electronic notification (e-mail or fax) to Labor Relations upon selection of Shop Steward(s) and/or Committeemen.

(3) In the event there are more Union Committeemen in a group or department than are provided for in this Section, the Company shall furnish to the Union a list of all Committeemen in the locations where the surplus exists. The Union shall promptly designate the Committeemen who are to remain in the capacity, provided, however, that if the Company has not received written notification of such designation from the Union within six (6) calendar days subsequent to the Company's notification, the Committeemen, in the locations where the surplus exists, who have the most seniority, automatically shall retain their status as Committeemen and the remaining Committeemen shall lose their status as Committeemen.

(B) Time Off From Work:

While the Company and Union recognize the need for Union time, we also recognize the need to assure Company work is accomplished in accordance with operational requirements.

(1) A Steward will be permitted to take the necessary time off from work without loss of pay
PART B - ARTICLE II, SECTION 1

for discussion with the Department Head of complaints or grievances of employees.

(2) A Steward will be permitted to take the necessary time off from work without loss of pay for the following Company-Union business within his department:

(a) For so much of one hour of the shift at a time mutually agreed upon by the Steward and the Department Head (normally the one-half hour immediately preceding the Steward's lunch period and the last one-half hour of the shift) as is required for the Steward to contact a Committeeman or to contact an employee who has a complaint or grievance. (Effective January 1, 1978, Paragraph (B) (2) (a) amended as follows: Steward designates which hour. Designation to be for one week. If Steward does not designate and no mutual agreement, then last hour of shift.) The Company may grant additional time to a specific written request to encourage resolution of the grievances. It is understood that the Steward will not abuse the use of Union time.

(b) For discussion within the department with an authorized Business Representative of the Union when the latter finds it necessary to contact a Steward on employee complaints or grievances, or on matters arising out of the application of this Agreement.
PART B - ARTICLE II, SECTION 1

(3) A Committeeman will be permitted to take the necessary time off from work without loss of pay for the following Company-Union business within his department:

(a) For so much of one-half hour of the shift at a time mutually agreed upon by the Steward and the Department Head (normally the last one-half hour of the shift) as is required for the Committeeman to contact his Steward or to contact an employee who has a complaint or grievance. (Effective January 1, 1978, Paragraph (B) (3) (a) amended as follows: Steward designates which one-half hour. Designation to be for one week. If steward does not designate and no mutual agreement, then last one-half hour of shift.) The Company may grant additional time to a specific written request to encourage resolution of the grievances. It is understood that the Committeeman will not abuse the use of Union time.

(b) For discussion within the department with an authorized Business Representative of the Union when the latter finds it necessary to contact a Committeeman on employee complaints or grievances, or on matters arising out of the application of this Agreement.
(4) It is agreed that each Steward and Committeeman has assigned work to perform in the plant and that the contacts on Company time, which are provided for in this Section, will be no more frequent and no longer than the matter for discussion reasonably requires. A Steward or Committeeman who finds it necessary to leave his immediate work area shall first request permission from his immediate full-time supervisor. Such requests shall not unreasonably be denied.

(5) The Company on the first day of employment shall give each new employee a copy of this Agreement.

At least once a week, at a time mutually agreed upon between the Steward and his Department Head, normally during the first one-half hour of the shift, a one-time meeting shall be arranged for the Steward to meet with any newly-hired employees, during which time he may discuss the advantages of Union membership. Upon request by the Steward to his department office, the names of employees new to the department on his shift in the current week shall be provided such Steward.

(C) Steward and Committeeman Status on Transfers:
PART B - ARTICLE II, SECTION 1

A Union Steward or Committeeman of whose status as such Steward or Committeeman the Company has received written notice, with such status to be effective on the second work day following the date from the Union, shall not be transferred from one department to another, or one shift to another except with the consent of the individual Steward or Committeeman concerned, provided he is competent to perform the work remaining on the shift and warranting his classification. If a Steward or Committeeman is to be transferred to a different department or shift, the Company will give the Union seven (7) working days' written notice of such transfer. At the annual election of Union Stewards and Committeemen as provided for in Article II, Section 1, (A) (2), of this Agreement, upon written notice to the Company, such status shall become effective immediately.

(D) Union Representation on an Overtime Day:

In the event a group of employees in the same department are required to work on their normal off-day, or on one of the holidays recognized in Article VI, Section 3 of this Agreement, the Steward may designate one of the employees within that group as an Alternate Steward, by so notifying the Department Head. During overtime hours, the union representative (Steward, Committeeman or Alternate Steward) will only be permitted to take the necessary time off from work without loss of pay.
for discussion with the Department Head of employee complaints or to contact employees who have complaints, which are of such urgent nature that they cannot properly await discussion on the next regular work day.

It is the intent that the Company give prompt notice to the Steward of those employees who will be assigned to work on their normal off-day or on holidays recognized by this Agreement.

Section 2 - Union Officials and Business Representatives

The President, Vice-President and Business Representatives of the Union shall have access to the Labor Relations Department Office for the purpose of contacting Labor Relations personnel and shall have access to the departments of the Company's plant to which they are assigned for the sole purpose of contacting the Union Steward or Committeeman concerning employee complaints or grievances or matters arising out of the application of this Agreement. Such visits shall be subject to such regulations as may be made from time to time by the Company. The Company shall not impose regulations which will render ineffective the purpose of this Section. Before entering the Company's plant for the above purpose, the President, Vice-President, or a Business Representative shall notify the Labor Relations Department of the date and time he will be in the plant,
PART B - ARTICLE II, SECTION 3 & 4

and the name of the Union Steward or Committee- man he will contact.

The President, Vice-President or Business Repre- sentatives shall not discuss any problem with em- ployees (other than the Steward and Committee- man) or with the supervision of any department.

Section 3 - Cooperation

The Union and its members agree to report to the Company any acts of sabotage, subversive activi- ties, conduct for which the intended result is threat- ened or actual harm to people or property, theft, damage to or taking of any employee's, Company's and/or Government's property or work in process or materials, or any known threat of sabotage, sub- versive activities, or damage to or taking of such property, and the Union further agrees if any such acts occur to use its best efforts in assisting the Company and the Government to determine and apprehend the guilty party or parties.

Section 4 - Bulletin Boards and Posting Notices

Space shall be provided on Company property at prominent locations agreed upon for Union bulletin boards (to be supplied by the Company) for the posting of the following types of notices:

(1) Notices of Union recreational, social and
PART B - ARTICLE II, SECTION 5

welfare activities;

(2) Notices of Union elections;

(3) Notices of Union appointments and results of Union elections;

(4) Notices of Union meetings;

(5) Such other notices as may be mutually agreed upon by the Company and the Union.

The Union shall not distribute or post, nor authorize its members to distribute or post, any material anywhere on the Company's property except as herein provided. The Company may remove such bulletin boards in the event of repeated violation of this Section. The Union may distribute each edition of its newspaper, The Organizer, outside all Headhouses and employee entrances to the Plant. Following distribution all excess copies will be placed in appropriate containers, furnished by the Union at these points. Within twenty-four (24) hours thereafter, the Union will pick up and dispose of all remaining copies.

Section 5 - Solicitation of Memberships

Employees and Union representatives shall not solicit Union memberships or collect dues on Company property on the Company time of any employee, although such activities may be conducted by employees on Company property on the free time of the employees.
PART B - ARTICLE II, SECTION 6

Section 6 - Reports and Other Information to be Furnished to the Union

(A) The Union may request the following reports which are to be furnished as soon as possible; such request shall be made only by the President or the Financial Secretary of the Union. The Union assumes full responsibility for maintaining confidentiality of information contained in these reports or any associated reports provided upon request, and agrees not to disseminate to unauthorized person(s) or agencies. Reports referenced in Sub-Sections A, B, C, D and F of this section will be provided to the Union in compact disk (CD) format:

(1) The Company shall make available to the Union a report, which includes the number of employees that are in the various occupational classifications recognized by this Agreement.

(2) The Company shall make available to the Union a report, which includes a list of employees in their respective departments, showing rates, classifications, and dates of hiring and shifts. Such lists of employees shall be coded in a manner which will indicate employees who have, since the last previous such list:

(a) Received a promotion from within his same department,

(b) Received a promotion other than under (a) above,
PART B - ARTICLE II, SECTION 6

(c) Received a lateral reclassification in lieu of layoff,

(d) Received a lateral reclassification other than (c) above,

(e) Been downgraded other than in lieu of layoff,

(f) Been recalled from downgrade in lieu of layoff,

(g) Been downgraded in lieu of layoff,

(h) Been the subject of a Change of Status correcting and superseding prior reclassification, downgrade, or promotion.

(3) The Company shall make available to the Union a report of employees hired by the Company.

(4) Each week the Company will make available to the Union a report reflecting interdepartmental transfers.

(5) The Company will make available to the Union a report reflecting employees on recall status to represented classifications.

(6) The Company shall make available to the Union a report with lists of employees having on file written placement requests for promotion.
PART B - ARTICLE II, SECTION 6

(7) The Company will make available to the Union a report of all bargaining unit employees on the active payroll showing the last known address given to the Company.

(8) The Company will make available to the Union a report reflecting employee requisitions in open hire by represented classifications.

(9) The Company will make available to the Union a report which includes the name, seniority date, classification, and department of each salaried employee returned to the bargaining unit.

(B) On a General Layoff the Company will make available to the Union the following:

(1) At the time of the application of the General Layoff, a copy of the seniority roster used by the Company in applying such General Layoff; such seniority roster will list employees in the affected occupations in order of their seniority.

(2) Seniority roster by occupation of all laid-off employees as of a date immediately after the application of the General Layoff.

(3) Insofar as is practicable, prior to the date of the layoff, the anticipated date, and the approximate size of each probable occupation affected.
PART B - ARTICLE II, SECTION 6

(C) On an Emergency Reduction of the Working Force the Company will make available to the Union the following after adjustments have been made in accordance with the General Layoff procedure:

(1) Seniority roster by occupation of employees in the service of the Company in the occupations affected as of a date immediately preceding the adjustments;

(2) Seniority roster by occupation of employees in the service of the Company in the occupations affected as of a date immediately after the adjustments;

(3) Seniority roster by occupation of all laid-off employees as of a date immediately after the application of the General Layoff procedure.

(D) The Company will make available to the Union a list of employees dropped from lists (B) (2) and (C) (3) by reason of loss of seniority.

(E) The Company will, upon request from a Steward to his Department Head, make available to such Steward reasonable and pertinent information (such as information from the affected employee's kardex, change of status notice, reviews, and employee performance notices) concerning a grievance.

Disputes arising out of the furnishing of such information will be referred to the Labor Relations Department.
PART B - ARTICLE II, SECTION 6

(F) The Company will make available to the Union a list of job classifications to be filled by open hire as published.
ARTICLE III - GRIEVANCE PROCEDURE AND ARBITRATION

Section 1 - Method of Handling Employee Grievances

Any employee having a problem concerning their individual rate of pay, wages, hours of employment, or other conditions of employment, may make such problem the subject matter of a grievance. All grievances may be processed as hereinafter provided through Section 5 of this Article, but only those grievances involving the interpretation or application of this Agreement as provided in Section 6 of this Article may be referred to arbitration.

The parties recognize the desirability of early resolution of employee grievances and the value of thorough discussion in the grievance resolution process. Accordingly, employees may take up with their supervisor any situation which may result in a grievance. If the problem is not resolved, it may be taken up with the appropriate next level of management by the Shop Steward. If the matter is not resolved, it may be reduced to writing in the form of a written grievance, delivered to the Steward and processed in accordance with Step I of the grievance procedure. Although discussion of the problem is an essential component of the grievance resolution process and is encouraged, each grievance must be considered on its merit. Failure to discuss...
PART B - ARTICLE III, SECTION 1

a grievance with supervision will not be the basis of denying any claimed agreement violation.

It is the desire of the Union and the Company that employee grievances be settled as quickly as possible, at the lowest possible step of the grievance procedure, and that settlements are consistent with the spirit and intent of this Agreement. The parties also recognize that honest resolution of grievances is dependent on early and truthful disclosure of the facts of the case. To facilitate this process, settlements made at Step 1 and Step 2 shall be non-precedential in nature.

The Company shall not confer with an employee with respect to a written grievance filed by the employee unless the employee’s Steward has been notified and given an opportunity to be present.

Failure of the Union to proceed within any time limit set forth in the procedure, hereinafter stated, shall constitute a waiver of the grievance unless such time limit has been mutually extended.

If a retroactive adjustment is involved in an employee’s grievance based upon a change in his job classification, such retroactivity shall not exceed thirty (30) calendar days prior to the date the employee’s written grievance was presented, unless extended by mutual agreement of the Company and the Union.
PART B - ARTICLE III, SECTION 1

Failure of the Company to act within the time limit set forth in any Step shall entitle the Union to proceed to the next Step. In a particular case, any time limit specified hereinafter may be extended by mutual agreement in writing between the Company and the Union.

Employee grievances shall not be filed in the employee’s personnel folder.

(A) The procedure on employee grievances, except on grievances arising out of discharge, layoff and recall from layoff, as herein after provided, shall be as follows:

Step 1. If discussions with supervision by the employee and Shop Steward do not result in the resolution of the violation, an employee who wishes to present a grievance shall state his grievance in writing on a form to be mutually agreed upon by the Union and the Company, which shall be dated and signed by the employee and shall set forth a complete statement of the grievance, the facts on which it is based, the time of their occurrence, and the remedy or correction desired. The employee’s Steward shall deliver such grievance to the Department Head. Unless the written grievance signed by the Employee has been delivered to the appropriate manager within ten (10) working days from the date the aggrieved knew, or by reasonable diligence could have known, the grievance shall be
PART B - ARTICLE III, SECTION 1

demed to be waived. The manager shall meet and discuss the grievance with the Steward and attempt settlement. Upon request by either the Steward or the Appropriate Manager, the employee's supervisor and/or the employee shall be present in the Step 1 grievance meeting.

Upon request and by mutual agreement between the Steward and the Department Head, the appropriate Labor Relations Representative and the appropriate Business Representative shall meet with the parties in Step 1 within fifteen (15) days of the request to provide assistance toward reaching settlement of the grievance. Such request must be made within the 7 working days required for the manager to answer the grievance.

Following the foregoing discussions, management will give its written answer to the grievance as soon as possible and in any event within seven (7) working days after receipt of the written grievance.

If a settlement has not been reached, the Department Head and the Steward shall prepare a statement setting forth the specific pertinent points upon which the Company and the Union are in agreement, those points upon which the Company and the Union are in disagreement, and the issue or issues remaining in dispute. Such statement shall be signed by the Department Head and the Steward. This statement shall constitute
PART B - ARTICLE III, SECTION 1

the factual basis for further processing of the grievance.

If a settlement has not been reached and the Union desires to proceed further with the grievance, the Union, within seven (7) working days after the receipt of management’s answer, shall proceed in accordance with Step 2.

If this statement of facts and issues is incomplete, either party may remand the grievance to the first step of the procedure for more complete information.

The written grievance of an employee on the active payroll arising out of the application of Article IV, Section 9 - Promotion and Upgrading, and Article IV, Section 3(A) 5(a) shall be submitted by the Steward to the appropriate manager within ten (10) working days from the date the aggrieved knew, or by reasonable diligence could have known about the basis upon which the grievance is founded. Without negotiations or any attempt to settle, the manager shall promptly sign and date the grievance and return such grievance to the Steward. Within five (5) working days after return to the Steward, if the Union desires to proceed further with the grievance such grievance shall be submitted by the Union directly from Step 1 to Step 3. The Union shall present such grievance to the Labor Relations Office for receipt and pro-
PART B - ARTICLE III, SECTION 1

Grievances arising out of the application of Article IV, Section 3 (A) 5(a) involving layoff shall be processed directly to Step 3 in accordance with Section 1, Paragraph (B) of this Article III.

Grievances arising out of the application of Article VIII, Section 1 (2) involving substantial change only shall be processed in accordance with Letter #50 by the Classification Grievance Committee.

Step 2. The Union shall deliver to the Labor Relations office a copy of the electronic grievance. Within ten (10) working days, a meeting will be scheduled for consideration of the grievance by the Business Representative and appropriate manager. The time limits for meeting may be mutually extended by the parties. If desired by management or the Business Representative, a member of the Labor Relations office may be present at Step 2 to assist in resolution. To facilitate this process, settlements made at Step 2 shall be non-precedential in nature.

If a settlement is not reached at Step 2, the Company will provide a written answer to the grievance within five (5) working days. If the Union desires to proceed further with the
grievance, the Union, within five (5) working
days after the receipt of such answer, shall pro-
ceed in accordance with Step 3.

Step 3. The Union shall deliver to the Labor
Relations office written notice of certification
that it desires to proceed with the grievance to
Step 3. Unless the grievance, within thirty (30)
working days after receipt by the Labor Rela-
tions office of said written notice, has been
scheduled for and heard by the appropriate
Committee, such grievance shall be deemed to
be waived. During such period the Union and
the Company will continue their efforts to re-
solve those grievances which remain unsettled.
It is the desire of the parties to have only griev-
ances of substance heard by the Committee. To
achieve this end, the Senior Negotiating Com-
mittee/Classification Grievance Committee
will review all pending grievances subject to
their jurisdiction prior to scheduling such
grievances to be heard at Step 3.

In order to expedite the hearing of grievances,
involving continuing liability, or unresolved
issues which result in a negative impact to Com-
pany operations, the Company may request the
Union to schedule a third step meeting on any
such grievance by notifying the President of
Local Lodge 709 in writing and the Union will
schedule the grievance before the appropriate
Committee within fifteen (15) working days.
Thereafter, if the case is not scheduled for hear-

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**PART B - ARTICLE III, SECTION 1**

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ing at the Joint Labor Relations Committee within the fifteen (15) day period, liability on the case will be waived beginning with the date of that meeting and continuing until such time as the case is heard by the Joint Labor Relations Committee. Liability will not be waived for any period during which the Company is unwilling or unable to meet.

On the days that the Committee is scheduled to meet, such Committee shall meet for a full working day provided all grievances scheduled to be heard by such Committee have not been mutually dispositioned. If such Committee after a full day’s meeting does not hear a case which has been scheduled, the time limits herein set forth shall be extended to the time of the next meeting.

Scheduled grievances shall be presented before the appropriate Committee in the following priority order:

(1) Grievances arising out of discharge, layoff, recall from layoff and other such grievances involving reinstatement.

(2) Grievances held over or remaining from a previous Committee which were scheduled for but not heard by such Committee.

(3) All other grievances scheduled for the Committee.
PART B - ARTICLE III, SECTION 1

Grievances in each of the above priorities shall be heard in the order of their date of filing.

(B) The procedure on grievances arising out of discharge, layoff, or recall from layoff, shall be as follows:

(1) Discharge and Layoff

The employee shall deliver his signed grievance to the Union who may deliver such written grievance to the Labor Relations office and proceed as set forth in Step 2 of this Section. Unless the written grievance signed by the employee has been delivered to the Labor Relations office within ten (10) calendar days after the discharge or layoff complained of, the grievance shall be deemed to be waived.

(2) Recall from Layoff

The written grievance of an employee on layoff arising out of recall from layoff should be delivered promptly by the Union to the Labor Relations office following the recall complained of, but in no event shall such employee be permitted to file such grievance beyond ten (10) working days from the date the aggrieved knew, or by reasonable diligence could have known from the date he returns to work from such layoff. Any monetary adjustment in-
PART B - ARTICLE III, SECTION 2

In some instances, an action by the Company may affect multiple employees causing them to be aggrieved. In these cases, to avoid multiple grievance filings, a grievance shall be designated as a multiple grievance where a single grievance will represent the interests of multiple affected employees. Designation of multiple grievances should be accomplished as early as possible in the process. This will be done by the Union and/or management attaching a list of names and dated signatures of employees who believe they are aggrieved to a single grievance form and indicating on the form that it is a multiple grievance. Thereafter, other affected employees may be added to the group by agreement between the parties.

Additionally, where the parties believe that multiple grievances are being filed on the same subject, the Company/Union shall close out such grievances in favor of the settlement of the multiple grievance. When this is done, any remedy applied to the original grievance will be applicable to all employees whose grievances have been closed in favor of the group grievance. In cases where grievances have
PART B - ARTICLE III, SECTION 3

been closed in favor of a single group grievance, either party may cite and rely on the facts of each and all of the cases in presenting its arguments. Once a group grievance has been filed it will be processed in line with the steps of a normal employee grievance as specified in this Article III.

Section 3 - Union Grievances

The Union may file a grievance with the Company with respect to the application or interpretation of any of the terms or provisions of Part B as follows: Article I (except Sections 1, 6 and 13), Article II, Article V (except Section 1), Section 5 of Article VI, and Sub-Section (2) of Section 1 of Article VIII. Such Union grievance shall be delivered to the Labor Relations office within ten (10) working days after the occurrence upon which such grievance is founded, and shall first be discussed by the Union and the Labor Relations office. Within seven (7) working days after receipt of such grievance the Labor Relations office shall deliver to the Union its answer in writing. If a settlement has not been reached and the Union desires to proceed further with the grievance, the Union within five (5) working days after receipt of such answer shall deliver to the Labor Relations office a written notice that it desires to present the grievance to the Joint Labor Relations Committee.
PART B - ARTICLE III, SECTION 4

The grievance shall be scheduled for and heard by the Joint Labor Relations Committee within thirty (30) calendar days from the date of such written notice. If the Committee does not hear a Union grievance which has been scheduled, the time limits herein set forth shall be extended to the time of the next meeting. If that Committee fails to settle the grievance, the Union may proceed in accordance with Section 6 of this Article. Failure of the Union to proceed within the time limits herein set forth shall constitute a waiver of the grievance.

Section 4 - Joint Labor Relations Committee

There shall be established a Joint Labor Relations Committee which shall consist of representatives of the Union and the Company. The representatives of the Union shall consist of a board of five (5) members, at least four (4) of whom shall be full-time employees of the Company. The representatives of the Company shall consist of a like number, at least four (4) of whom shall be full-time employees of the Company. This Committee may establish sub-committees on a permanent or temporary basis.

The Joint Labor Relations Committee shall review and attempt to settle all grievances which remain unsettled after the procedure set forth in Section 1 of this Article has been followed, and all disagreements concerning rates for jobs established by the Company after the procedure set forth in Article VIII, Section 1, (2) of this Agreement has been followed.
PART B - ARTICLE III, SECTION 5

The decisions of the Joint Labor Relations Committee shall be considered as final if a majority of the Union representatives and a majority of the Company representatives concur.

A meeting of this Committee shall be held weekly, or by mutual agreement more frequently if the volume of unresolved grievances at the third step warrants such additional meetings.

The Company will pay for one-half of the time of Union members of the Joint Labor Relations Committee (who are full-time employees of the Company) up to a maximum of four and one-half (4 1/2) hours on days during the regular work week when they meet with the Company on Company-Union business.

Section 5 - Classification Grievance Committee

There shall be established a Classification Grievance Committee which shall consist of three members of the Union and three representatives of the Company. The Committee shall meet once each week except when no grievances are pending. The Committee will consider any employee grievance in which the employee alleges that by reason of the performance of certain duties he is entitled to a classification different from the one he holds, when such grievance has been processed through the previous steps of the grievance procedure without having been settled. If the Committee acts affirmative-
ly on the employee’s request, it shall have the au-

uthority to determine the employee’s rate in the new
classification, if such rate is an issue in the griev-

ance.

The agenda for each meeting shall consist of those
grievances on which written notice has been re-
ceived by the Labor Relations office as provided in
Section 1 of this Article.

The Classification Grievance Committee shall meet
two (2) days quarterly for the purpose of mutual
review of classifications, classification usage and to
consider grievances pursuant to Letter 50. The
schedule for such meetings will be at a mutually
agreed time.

By mutual consent of the parties, any meeting may
be cancelled, or a special meeting called.

Section 6 - Arbitration

Any grievance, which has not been settled pursuant
to Sections 1 through 5 or 7 of this Article, may be
referred to arbitration.

The party seeking arbitration must deliver to the
other party written notice of such intent to proceed
to arbitration within five (5) working days after the
Joint Labor Relations Committee or the Classifica-
tion Grievance Committee has rendered its deci-
sion. Within ten (10) working days from the date
of delivery of the notice, an arbitrator shall be selected by mutual agreement, or the parties shall request the Federal Mediation and Conciliation Service to submit a list of five (5) persons from which the arbitrator shall be chosen. Within five (5) working days following the receipt of such panel from the Federal Mediation and Conciliation Service the parties shall select an arbitrator in the following manner: The Union and the Company shall alternately strike one (1) name from such panel (the right to strike the first name having been determined by lot) until only one (1) name remains and that person shall be the arbitrator. The parties may, during the term of this Agreement, agree to an alternative method of selecting an arbitrator.

Upon receipt of acknowledgement by the arbitrator of his willingness to act, the parties shall, within five (5) working days, schedule the arbitration to be heard within the next thirty (30) calendar days at the alternating facilities unless the parties waive by mutual agreement. If the arbitrator cannot hear the case within such thirty (30) days, it shall be scheduled at the earliest date thereafter agreeable to the arbitrator, or, by the mutual agreement, the parties may agree to select a new arbitrator or request a new panel in accordance with the procedure and within the time limits specified above. Failure by the party seeking arbitration to proceed within any of the time limits herein set forth shall result in a waiver of the grievance.
PART B - ARTICLE III, SECTION 6

The parties shall execute a submission agreement. If the parties fail to agree upon a joint submission each party shall submit a separate submission and the arbitrator shall determine the issue or issues to be heard, provided that said issue or issues are arbitrable in accordance with this Section. The joint or the separate submission shall state the issue or issues and the specific clause or clauses of this Agreement which the arbitrator is to interpret or apply.

The arbitrator shall have the authority to interpret and apply the provisions of this Agreement including the authority to determine under Article VIII, Section 1, (2), a basic rate of pay for a modified or newly established job. In consideration of cases involving employees off the payroll and in cases involving pay rates, the arbitrator's authority will be limited to award no more than two hundred and forty (240) calendar days pay or pay adjustment in remedy of any grievance. The arbitrator shall not have the authority to amend or modify this Agreement or to establish new terms and conditions of this Agreement. The decision of the arbitrator shall be final and binding upon the Company, the Union, and the employee, and shall be complied with expeditiously.

In the event an arbitrator is selected and a hearing date scheduled and agreed upon by both parties and either party subsequently cancels such hearing, the
PART B - ARTICLE III, SECTION 7

party so canceling shall pay any cost assessed by the arbitrator. Except as provided above, the compensation and expenses of the arbitrator and arbitration shall be divided equally, provided, however, that each party shall bear the expenses in respect to its own witnesses and that the cost of any report or transcript shall be divided equally only if furnished by mutual consent. Each party shall pay one-half of the aggrieved employee's time lost from work for appearance at the arbitration proceedings.

The parties recognize that honest resolution of grievances is dependent on early and truthful disclosure of the facts of the case. Accordingly, arbitrators are instructed to give greater weight to facts that are documented in case records early in the procedure and lesser weight to those facts that are raised later in the procedure. Specifically, facts or contentions that are raised for the first time before the arbitrator, that have not been considered by the parties, are to be entirely discounted and not considered by the arbitrator.

Section 7 - Alternative Resolution Process

During the life of this Agreement, either party may request the other party to enter into a program exploring the use of resolution, fact finding and/or conciliation techniques to assist the parties in addressing their disputes.
PART B - ARTICLE III, SECTION 7

Should the Company/Union Negotiating Committees mutually agree to implement any of the aforementioned processes, implementation ground rules will be established by mutual agreement, including at which step of the grievance procedure these techniques will be used.
PART B - ARTICLE IV SECTION 1

ARTICLE IV - SENIORITY

Section 1 - Basis of Seniority

Seniority shall be the relative status of employees in respect to length of service with the Company, subject to the following qualifications:

(1) An employee who, before February 7, 1955, was hired within the Marietta Plant of LM AERO - MARIETTA, or transferred to such Plant to work within it, shall have seniority dating from his original hire or rehire with the Corporation.

(2) An employee transferred from an occupation covered by this Agreement to a salaried occupation within the Company prior to January 1, 2006, shall continue to accumulate seniority and in case of transfer to an occupation covered by this Agreement such seniority shall apply.

An employee transferred from an occupation covered by this Agreement to a salaried occupation within the Company on or after January 1, 2006, shall not continue to accumulate seniority, but will retain the seniority previously accumulated while holding an occupation covered by this Agreement. In case of transfer to an occupation covered by this Agreement such seniority shall apply and will continue to accumulate.

A salaried employee possessing seniority in ac-
cordance with the above will first be placed in their previously held hourly classification if and where an open requisition exists. Where no openings exist the salaried employee possessing seniority in accordance with the above may be placed in any previously held classification covered by this Agreement provided such salaried employee possesses greater seniority than the most senior, qualified employee on the recall list for such classification. In the event such salaried employee possesses six (6) years' or more seniority and may not, due to insufficient seniority, be placed in the classification held immediately prior to his most recent transfer to a salaried occupation nor in any previously held classification lateral thereto or higher, such salaried employee shall be considered as surplus in the classification held immediately prior to his transfer to a salaried occupation and will be afforded placement rights under Section 3, Paragraph (A) (5) of this Article IV. Placement of a salaried employee under these provisions shall be into the highest of any such job classifications. If such salaried employee has been laid off his right to placement in an occupation covered by this Agreement shall be subject to the same provisions as are set forth in Section 8 of this Article.

(3) An employee transferred from an hourly occupation (except from an hourly occupation represented by another union) to an occupation covered by this Agreement shall have seniority dating from his original hire or rehire by the
PART B - ARTICLE IV SECTION 1

Company, except that any period of time spent by such employee in the employ of another Division of the Corporation shall not be included in the establishment of such seniority. An employee hired on or after October 1, 1974 into a non-represented hourly classification and thereafter transfers into a classification covered by this Agreement shall have seniority from the date of such transfer.

(4) A part-time employee shall be entitled to credit for length of service in the same proportion that time regularly worked by such part-time employee bears to the time regularly worked by a full-time employee except for purposes of layoff and recalling from layoff. For purposes of layoff, part-time employees shall not be considered to have acquired seniority.

(5) In order to facilitate the training and development of especially qualified individuals, particularly those with an appropriate academic background for executive, administrative and professional positions, the Company may classify employees as Special Trainees. The number so classified shall not exceed fifteen (15) at any one time. Special Trainees may be hired or selected from the work force and given assignments in available openings without regard to Sections 4, 9, 10, and 11 of this Article. In selecting trainees, preference shall be given to those individuals already in the employ of the Company who possess the necessary qualifications. They shall be paid within the rate range established for the job classification which they are assigned to perform, and shall not
PART B - ARTICLE IV SECTION 2

hold the classification of Special Trainee for a period in excess of two (2) years.

Section 2 - Establishment of Seniority Rights

Ninety (90) calendar days after an employee starts to work, he shall acquire seniority rights, and his seniority shall be retroactive to his starting date. During the first ninety (90) calendar days of his employment, he shall be considered probationary, and his retention as an employee shall be entirely within the discretion of the Company. This period may be extended by mutual agreement between the Company and Business Representative for a total period not to exceed one hundred (120) calendar days after an employee starts to work. On matters other than discharge or layoff, such employee shall be entitled to the same representation as other employees as set forth in Article I, Section 1.

If an employee is laid off during his probationary period and subsequently rehired any seniority accumulated during the twelve (12) months immediately preceding his rehire date shall be counted toward his probationary period. If such service is not continuous, the employee's seniority date shall be established as of a date ninety (90) calendar days or one hundred twenty (120) calendar days respectively prior to the completion of the probationary period.

An employee who is hired and begins work at the Company within thirty (30) calendar days following his termination at another plant of the Lockheed Martin Corporation or subsidiary thereof, or during
PART B - ARTICLE IV SECTION 3

the period such employee is on layoff and possesses recall rights to such other plant, shall not be required to serve a probationary period.

Section 3 - Layoffs

(A) General Layoff:

(1) An employee who has acquired seniority rights pursuant to the provisions of Section 2 of this Article shall not be laid off under the general layoff provisions of this Sub-Section (A) unless all employees in his occupation who have not acquired seniority rights pursuant to the provisions of Section 2 of this Article have been laid off. In a department where a surplus in an occupation develops and employees in such department and occupation who have acquired seniority rights and possess the same seniority date become vulnerable to layoff, such employee(s) possessing prior service will be given preference (where prior service information is available) in the following order; Marietta Hires, Lockheed Martin Aeronautics Hires, Lockheed Martin Corporation Hires and Others. Employees will be considered in these groups and the employee with the earliest original hire date will be considered more senior. The next preference will be given to employees with the lowest last five (5) digits in their employee number. Employee numbers (or prior service considerations) cannot be used for the purpose of displacing into another department or classification.
PART B - ARTICLE IV SECTION 3

(2) (DELETED 1986 NEGOTIATIONS)

(3) Employees who have acquired seniority rights shall be laid off in order of seniority applied by occupation, within the Company, where ability, skill and efficiency are substantially equal. This provision shall be applied as follows:

(a) Where ability, skill and efficiency are substantially equal, employees within the surplus group shall displace the least senior employees in the occupation in the Company.

(b) Employees in a department where a surplus in an occupation develops whose seniority makes them vulnerable to layoff from the occupation shall be included within the group considered as surplus within the department.

(4) An employee who has acquired seniority rights scheduled for layoff shall be placed in any lower-rated classification previously held or in any lateral classification previously held by such employee, provided that he is qualified to perform the work of any less senior employee in such classification in the department where the least senior employee in such classification is located and provided further that such less senior employee, whose work the surplus employee is qualified to perform is, himself, qualified to perform the work of the least senior employee in such classification. In this event such less senior
PART B - ARTICLE IV SECTION 3

employee shall displace the least senior employee in such classification.

(5) (a) An employee with a seniority date before January 1, 1978, with six years' or more seniority scheduled for layoff shall be placed in any lateral or lower-rated classification if he is qualified to perform the major duties set forth in the job description for such lateral or lower-rated classification which distinguishes such classification from other classifications.

The word "qualified" as used in this Subparagraph (5) (a) means that an employee must be able, without a training or learning period, to perform the major duties as set forth in the job description for such classification which distinguishes such classification from other classifications; however, such employee, placed in a classification not previously held, will be given orientation normally provided employees displacing in the classification not previously held. In order to be considered for placement consideration under this Subparagraph (5) (a), the employee must have on file with the Company full and factual information substantiating his qualifications for such lateral or lower-rated classification.

Such employee with six (6) years' or more seniority shall be considered as qualified for functional line placement.

(1) In a lower-rated classification in the same
PART B - ARTICLE IV SECTION 3

functional line of the job family as his current classification.

(2) In a lower-rated classification than that previously held in the same functional line of the job family as such previously held classification, provided such classification is lateral to or lower than his current classification.

(3) Such employee with six (6) years' or more seniority shall have functional line placement rights in accordance with Paragraph (5) (b).

(b) An employee with a seniority date after January 1, 1978 with one (1) year or more seniority scheduled for layoff shall be considered as qualified for functional line placement and shall be placed in a lateral or lower-rated classification in the same functional line of the job family as his current classification or in a lateral or lower-rated classification in the same functional line of the job family of a previously held classification provided he possesses greater seniority than the least senior employee in such lateral or lower-rated classification. Functional line placement consideration under this Sub-paragraph (5) (b) shall be limited to the agreed upon Functional Line Charts.

Employees hired or rehired on or after March 2, 2014, shall be placed in a previously held lateral or lower-rated classification, seniority permitting.
(c) Rehired LM AERO - MARIETTA Plant employees who have acquired seniority both currently and during prior employment shall have surplus placement rights to jobs previously held during current or previous tenure with the Company. Recall rights to any such jobs must be earned under current tenure as contractually defined.

In effecting placement under Sub-paragraphs (4) and (5) (a), (b), and (c) above, the Company shall, insofar as it is practicable, place the employee in the highest of any such classifications.

If such classifications are lateral (i.e., the same maximum rate), he shall displace in the classification occupied by the least senior employee.

(6) An employee who has completed the Lockheed Martin Apprenticeship Program and who is scheduled for layoff shall have placement rights in any lower-rated job in the functional line of the job family of the classification for which he served his apprenticeship, provided he is qualified to perform the work of the least senior of any less-senior employees in such classification.

(7) A surplus employee who has attained seniority will be placed in a lateral or lower-rated classification for which he is qualified if there is an available opening in such classification.

(8) The Company shall have five (5) working
PART B - ARTICLE IV SECTION 3

days in which to correct, without liability, any improper layoff resulting from a surplus employee accepting a job involving displacement of another employee and then declining such job within twenty-four (24) hours prior to the effective date he was scheduled to displace such other employee. Employees displacing into any classification shall be given the same guidance and instruction as given existing employees on new tools or processes added since they last held the occupation.

(9) The Company shall make the displacements provided for in Sub-paragraphs (4) and (5) as rapidly as possible. It is recognized, however, that circumstances may occur, particularly in layoffs involving more than one and one-half per cent (1 1/2%) of the employees in the bargaining unit which will make it necessary for the Company to lay off such employees for not longer than five (5) working days, until placement can be effected.

(10) Downgrade from a higher grade to a lower grade of an occupation, except for Lead, shall be made within the Company on the basis of seniority, where ability, skill and efficiency are substantially equal.

(11) In the event that a Lead becomes surplus the downgrade shall be made within the smallest unit under full-time supervision where the surplus occurs. Where ability, skill and efficiency are substantially equal the least senior Lead
leading the same occupations within such smallest unit as the surplus Lead shall be downgraded.

(12) An employee scheduled for downgrade within the occupation (unless the downgrade results from inability to perform the higher grade work) or scheduled for downgrade in lieu of layoff, may at the time such downgrade is offered, elect to take layoff in its place.

Provided, however, an employee in an occupation within a department having a surplus may request and receive a layoff provided such employee is more senior than a lower senior employee within the department scheduled for surplus from the occupation, and all open requisitions in the same classification within the plant have been filled. Employee written request for such layoff must be received by the department manager at least five (5) full work days prior to the effective date of the surplus or the date the affected employee is notified of the surplus declaration, whichever is later. Such employee's recall rights will be limited to the classification involved in the current layoff, and any recall rights to classifications higher than the classification from which voluntary layoff was taken to which the employee was entitled prior to the current layoff. Provided, however, that the recall rights of an employee who takes voluntary layoff shall be suspended.
from the classification from which laid off for a maximum of ninety (90) months or until the employee notifies Labor Relations in writing that they wish to be returned to the recall list. This notification, at minimum, will not become effective for a period of twelve (12) consecutive months immediately subsequent to the employee's layoff date without extending the employee's recall rights. Such employee shall remain on recall to higher classifications to which the employee had established recall rights prior to the current lay-off. Upon notification, and following the twelve (12) month period of suspension, the employee's recall rights shall automatically be reactivated and the employee will at that time be eligible for recall to the classification for which recall rights were suspended. Such employee, by electing voluntary layoff, shall forfeit recall rights to any lateral or lower classifications including recall rights to Labor Grades 1 thru 4 granted to them under Article IV, Section 4, Paragraphs (7) and (9).

(13) In the event an employee involuntarily loses their security clearance or program access and can no longer perform the work that is available in the department, the employee will be declared surplus and placed in accordance with provisions of this Article and Section.

(14) The word "occupation" includes all grades
PART B - ARTICLE IV SECTION 3

and Lead within an occupation, for example: Motor Rewinder is an occupation and includes Motor Rewinder Lead, Motor Rewinder A and Motor Rewinder B.

The word "classification" designates an occupation and in addition a specific grade of that occupation, as for example: Motor Rewinder A. Where there is only one grade in an occupation, such grade is assumed to be the A grade unless otherwise designated, for example: General Machinist. Classifications in the same labor grade are considered "lateral classifications".

Downgrading within an occupation refers to a movement from one grade of the occupation to a lower grade of the same occupation, as for example: Motor Rewinder A to Motor Rewinder B.

A downgrade in lieu of layoff refers to a movement from one classification to a lower-rated classification in a different occupation, for example: General Machinist to Machinist-Mill/ Machine Tools Set up.

(B) Temporary Layoff:

Temporary layoffs may be made for periods of not exceeding twenty (20) working days. Such layoffs shall be made in order of Company-wide seniority applied by occupation within the particular unit of organization, work unit or project affected where ability, skill and efficiency are
substantially equal. An employee shall not be temporarily laid off under this provision more than once in any calendar year until all other employees in the same classification within the affected group, as defined above, shall have been temporarily laid off once.

(C) Emergency Reduction of the Working Force:

Step 1. When an Emergency Reduction of the Working Force which involves the layoff of 5% or more of the employees in the bargaining unit is necessary, the first step in the Emergency Reduction of the Working Force shall be the layoff of employees affected, without regard to the General Layoff Procedure for the period of time necessary to put into effect Step 2.

Step 2. The second step of the Emergency Reduction of the Working Force shall be the carrying out of the General Layoff procedure. Such assignments shall not be governed by the Recall from Layoff procedure and shall be made as promptly as is reasonably possible.

(D) Top Seniority for Purposes of Layoff:

(1) For the purposes of applying the Temporary and General Layoff procedures, the following employees shall be deemed to have top seniority:

(a) Union Stewards and Committeemen of whose status as such the Company has had
PART B - ARTICLE IV SECTION 3

seven (7) calendar days' written notice. Upon written notification to the Company by the Union of the Stewards and Committee-men elected at the annual election of Union Stewards and Committeemen as provided for in Article II, Section 1, (A), (2) of this Agreement, in such instance the seven (7) calendar days' written notice provided for herein shall be waived.

(b) Union Representatives on the Senior Negotiating Committee not to exceed five (5) in number. Such representative shall not be transferred from one shift to another, except with his consent, provided he is competent to perform the work remaining within his classification on the shift in the department.

(c) Three (3) employees of the Company who are the permanent Union Representatives on the Classification Grievance Committee.

(2) During the period of a temporary layoff, the number of Committeemen shall not be reduced below the number allowed under the provisions of Article II, Section 1, as applied to the number of employees remaining.

A Steward shall not be laid off on a temporary layoff provided he is able and willing to perform the work remaining within the department and shift in the labor grade in which his classifica-
tion falls or in a lower labor grade. During a temporary layoff and during the period between the first and second steps in an Emergency Reduction of the Working Force, the terms of office of laid-off Union Stewards and Committee-men shall continue.

If a department or a shift within a department is shut down for a period not to exceed one-hundred-twenty (120) days, the Steward in such department or on such shift shall upon its reopening have top seniority in his occupation and shift for purpose of recall.

Section 4 - Recall

(A) Recall:

Employees shall be recalled from the recall list into the classification in which the opening exists in order of seniority, where ability, skill and efficiency are substantially equal. Upon recall to a classification of employees who become eligible for recall and who possess the same seniority date, such employee(s) possessing prior service will be given preference (where prior service information is available) in the following order; Marietta Hires, Lockheed Martin Aeronautics Hires, Lockheed Martin Corporation Hires and Others. The next preference will be given to employees with the lowest last five (5) digits in their employee number. Employees will be considered in these groups and the employee with the earliest original hire date will be considered more senior. The recall list shall include:
(1) Those employees laid off from the occupation in which the opening exists; and

(2) Employees who in lieu of layoff accepted placement in a lateral classification or downgrade from the classification in which the opening exists or who at the time of downgrade in lieu of layoff had displacement rights in accordance with Section 3 of this Article into such lateral or lower classification previously held and in which the opening exists and were not placed in such classification because of insufficient seniority; provided that regardless of the method of entry into his current classification (except in circumstances where the employee was placed into his current classification as a result of lateral recall) each employee shall have lateral recall rights to previously held lateral classifications provided a written request is filed with Labor Relations by the employee within seven (7) calendar days of his most recent placement in a job lateral to the requested classifications; and

(3) Those employees who, in lieu of layoff, accepted downgrade from the classification in which the opening exists and who were subsequently laid off. Such employees shall remain on layoff with recall rights to the job from which downgraded for a maximum of ninety (90) months; and

(4) Those employees on layoff who at the time of their layoff had displacement rights in ac-
PART B - ARTICLE IV SECTION 4

cordance with Section 3 of Article IV, into such lateral or lower classification previously held and in which the opening exists, but, because of insufficient seniority, were not placed into such classification; and

(5) Those employees who, in lieu of layoff, accepted downgrade and at the time of such downgrade had displacement rights, in accordance with Section 3 of Article IV, into such lateral or lower classification previously held and in which the opening exists, but were not placed in such classification because of insufficient seniority, and who were subsequently laid off. Such employees shall remain on layoff with recall rights to such jobs for a maximum of ninety (90) months.

(6) Those employees on layoff or downgrade in lieu of layoff, who at the time of layoff or downgrade in lieu of layoff, possessed displacement rights in accordance with the agreed upon Functional Line Charts into a lower or lateral classification in which the opening exists, but because of insufficient seniority were not placed into such classification.

(7) Employees with three (3) or more years' seniority at the time of layoff who are on layoff and have recall rights to any Factory classification(s), shall have recall rights to all Factory classifications in Labor Grades 1 through 4.

(8) Each employee with three (3) or more years
PART B - ARTICLE IV SECTION 4

of seniority at the time of downgrade in lieu of layoff who has recall rights to any Factory classification(s), shall have recall rights to all Factory classifications in Labor Grades 1 through 4 which are higher rated than his/her current classification.

(9) Employees with three (3) or more years' seniority at the time of layoff who are on layoff and have recall rights to any Technical and Office classification(s), shall have recall rights to all Technical and Office classifications in Labor Grades 1 through 4 with the following exceptions:

Typist (834-3).

(10) Each employee with three (3) or more years of seniority at the time of downgrade in lieu of layoff who has recall rights to any Technical and Office classification(s), shall have recall rights to all Technical and Office classifications in Labor Grades 1 through 4 which are higher rated than his/her current classification with the following exceptions:

Typist (834-3).

(11) Employees who have held both Factory and Technical and Office Classifications shall have recall rights to both Factory and Technical and Office Classifications as set forth in Paragraphs (7), (8), (9), and/or (10) above.
PART B - ARTICLE IV SECTION 4

Employees recalled to a Labor Grade 1 through 4 classification under this provision are not eligible for subsequent recall within other Labor Grade 1 through 4 jobs.

Any employee recalled to the active payroll from layoff other than temporary recall shall be retained for not less than four (4) weeks or paid in lieu thereof. This paragraph is not to be construed as giving any such employee placement, displacement or retention rights different from or in addition to those provided elsewhere in this Agreement.

An employee on layoff status may refuse recall to a job of temporary duration without losing his place on the recall list or his right to be considered for the next permanent opening for which he is eligible to be recalled. Employees refusing recall of temporary duration may be excluded from consideration for subsequent temporary recall for the following three (3) month period. A job of temporary duration, for the purpose of this paragraph, is defined as a job which, in the opinion of the Company at the time the offer is made, is of an anticipated duration of ninety (90) days or less. It is understood that the Company will use its best judgment in making such a determination, but will in no event be liable for errors in judgment in so determining.

If a laid-off employee fails to report for work and provides in accordance with Article IV, Section 8 (3) a reasonable excuse, the employee shall not be entitled to the job but shall be entitled to hold his place on the seniority list and to be considered for
PART B - ARTICLE IV SECTION 4

the next vacancy for which he is eligible.

(B) Relinquishment of Recall Rights:

An employee who becomes surplus under the General Layoff provisions of the Agreement and who is subsequently placed on lay-off, shall, upon his election as provided below in paragraphs (1), (2), and (3), relinquish his recall rights to such previously held, lower-rated classifications as set forth therein:

(1) A surplus employee, who at the time of layoff possesses displacement rights in accordance with Section 3 of Article IV into a lower classification previously held, and who elects layoff in lieu of such placement, by such election automatically relinquishes recall rights to the classification in which placement was declined and to classifications which are lateral to or lower than the classification into which placement was declined.

(2) A surplus employee, who at the time of layoff possesses displacement rights in accordance with Section 3 of Article IV into a lower classification previously held, but who cannot exercise such placement rights at the time of layoff because of insufficient seniority, may elect prior to placement on layoff to relinquish recall rights to such lower classification and by such election automatically relinquishes recall rights to classifications lateral to or lower than the classification to which recall rights were
PART B - ARTICLE IV SECTION 5

declined. Such employee must, prior to placement on lay-off, provide Labor Relations written or electronic notice of such intent and complete the necessary form relinquishing his recall rights to such lower classification previously held.

(3) A surplus employee placed on layoff while on Prolonged Leave of Absence, without the opportunity to exercise the rights provided in (B) (1) and/or (B) (2) above, may elect to exercise such rights by notification of such in writing to the Labor Relations Office of the Company within one week following the effective date of his layoff.

(4) A surplus employee with three (3) or more years' seniority at the time of layoff may elect prior to placement on layoff to relinquish recall rights to classifications in Labor Grades 1 through 4 contractually earned under Article IV, Section 4, Paragraphs (7) and/or (9). Such employee must, prior to placement on layoff, advise the Personnel Representative of such intent and complete the necessary form relinquishing his recall rights to such classifications.

Section 5 - Physically Handicapped Employees

(1) Physically handicapped employees (blind, those who are deaf and mute, or have similar disabilities) may be retained or reinstated regardless of the seniority principles stated in this Article in accordance with such mutual agreement as hereafter may be entered into between the Company and the Union.
PART B - ARTICLE IV SECTION 6

(2) An employee who becomes physically limited as a result of an injury, or illness, incurred in the course of his employment with the Company and determined by the Workmen's Compensation Board or the Company to be occupational, shall be retained or reinstated in a classification where an opening exists if he is qualified to perform such work, provided he applies for such reinstatement within thirty (30) calendar days after he is qualified to perform such work and further provided he has greater seniority than the most senior employee who has established priority rights under Article IV, Section 10 of this Agreement. He shall be paid at a rate within the classification applicable to the type of work to which he is assigned.

Section 6 - Employees Entering Armed Forces

Employees (other than temporary employees) who leave 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 Selective Service Act of 1948, as amended by the Universal Military Training and Selective Service Act of 1951, the Armed Forces Reserve Act of 1952 and the Reserve Act of 1955, and as such Act may be hereafter amended.

It is understood and agreed that no liability for the violation of any provision of this Agreement shall be predicated on any act done or omitted under the aforesaid Act, if such action or omission was in accord with any then in effect regulation, order, ruling,
PART B - ARTICLE IV SECTION 7

court decision, or administrative interpretation there-
of, issued by any authorized person or agency or
court of competent jurisdiction.

Any employee ordered by Selective Service to re-
port for a pre-induction physical or any employee
ordered by the Military Reserve to report for a phys-
ical examination preparatory to and in connection
with being ordered to military training and service
and thereby required to be absent from work, shall
be granted pay for lost time, which pay shall not
exceed pay at the regular rate for the employee’s
standard shift provided:

(1) The day of absence from work is necessary
to enable the employee to report to the Selective
Service Board or Military Reserve Station as
ordered; and

(2) The absence falls within the employee's reg-
ular work shift period; and

(3) The absence is to be temporary, following
which the employee will return to work; and

(4) The absence does not involve an overtime
day.

Section 7 - Information to be Furnished
the Union

See Article II, Section 6.
PART B - ARTICLE IV SECTION 8

Section 8 - Loss of Seniority

An employee shall lose his seniority upon the happening of any one of the following events:

(1) Resignation (a five-day unreported absence on scheduled work days without a reasonable explanation for failure to notify the Company shall be considered a resignation);

(2) Discharge for just cause;

(3) If, after a layoff, the employee is notified to report for work, by certified mail addressed to them at their address on record at time of layoff (or to the last subsequent address provided to the Employee Service Center), and fails within one (1) week after notification or such additional time as the Company may grant to report for work.

(4) Failure, after an interview, to report for work at the time designated by the Company or to furnish to the Company a reasonable excuse for failure to report;

(5) Layoff for a period of ninety (90) consecutive months.

(6) Failure to return from any leave within five working days of expiration.

(7) Any termination from the active payroll on a voluntary basis and accepting pension under the
PART B - ARTICLE IV SECTION 9

Section 9 - Promotion and Upgrading

(1) On promotion to Lead consideration shall be given to qualified employees under the first full-time supervision where the opening exists and when employee qualifications are equal, the most senior will be promoted to Lead. Leads will be selected or removed within a department based on need and job-related criteria. Non-job-related considerations will not be used in lead selection or removal.

(2) A list of the job classifications that have current and anticipated openings will be published on the Labor Relations Website as new job openings are identified. This list will also be provided to the Union by electronic communication.

(3) Each employee may file upgrade requests for promotion to as many as four (4) higher rated classifications, excluding trainee classifications. Employees that accept a promotion during their initial probation period will have their probation extended an additional 60 days from the time employee accepts promotion. In no case should this probation period total more than 180 calendar days. Laid off employees will be considered at Labor Grade 4 for purposes of administering this Agreement. Employees on voluntary layoff will not be consid-
PART B - ARTICLE IV SECTION 9

ered for upgrade. Upgrade requests, which may be filed either in writing on forms provided by the Company or electronically, will allow for the employee to document their previous job experience, education, training, and other qualifications. Requests shall be filed with the Company as provided herein prior to the date such promotion or upgrading is made. An employee background resume, shall be completed in conjunction with the employee’s request for upgrade. This resume and the job history sheet provided by the Company will be used in lieu of personnel records. After application, the candidate's resume will be evaluated against the established criteria for placement into the classification. The Union’s Senior Negotiating Committee and a committee of a like number of Company Representatives will meet as often as necessary to consider all employee requests for promotion. When new openings are identified a qualified list will be established not sooner than ten (10) calendar days after the job classification opening has been initially published. Once an initial qualified list has been established for a particular occupation, the parties will not be required to establish a new list until the list of available candidates has been exhausted or for a period of sixty (60) days if there are promotion requests for employees who are more senior than employees on the existing list. Employee applications will be reviewed in seniority order for placement on
the qualified list. The Committee, at each meeting, will review only the number of upgrade requests necessary to maintain a sufficient number of qualified employees to fill openings anticipated before its’ next meeting. If, after review, the applicant is found to be qualified, they will be added to a list of other qualified employees for future placement and the initial upgrade request for that classification will be removed from the upgrade system. If the parties agree that the employee does not meet the established criteria for placement, the employee will be notified in writing and informed as to what part of the criteria they did not meet. If an employee is found not to meet the criteria for a classification, their upgrade request will be removed from the upgrade request system and they will not be eligible to exercise provisions established in Article III nor reapply for that classification for six months and then only if they have made a substantial change in their qualifications through additional documented education, training or job experience.

In cases where either party questions an employee’s qualifications to perform the requirements of the job, the parties may by mutual agreement establish a performance demonstration suitable to determine the employee’s capabilities in order to be determined qualified to perform the job.
(a) If the parties cannot agree as to the employee’s qualifications for placement, the third party review process outlined in paragraph (c) of this section will be used.

(b) Thereafter, when an opening occurs, employees from the qualified list will be offered the promotional opportunity in seniority order, with employees from the department where the opening occurs being given an additional twelve (12) months credit in calculation of their seniority. Employee failure to respond to upgrade requests within three (3) working days following offer extension is considered a refusal. Employees who refuse a promotion opportunity will not be eligible to re-apply for the refused classification for a period of twelve (12) months from the date of refusal.

In cases where it is determined that an employee was bypassed for promotion due to employee notification over site, the employee will be offered the promotion opportunity on a current basis provided the Company is made aware of the bypass within ten (10) working days from the date of bypass. In the event the bypassed employee accepts the promotion opportunity, he/she shall displace the wrongfully promoted employee who will return to their former classification and resume their placement on the respective qualified list. Where the Company is not notified within ten (10) days of the bypass,
PART B - ARTICLE IV SECTION 9

the affected employee will be returned to the respective qualified list.

All employees who have applied and been deemed qualified will be candidates for placement. If there are no qualified applicants or if the Committee(s) have failed to review candidates for concurrence, the Company will utilize available resources to fill the vacancy. In cases where the Union has been given background information on an individual and a decision on the persons qualification has not been finalized in fifteen (15) working days, the Company will attempt to select internal candidates who, in the company’s opinion, meet the established criteria. The parties can agree to increase the days by mutual agreement. Thereafter, the Company will go to open hire. All remaining employees who have active upgrade requests for the occupation and who were not reviewed will be considered for future openings. New hires must meet the criteria established by the Company.

(c) When the parties cannot agree that an employee is either qualified or not qualified, the dispute will be submitted to a permanent third party arbitrator for resolution. The arbitrator will be limited in authority to decide “qualified” or “not qualified”. If the arbitrator rules the employee is qualified, the arbitrator will be limited to placing the employee in the job on a current basis without back pay.
Each sixty (60) days, or more often if needed, the arbitrator will be scheduled to hear cases. Six (6) cases per day will be scheduled, with the oldest disputed upgrade request being heard first. Each party will be given one half hour to present such evidence, documents or testimony it sees fit. Only evidence which had previously been considered by the parties shall be considered by the arbitrator. The Company will not raise the fact in arbitration that the Union had reviewed and discussed the criteria with the Company and provided suggested input regarding its content. After consideration of the evidence, within seven (7) calendar days, the arbitrator will rule that the applicant is either "qualified" or "not qualified".

The arbitrator will be selected for a twelve-month duration, subject to extension by agreement between the parties. The method of selection of the permanent arbitrator shall be the same as called out in Article III, Section 6 of this Agreement.

A set fee for hearing cases under these guidelines will be negotiated with the arbitrator and those fees will be equally split between the Company and the Union.

(d) Within fifteen (15) working days from the date of submittal by the Company, the Union's Classification Grievance Committee and the

PART B - ARTICLE IV SECTION 9
PART B - ARTICLE IV SECTION 9

Company upon request by either party, will meet to review, discuss and provide input into criteria for placement into existing jobs that are currently in place.

When new jobs are placed in the bargaining unit, the Union's Classification Grievance Committee and the Company will discuss criteria for placement into the new job.

The Company will not increase or reduce the criteria for any job without discussion with the Union's Classification Grievance Committee and allowing appropriate time for their input regarding the proposed changes.

Any reasonable time spent by the Union members of the Classification Grievance Committee in performance of these functions will be paid for one half by the Union and one half by the Company to a maximum of four and one-half (4.5) straight time hours per day.

(e) Criteria for each job and lists of qualified applicants will be made available electronically to the Union.

(f) An employee who is placed on a qualified list shall remain on that qualified list, unless the requirements described in the job description change, until the employee is placed in the classification requested or in a lateral or higher
classification, or until the employee withdraws his request or refuses an offer of placement into the requested job classification. However, an employee shall not be permitted to again submit an upgrade request for placement into a classification from which his application was withdrawn after filing a grievance for placement on the qualified list, for a period of six (6) months. In the event the employee is deemed qualified and afterwards removed from the qualified list, the employee must resubmit an upgrade request for future consideration.

(g) Decisions regarding employee promotion made as a result of this process, including decisions of the permanent arbitrator, shall not be subject to Article III.

(3) In selecting an employee for such promotion or upgrading to an available opening the following standards shall apply:

(a) Availability for Release. Operational requirements will be considered insofar as they pertain to the release of an employee from their present job. The Company will not unreasonably deny an employee a release for upgrading.

(b) Where ability, skill and efficiency are substantially equal, preference shall be given to the most senior qualified employee within the applicable unit.
PART B - ARTICLE IV SECTION 10

(4) Preference shall be given to the promotion of qualified employees eligible under this section before open hire.

(5) Employees participating in a Lockheed Training Program will not be placed in any other Lockheed Training Program until the employee has completed such program or the program has been discontinued.

(6) Where practicable, the parties may mutually agree on classifications where automatic progression into higher classifications can be accomplished. Once identified, employee selection for placement into these occupations will be made by selecting the most senior employee(s).

Section 10 - Priority in Filling Available Openings

In filling available openings in a job classification, employees in the following groups shall be combined and preference shall be given to the most senior qualified employee where ability, skill and efficiency are substantially equal:

(1) Employees who are surplus in a higher-rated or lateral classification and who are scheduled for placement in the job classification in which the opening exists.

(2) Employees on the recall list of the occupation in which the opening exists as defined in Section 4 of this Article.
A transfer within a classification may be made without reference to the priority above stated. A full time work assignment in a lateral or lower classification without change in classification may be made for a period not to exceed thirty (30) working days. Such period may be extended an additional thirty (30) working days provided such employees being so reassigned possess greater seniority than any employee on the recall list for such lateral or lower classification to which assigned. The affected Steward shall be notified at the time of any lateral or lower work assignment made under this paragraph.

Downgrading into classifications which have a recall list may be made upon mutual agreement of the Company and the Union for the following groups of employees provided such employees have greater seniority than any employee on the recall list for such lower classification:

(a) Physically limited employees who are unable to do the work of their current classification but are able to do the work in a lower-rated classification;

(b) Employees who, after normal instruction are trying to perform their job assignments but are unable to do so, and whose work records indicate that they would be satisfactory employees in a lower-rated classification.

(c) In the event no job opening exists, an employee included in one of the groups specified in
PART B - ARTICLE IV SECTION 11

(a) or (b) above, may, upon mutual agreement of the Company and the Union, displace the least senior of any less-senior employees in a lower classification if he is qualified to perform the work in such lower classification.

(d) An employee who has taken a downgrade due to medical conditions shall, upon request, and where an opening exists, be returned to the classification from which downgraded upon being deemed physically fit by their physician, seniority permitting, after examination by the Lockheed Martin Medical Department. Should a difference of opinion arise between their physician and the Medical Department, a third party physician in the field of said medical condition, who is independent of both parties shall by examination, paid for by the company, make the final determination of their medical condition as to placement into the higher rated classification.

Section 11 - Transfers

On transfers to openings, preference will be given within the applicable unit as stated below on the basis of seniority to employees who are competent to fill the openings. All transfers will be subject to and made on the basis of operational requirements of the Company. Consideration will be given first to such employees within the department; then within the division; then within the applicable major organiza-
PART B - ARTICLE IV SECTION 12

tional unit of the Company; then within the Compa-
y. The word "transfer" as used herein does not ap-
ply to promotion to higher-rated jobs; to upgrading
from lower grades to higher grades in an occupation
or to downgrading to lower-rated jobs.

Section 12 – Job Opportunities

Any bargaining unit employee on layoff with recall
rights to any bargaining unit job, will be given pref-
erence for any pre-hire training that is offered before
it is offered to non-employees provided the employ-
ee meets the respective selection criteria.
ARTICLE V - EMPLOYMENT CONDITIONS

Section 1 - Sanitary, Safety and Health Conditions

The Company agrees to maintain sanitary, safe and healthful conditions in all its plants and working establishments in accordance with applicable laws. Proper and modern safety devices and protective safety equipment such as but not limited to rubber, asbestos or leather gloves or aprons, canvas arm protectors, rubber boots, safety goggles and respirators will be provided where warranted by the hazards of the work.

No employee shall be discharged or otherwise disciplined for refusing to work on a job not made reasonably safe or sanitary for him, or that might unduly endanger his health.

Employees who are injured on the job and as a result are unable to complete their shift, shall receive pay at their regular hourly rate for the balance of this shift on which the injury occurred.

Prescription ground safety glasses broken during the performance of an employee's job duties shall be replaced by the Company.

The Union may select five (5) representatives to serve on the Company's General Safety Committee.

Upon request, members of the General Safety Com-
PART B - ARTICLE V SECTION 2 & 3

The committee will be given one (1) copies of the final accident report and recommended corrective action and two (2) copies of data obtained from air, noise, hazard, or toxicity studies as affects the working environment at LM AERO - MARIETTA.

Section 2 - Hiring Age

The Company agrees that there shall be no established maximum age limit in the hiring or retirement of employees.

Section 3 - Employment Not Jeopardized

Union membership or legitimate Union activity will not jeopardize an employee's standing with the Company or opportunity for advancement.
PART B - ARTICLE VI SECTION 1

ARTICLE VI - EMPLOYEE PRIVILEGES

Section 1 - Vacations

(A) Vacation Service and Privileges of an Employee on the Active Payroll of the Company:

(1) An employee’s vacation begins to accrue on the first day of hire. Vacations will be accrued at the monthly rate shown below for any calendar month or partial calendar month worked by the employee (the employee must have been actively at work for at least one (1) hour during the month to qualify for accrual. Employees’ utilizing paid vacation (or any combination of vacation and holiday pay) for the entire month will be considered to have met this requirement). Employees’ vacation balances will be available for use immediately upon being credited with the preceding months vacation accrual on the first workday of the month following the month of accrual.

(2)

<table>
<thead>
<tr>
<th>Completed Years of Seniority or Continuous Service</th>
<th>Vacation Accrual</th>
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<tbody>
<tr>
<td>Less than 10 years</td>
<td>6.67 hours per month</td>
</tr>
<tr>
<td>10 years to 19 years</td>
<td>10.00 hours per month</td>
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<tr>
<td>20 years or more</td>
<td>13.34 hours per month</td>
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</table>
PART B - ARTICLE VI SECTION 1

(3) Pay for each week of vacation for a full-time employee means pay for forty (40) hours at the employees’ regular base rate of pay at the time vacation is taken. An employees’ regular base rate of pay does not include overtime, shift bonus, or any other premium, except that pay for a vacation for night shift employees shall include the night shift bonus in effect during the period of such employee’s vacation.

(4) Vacation for an employee who is working on a part-time basis will accrue monthly at a ratio based on their hours worked compared to a forty (40) hour schedule. For example, an employee with less than ten (10) years of service, working a twenty (20) hour per week schedule during the month, would accrue 3.34 hours of vacation for that month.

(5) An employee who is laid off, retires, terminates or enters the Armed Forces pursuant to Article IV, Section 6, of this agreement, will be paid their accrued vacation hours at the time of termination. Within the first sixty (60) days after returning to the active payroll, an employee who is laid off or who terminates for the purpose of entering the Armed Forces may have up to twenty (20) hours of vacation (not to exceed the number of hours paid out) reinstated by reimbursing the number of hours desired at the employee’s current rate of pay plus any taxes required. The accrued vacation balance of a de-
PART B - ARTICLE VI SECTION 1

ceased employee will be paid to the employee’s estate.

(6) An employee who is hired and begins work at the Marietta Plant of the Company within thirty (30) calendar days following his termination at another plant of the Lockheed Martin Corporation or subsidiary thereof, or during the period such employee is on layoff and possesses recall rights to such other plant, shall have his vacation accrual rate based upon the total active seniority accumulated by such employee with the Lockheed Martin Corporation or subsidiary thereof.

(7) Time lost, not to exceed six (6) months, due to occupational injury or occupational illness shall be counted for the purpose of vacation accrual if the employee returns to the active payroll of the Company.

(8) Employees who are placed on a leave of absence to fulfill active military duty requirements will continue to accrue their appropriate allotment of vacation as defined herein on a monthly basis during the leave period provided the employee submits to the Company the associated Military paperwork prior to leave commencement.

Vacation accrued under this provision is not subject to payout during the leave period, but will be available for employee use upon return
PART B - ARTICLE VI SECTION 1

to the active payroll. Employees who terminate their employment while on leave of absence or who fail to return from leave within five working days of leave expiration in accord with Article IV, Section 8 will be paid their accrued vacation balance at the time of leave commencement. If the military leave is greater than thirty (30) days, Military Discharge paperwork is required before the employee is allowed to return to work.

This provision will become effective as soon as administratively practical as deemed by the Company following the effective date of the contract.

(B) Scheduling of Vacations:

(1) Each employee may accumulate vacation up to a maximum of 400 hours. Vacation will continue to be accrued beyond the maximum with all vacation above the maximum paid out at year-end at the employees current base rate.

(2) An employee may request up to ten (10) vacation days each year which may be taken in half-day increments (excluding lunch). The request must be made for either the first or the last half of the shift. Vacation may also be taken in one (1) hour increments. Employee request for a full single day, half day or one (1) hour increment vacation must be made no later than the end of the requesting employee's regul
PART B - ARTICLE VI SECTION 2

larly assigned shift on the work day preceding
the vacation requested. Advance employee re-
quest for vacations will not be unreasonably
denied. (Excluding full single days, Fire De-
partment personnel will be authorized a mini-
umum of one (1) hour or a maximum of two (2)
hours vacation at the beginning or end of their
normal shift assignment provided the request is
made no later than the end of the requesting em-
ployee’s regularly assigned shift on the work
day preceding the request).

In case of emergency and subject to validation
to be provided by the respective employee, he/
she may take a full single day, half-day or one
(1) hour increment vacation provided the re-
quests is made no later than fourteen (14) hours
prior to the start of the employee’s next schedule
workday (this provision does not apply to sched-
uled overtime days).

(3) Vacations shall be taken when they interfere
least with production. Vacations requested at
least one (1) week in advance will be given pre-
ference in scheduling. So far as is practicable,
vacation time preference will be given to em-
ployees with the greatest seniority.

Section 2 - Sick and Injury Leave

(A) Sick and Injury Leave Benefits of an Employee
on the Active Payroll:
PART B - ARTICLE VI SECTION 2

(1) A seniority employee may accrue up to forty-eight (48) hours of sick and injury leave with pay per year that may be used in the event of his absence from work because of occupational or non-occupational sickness or injury, or in the event of his absence from work because of death or serious illness in his immediate family.

(2)(a) An employee’s sick and injury leave benefits begin to accrue on the first day of hire. Sick and injury leave will be accrued on the monthly rate shown below for any calendar month or partial calendar month worked by the employee (the employee must have been actively at work for at least one (1) hour during the month to qualify for accrual). Employees’ sick and injury leave balances will be available for use immediately upon being credited but no later than the 1st day following the month of accrual.

<table>
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<tr>
<th>Sick and Injury leave Accrual Schedule for Full Time Employees</th>
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<tbody>
<tr>
<td>Sick and Injury leave Accrual</td>
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<tr>
<td>Full-time Employees</td>
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</table>

(3) Sick and injury leave may be taken in either a one (1), two (2), three (3), four (4), five (5), six (6), seven (7), eight (8), or nine (9) hour increments.

(4) A full-time employee means an employee who is regularly scheduled to work forty or
more hours per week.

(5) Pay for sick and injury leave for a full-time employee means pay for eight (8) hours (or nine (9) hours when assigned to an alternating nine/eighty schedule except for eight (8) hours on Fridays) at the employee's regular base rate of pay plus shift bonus and odd work week bonus, if any, at the time sick and injury leave is used.

(6) Pay for sick and injury leave of a part-time employee shall be proportionately reduced.

(7) At the end of each calendar year, each employee shall be paid for the hours of unused sick and injury leave to which he has become entitled under Section 2 of this Article. Pay for such hours of unused sick and injury leave shall be at the employee's base rate plus shift bonus and odd work week bonus, if any, in effect at the end of the calendar year.

Effective with service years ending on or after March 10, 1999, such unused sick and injury leave may, upon appropriate notice to the Company, be deferred for a maximum accumulation of six hundred seventy two (672) hours. Any deferred sick and injury leave may be used in the subsequent years as sick and injury leave, payable at the current rate, as defined in Paragraph (A) (5) above, or the employee may receive pay for such deferred sick and injury leave during the subsequent year(s) at one of the following times:
PART B - ARTICLE VI SECTION 2

(1) At the time vacation is taken;

(2) At any time with administrative approval (normally, after two (2) weeks' notice);

(3) At the end of such service year(s) if still accumulated and unused.

Pay for deferred sick and injury leave which is not utilized during the following service years as sick and injury leave will be paid at the current rate as defined in Paragraph (A) (5) above.

(B) Accrued hours of sick and injury leave shall be paid to an employee who terminates, is terminated or dies. Laid off employees will be paid their accrued sick and injury leave hours at the time of termination. Employees’ placed on Leave of Absence may be paid their accrued sick and injury leave hours upon written request from the employee. Time lost, not to exceed six (6) months, due to occupational injury or occupational illness shall be counted for the purpose of accruing sick and injury leave benefits. Within the first sixty (60) days after returning to the active payroll, an employee who is laid off or who terminates for the purpose of entering the Armed Forces may have up to twenty (20) hours of sick and injury leave (not to exceed the number of hours paid out) reinstated by reimbursing the number of hours desired at the employee’s current rate of
pay plus any taxes required.

(C) Verification and Notification:

All sick and injury leave is subject to verification by the Company's Medical Department. An employee shall make every effort to notify his Department Head in advance of his scheduled reporting time, of his forthcoming absence from work because of illness or injury or death or serious illness in his immediate family.

(D) Prolonged Disability:

An employee shall not be terminated by the Company because of a prolonged continuous illness or injury, provided the period of disability is not longer than sixty (60) months and, upon being pronounced physically and mentally fit by the Company, shall be reinstated to the same or substantially equivalent job if such job is available to him in accordance with his seniority rights.

Employees on prolonged absence must contact the Company and update their status at least once every ninety (90) calendar days unless they have a current PROI which specifies a date of return to duty.

An employee on prolonged absence because of occupational illness or injury shall not be terminated from the Company because of such absence, regardless of its duration and such employee shall continue to accumulate seniority until his reinstatement.
PART B - ARTICLE VI SECTION 3

Section 3 - Holidays

(1) The Company recognizes the following holiday schedule during the period of this Agreement:

**2014**
- May 26  Memorial Day  8
- July 4  Independence Day  8
- September 1  Labor Day  8
- November 27  Thanksgiving Day  8
- November 28  Day After Thanksgiving  8
- December 24  Christmas Holiday  8
- December 25  Christmas Holiday  8
- December 26  Christmas Holiday  8
- December 29  Christmas Holiday  8
- December 30  Christmas Holiday  8
- December 31  Christmas Holiday  8

Total Holiday Hours  88

**2015**
- January 1  New Year’s Holiday  8
- May 25  Memorial Day  8
- July 3  Independence Day  8
- September 7  Labor Day  8
- November 26  Thanksgiving Day  8
- November 27  Day after Thanksgiving  8
- December 24  Christmas Holiday  8
- December 25  Christmas Holiday  8
- December 28  Christmas Holiday  8
- December 29  Christmas Holiday  8
- December 30  Christmas Holiday  8
### Part B - Article VI Section 3

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**2016**

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<tr>
<td>May 30</td>
<td>Memorial Day</td>
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<tr>
<td>July 4</td>
<td>Independence Day</td>
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<td>September 5</td>
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**2017**

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<td>May 29</td>
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<td>July 3</td>
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<td>December 28</td>
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<td>December 29</td>
<td>Christmas Holiday</td>
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<tr>
<td></td>
<td><strong>Total Holiday Hours</strong></td>
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<tr>
<td>2018</td>
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<tr>
<td>January 1</td>
<td>New Year’s Holiday</td>
<td>8</td>
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<tr>
<td></td>
<td><strong>Total Holiday Hours</strong></td>
<td><strong>8</strong></td>
</tr>
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Any employee who is not scheduled to receive a full week check may receive a payment from their vacation balance to cover the difference between hours worked and a normal weeks pay. Employee requests for payment should be made to the Payroll Accounting Department at least one (1) week in advance.

(2) Full pay eight (8) hours at straight time including shift bonus and odd work week bonus, if any; shall be paid to employees for each of these holidays regardless of the day of the week upon which the holiday falls. In addition, two times the regular rate of the employee shall be paid for hours worked on holidays.

(3) In order to be eligible for holiday pay, an employee must have worked or have been on a vacation or a paid leave (other than paid sick leave) on the last work day before or the first work day after the holiday; except that when the holiday falls on the day before employment or the day after termination, or during an employee's leave, no pay under this Section shall be granted.
PART B - ARTICLE VI SECTION 4

(4) Should a recognized holiday fall upon a Sunday, the Monday immediately following such shall be observed as the holiday. Should a recognized holiday fall upon a Saturday, the Friday immediately preceding such Saturday shall be observed as the holiday unless the work schedule of the majority of employees includes Saturdays, in which event the holiday shall be observed on such Saturday. Should a holiday fall upon the sixth or seventh day of the work week of an employee assigned to an odd work week, the preceding or the following day, respectively, shall be considered a holiday for such employee.

(5) An additional day's pay shall be granted to an employee on vacation if a holiday for which he would have been paid had he been working falls during his vacation.

Section 4 - Leaves Without Pay

Leaves of absence without pay may be granted employees for a period not to exceed ten (10) working days during the year. Such request shall not unreasonably be denied, however, if the request is not granted, the Department Manager shall give the employee written notice why the request is denied. In the event an employee protests the Department Head's refusal to grant such a leave of absence, the matter will be referred to supervision at the office manager level for final determination. For good and sufficient reason the Company may extend the period of the leave. The leave of absence shall not in any
way jeopardize the employee's standing with the Company.

On all leaves of absence of ninety (90) calendar days or less, an employee shall accumulate seniority. On leaves of absence exceeding ninety (90) calendar days, seniority shall continue to accumulate after ninety (90) days, for up to a maximum period of sixty (60) months while on such leaves only for employees on prolonged leave for medical reasons; provided, however, that on leaves of absence heretofore or hereafter granted for Union business the employee shall accumulate seniority during such leaves.

Upon employee request, leaves of absence will be granted employees in accord with provisions established under the Family Medical Leave Act, at minimum, in effect at time of ratification.

The effective date of leaves of absence for medical reasons normally will be the last day worked except where the last day worked is the day before a holiday, in which event the holiday will be considered as the last day worked.

If, however, the employee has earned unused vacation or sick leave and requests payment for same prior to being placed on medical leave of absence, the effective date of the leave will be the last day of such vacation and/or sick leave.

The Union may request, and the Company will grant, leaves of absence of three (3) days or more
without pay, and excused absences of less than three (3) days without pay to Union members for Union business of Aeronautical Machinists Local Lodge 709 provided the service(s) being rendered is in direct support of Union operations (two members of the Union’s Legislative Committee shall be released without pay for not more than three (3) days per week for a period not to exceed ten (10) weeks during the months of January thru March for the purpose of attending the Georgia Legislative Session). All such leaves and excused absences will be requested only in reasonable numbers and at reasonable times upon twenty-four (24) hours' written notice to the Company except when such notice is waived by mutual agreement. Upon request, the Union will provide verification for the reason for the Leave of Absence for Union Business.

Leaves of absence for a period not to exceed six (6) months will be granted to not more than two (2) employees for business of the IAM&AW other than Aeronautical Machinists Local Lodge 709, except that by mutual agreement of the Union and the Company leaves of absence for a longer period or for additional employees may be granted.

An employee shall be eligible for three (3) days unpaid bereavement leave each calendar year upon a death in his/her immediate family. Employees shall provide verifiable evidence related to the reasons for this leave upon Company request. For purposes of this Section, immediate family shall mean: Mother, Father, Spouse, Same-Sex Domestic Partner, or
PART B - ARTICLE VI SECTION 5

Lockheed Martin Registered Dependents.

Section 5 - Rest Periods

A ten-minute rest period at times designated by the Company at or near the mid-point of each half of the Day and Night shifts shall be given to all employees assigned to such shifts.

Employees working overtime shall be allowed to observe the regular rest periods provided for herein which occur during such overtime period.

Additional rest allowances shall be permitted under the following conditions:

1. Whenever an employee is called to work two (2) or more hours prior to the beginning of his shift he shall normally be given a ten-minute rest allowance before starting his regular shift.

2. Whenever an employee will be working two (2) or more hours beyond the end of his regular shift he shall normally be given a ten-minute rest allowance prior to starting such work.

Exceptions may be made under 1 and 2 above with respect to when and for how long such rest allowances will be where work operations, including the handling and operation of equipment and machines, are of such a nature that the work needs to be continued without interruption. Under these conditions
supervision should still endeavor to allow an employee ten minutes rest during the work period outside the shift.

Section 6 - Jury Duty

When an employee is absent from work in order to serve as a juror or to report to the court in person in response to a jury duty summons, he shall be granted pay for those hours for which he is for such reason absent from work during his regular eight (8) hour day or regular five (5) day work week (or nine (9) hours when assigned to a nine/eighty schedule except for eight (8) on Fridays).

Pay for such work time lost shall in no event exceed, for any one employee, a total of twenty (20) regular eight (8) hour work days (or nine (9) hours when assigned to a nine/eighty schedule except for eight (8) on Fridays) in any one calendar year. In extraordinary circumstances such period of time may be extended. Pay for such work time lost shall be computed at the employee's regular base rate of pay at the time of such absence excluding any overtime, shift bonus, or any other premium except the Cost-of-Living Bonus which shall be included. In no case will payment be made for jury duty performed on the sixth or seventh day of an employee's regular assigned work week or for hours in excess of the employee's regular eight (8) hour work day (or nine (9) hours when assigned to a nine/eighty schedule except for eight (8) on Fridays).
PART B - ARTICLE VI SECTION 6

If an employee assigned to the night shift or graveyard shift is absent from his work on such shift on the calendar day he serves as a juror, such absence shall be deemed to be an absence from work in order to serve as a juror.

To receive pay for work time lost an employee must promptly present his Department Head with the notice the employee receives to report for jury duty and a statement signed by an official of the court certifying as to the employee's service as a juror or appearance in court for that purpose and, the date or dates of attendance.

When an employee is absent from work in order to serve as a witness in a case in a court of law to which he is not a party either directly or as a member of a class and where such absence is in response to a legally valid subpoena he shall be granted pay for those hours for which he is for such reason absent from work during his regular eight-hour day or regular five-day work week. Such employee may be required to submit evidence of such service as a witness to the Company in order to qualify for such payment. Pay for absence due to service as a witness shall be computed in the same manner as pay for absence due to jury duty as provided above.

Pay for work time lost for jury duty or service as a witness as provided above shall together not exceed, for any one employee, a total of twenty (20)
regular eight (8) hour days in any one calendar year (or nine (9) hour days when assigned to a nine/eighty schedule except for Fridays). In extraordinary circumstances such period of time may be extended.

Section 7 - Employees' Group Insurance Plan

(A) The benefits provided by the Lockheed Martin Employees' Group Insurance Plan and the Dental Plan, as currently in effect, shall continue to be made available to employees covered by this Agreement either by presently provided means or by other means. The schedule of benefits in effect March 10, 1999 as amended and approved April 28, 2002, shall continue to be made available to employees covered by this Agreement.

(B) Employee contributions for employees and for eligible dependent coverage will be as stipulated.

(C) In accordance with regulations published or to be published under the Health Maintenance Organization Act of 1973, the Company will make such arrangements for alternative health maintenance services as may be required to comply with the Act. Employees who enroll in an HMO will be required to make contributions for coverage effective up to the stipulated maximum. The Company agrees to offer employees and their eligible dependents effective February 1, 1981, the option of electing medical coverage through one each of the two types of federally qualified health maintenance organizations,
PART B - ARTICLE VI SECTION 8 & 9

where they exist, in lieu of coverage through the Group Insurance Plan.

Effective January 1, 1994 the Flex Benefit Plan will include alternative Medical, Dental, Life Insurance, Accidental Death & Dismemberment, and Weekly Disability Benefit Coverage and a Health Care Account.

(D) DELETED - 1989 NEGOTIATIONS.

(E) Interpretation or application of the Plans shall not be subject to the provisions of Article III of this Agreement.

Section 8 - Educational Facilities

An employee satisfactorily completing an outside training course which has been approved in writing by the Company prior to the employee's beginning such course will be reimbursed in accord with Corporate Policy (CRX 0551) in effect at the time of current contract ratification.

Section 9 - Military Reserve Training Leave

An employee on the active payroll of the Company who is required to engage annually in two consecutive weeks (up to fourteen consecutive days) of military reserve training, including National Guard, and who has at least twelve (12) months of military reserve service credit immediately prior to commencement of the training period, shall, upon the employ-
ee's request, be granted a leave of absence for the period of training, and shall be paid the difference between the pay received for the training period (excluding subsistence, travel and quarters allowance) and the amount of wages the employee would have received during the training period had the employee worked his normal work schedule (excluding overtime) during the training period. Such employee will be paid for up to ten (10) working days during a calendar year which may be taken in increments of one (1) to ten (10) days. The "amount of wages" shall be determined on the basis of a forty (40) hour weekly work schedule (thirty-two and one-half (32-1/2) hours if the employee's normal work schedule was on graveyard shift) at the employee's regular rate in effect on the last day worked immediately preceding the date the training leave commences. The "regular rate", for purposes of this provision, shall include the employee's base rate plus shift bonus and other premium payments applicable to his normally scheduled working hours excluding overtime, to the extent such bonuses or premiums would have been applicable had the employee worked the same shift and weekly work schedule to which he was assigned during the last payroll period ending immediately preceding the date the training leave commences. To obtain payment under this provision the employee shall submit certification of participation in the training period and of the amount of pay received for the training period. (This provision effective December 1, 1974.)
ARTICLE VII - PAY PROVISIONS

Section 1 - Wage Rates and Performance Reviews

The following provisions governing wage rates and performance reviews shall apply to all employees unless stated otherwise in the Guaranteed Personal Rate provisions.

(A) Automatic Rate Progression:

Automatic Rate Progression Increases shall be effective the Second Saturday in January, May and September for all active employees who are below the maximum of their classification and who have been on the active payroll for the full Automatic Rate Progression period. The base rate of pay shall be increased twenty-five cents (25¢) per hour on the above dates (or such lesser amount as is necessary to bring the rate to the maximums) until the applicable maximum for the classification is reached.

(B) Downgrades:

(1) An employee downgraded to a classification in a lower labor grade shall be paid the maximum rate of the range for such classification, or the employee's current rate, whichever is lower.

(C) Performance Reviews:

A performance review will be given annually during
the month of June upon request of the employee and a copy of such review shall be given to the employee. Employee request for a review must be made in writing during the preceding month of May.

(D) Pay Rate on Promotion:

An employee promoted will be paid at the greater of either the minimum of the classification to which promoted, or ten cents (10¢) per hour above their current rate (unless the employee is currently in rate retention), and their automatic wage increase will proceed from that rate.

1. If an employee's promotion is effective on the date of an automatic wage increase, his base rate will be established as follows:

   If the employee’s base rate is below the maximum of the rate range for their classification prior to promotion, their base rate will be increased by the amount of the automatic wage increase to which they are entitled and such increased base rate will be their base rate just prior to promotion.

2. If the employee’s base rate is at the maximum of the rate range for their classification prior to promotion, their base rate will be increased by ten cents (10¢) or the amount necessary to bring their rate to the minimum of the classification to which promoted, whichever is greater, or by an amount less than ten cents (10¢) if that will bring their rate to the maximum of the classifica-
PART B - ARTICLE VII SECTION 2

tion to which promoted.

3. If the employee is currently in rate retention on the effective date of the promotion, the employee will be paid ten cents (10¢) per hour above the maximum rate of the classification to which regressing or ten cents (10¢) above the current rate of the employee whichever is the lower rate.

Note: In the event that application of the provisions of Supplement F, Code (letter) #9, would result in a rate different from the rate obtained by application of the foregoing, the rate most favorable to the employee shall be used.

Section 2 - Rate Retention for Employees Accepting Downgrading Under the Layoff Procedure

An employee downgraded to a classification in a lower Labor Grade shall have his base rate in the downgraded classification established as follows:

An employee downgraded through application of the layoff procedure as set forth in Part B - Article IV, Section 3, shall have his base rate reduced as follows:
### PART B - ARTICLE VII SECTION 2

<table>
<thead>
<tr>
<th>Effective date of downgrade</th>
<th>Up to ten cents (10¢) reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Three weeks subsequent to downgrade</td>
<td>Up to an additional ten cents (10¢) reduction</td>
</tr>
<tr>
<td>Six weeks subsequent to downgrade</td>
<td>Up to an additional ten cents (10¢) reduction</td>
</tr>
<tr>
<td>Nine weeks subsequent to downgrade</td>
<td>Up to an additional ten cents (10¢) reduction</td>
</tr>
<tr>
<td>Twelve weeks subsequent to downgrade</td>
<td>Up to an additional ten cents (10¢) reduction</td>
</tr>
<tr>
<td>Fifteen weeks subsequent to downgrade</td>
<td>Any additional amount required to downgrade to reach the maximum of the classification to which the employee is being downgraded.</td>
</tr>
</tbody>
</table>
Section 3 - Temporary Promotion

An employee assigned to a classification in a higher labor grade to replace another employee absent on vacation or for a temporary period, shall be paid the same rate of pay as that held by the absent employee. A retroactive wage adjustment shall be made upon completion of his assignment. Such temporary assignment shall not be considered an upgrading within the meaning of Article IV, Section 9, of this Agreement, and upon reassignment of such employee to his previously held classification at the end of the temporary period he shall not be considered a downgraded employee within the meaning of Article IV, Sections 3 and 10, of this Agreement. Seniority will be considered in the selection of employees for temporary promotion.

An employee assigned to replace a Lead who is absent on vacation or for a temporary period will be selected in accordance with Article IV, Section 9, and will be paid in accordance with Section 11 of this Article VII. The temporary status of the assignment will be recorded on the employee's change document and, upon return of the absent Lead, the replacing employee will be returned to his original status.

Section 4 - Overtime Pay

(1) Hours worked in excess of eight (8) hours in any one day of an employee's work week shall be paid for at one and one-half times the regular rate of the employee, except that hours worked in excess of
PART B - ARTICLE VII, SECTION 4

twelve (12) hours in any one such day shall be paid for at two (2) times the regular rate of the employee. (Except as described in the Memorandum of Understanding on the nine/eighty (9/80) work schedule)

(2) Hours worked on the sixth day of an employee's work week shall be paid for at one and one-half (1 1/2) times the regular rate of the employee, except that such hours worked in excess of twelve (12) hours shall be paid for at two (2) times the regular rate of the employee.

(3) Hours worked on the seventh day of an employee's work week shall be paid for at two (2) times the regular rate of the employee.

(4) Except for employees on continuous shift operations, hours worked in excess of six and one-half (6-1/2) on the graveyard shift shall be paid for at one and one-half (1-1/2) times the regular rate of the employee, except that hours worked in excess of twelve (12) hours in any one such day shall be paid for at two times the regular rate of the employee.

(5) Consecutive hours worked in excess of twelve (12) hours shall be paid for at two times the regular rate of the employee even though such consecutive hours begin in one work day (twenty-four hour period) and end during the following work day (twenty-four hour period); provided, however that any hours worked during the seventh day of an employee's work week shall be at the double time rate.
PART B - ARTICLE VII SECTION 5

Section 5 - Hours and Days of Work

(1) All employees will be assigned to a five (5) day, eight (8) hour shift schedule or an alternating two (2) week nine (9) day, eighty (80) hour schedule. The nine/eighty schedule is described in the Memorandum of Understanding on Nine/Eighty Work Schedule. For employees assigned to a five (5) day, eight (8) hour schedule, eight (8) hours shall constitute the standard day’s work to be performed within nine (9) consecutive hours. For employees assigned to a nine (9) day, eighty (80) hour schedule, nine (9) hours shall constitute the standard’s day’s work to be performed within ten (10) consecutive hours except for eight (8) hours to be performed within nine (9) hours on Fridays.

(2) Employees assigned to work a 9/80 work schedule will be placed by seniority order on these schedules. Thereafter, employees’ schedules will not be changed without thirty (30) or more day’s notice to affected employees. For day shift 9/80 employees, the Monday through Thursday shift will be 6:30 A. M. till 4:00 P. M. and 6:30 A. M. to 3:00 P. M. on Fridays. Swing shift employee hours will be from 4:00 P. M. till 1:30 A. M. Monday through Thursday and 4:00 P. M. till 12:30 A. M. on Fridays. These starting times may be adjusted by mutual agreement between the parties if they prove to be unworkable.

(3) Except for employees on continuous shift operations, as provided herein-below, the standard eight (8) hour day shift shall be either 7:00 a.m. to 3:30
PART B - ARTICLE VII SECTION 5

p.m., 7:30 a.m. to 4:15 p.m., or 8:00 a.m. to 4:45 p.m.; the standard eight (8) hour night shift shall be from 3:45 p.m. to 12:15 a.m., 4:15 p.m. to 1:00 a.m., or 5:00 p.m. to 1:30 a.m. for the janitorial force (assignment to which shall be voluntary on the part of any employee so assigned); the standard graveyard shift shall be from 12:00 Midnight to 7:00 a.m., or 12:30 a.m. to 7:30 a.m.

(4) Certain occupations such as “Plant Stationary Engineer” and “Industrial Waste Treatment Plant Operator” whose work involves seven (7) day, twenty-four (24) hour coverage, shall be assigned to continuous shifts.

5) An employee commencing his workday between the hours of 4:00 A.M. and 10:59 A.M. is considered to be in the day shift rate period. An employee commencing his workday between the hours of 11:00 A.M. and 8:29 P.M. is considered to be in the night shift rate period. An employee commencing his workday between the hours of 8:30 P.M. and 3:59 A.M. is considered to be in the graveyard shift rate period.

6) For employees on continuous shift operations, the standard day shift will be either 7:00 A.M. to 3:00 P.M. or 8:00 A.M. to 4:00 P.M.; the standard night shift will be either 3:00 P.M. to 11:00 P.M. or 4:00 P.M. to 12:00 midnight; the standard graveyard shift will be either 11:00 P.M. to 7:00 A.M. or 12:00 midnight to 8:00 A.M. Employees on continuous shift operations shall be on duty during their entire shift period.
PART B - ARTICLE VII SECTION 6

7) All deviations from the standard shift hours shall be cleared with the Union and mutually agreed upon.

8) Five (5) days, Monday through Friday shall constitute the standard work week, unless, or until, the Company is instructed by the Federal Government to alter or change the work schedule now in effect. However, the Company reserves the right to engage, alter or rotate Firefighters to work five (5) consecutive days other than those constituting the standard workweek. It is specifically agreed that Firefighters will not be engaged in production work. Deviation from the standard workweek for employees holding other job classifications must be mutually agreed upon between the Company and the Union.

9) If the Memorandum of Understanding on nine/eighty schedule is cancelled by either party, the contract language of Article VII, Section 5 of the 1999 Collective Bargaining Agreement will be reinstated.

Section 6 - Premium for Hours and Days of Work

(1) Night shift employees shall receive a bonus of forty cents (40¢) an hour.

(2) Graveyard shift employees shall receive eight (8) hours' pay plus an eight cents (8¢) an hour bonus for working six and one-half (6-1/2) hours.
PART B - ARTICLE VII SECTION 7

(3) All employees working other than the standard work week shall receive a premium of twenty cents (20¢) an hour in addition to other bonuses.

Section 7 - Payroll Deductions - Company Reimbursement

Payroll deductions may be made to reimburse the Company as follows:

(1) All costs of tools and equipment issued to an employee but not returned by him, such cost to be subject to wear of the tools. An employee so charged shall be reimbursed by the Company in the event of the subsequent return of such tools and equipment to the Company, provided such tools and equipment may be properly identified and are in the same condition as when issued to the employee.

Employees checking out special tools shall be released of liability for the same, if, while in use on another shift, such tools are lost or damaged.

(2) For money paid by the Company to a creditor or officer of the law for an indebtedness of the employee, provided demand is made upon the Company according to law.

(3) For any indebtedness due to the Company covering purchases made by an employee through the Company.
PART B - ARTICLE VII SECTION 8 & 9

(4) For any loans or advances made to the employee by the Company.

(5) For each employee identification card or identification badge lost or destroyed, a sum of one dollar ($1.00).

(6) For a lost key issued within the past five years, a sum of one dollar ($1.00).

Section 8 - Report Time

An employee called to work shall receive a minimum of four (4) hours' pay in the shift to which he is called. In the event an hourly-paid employee reports for work on his regular shift without previously having been notified not to report he shall be paid four (4) hours' pay provided, however, that if work reasonably within his capacity to perform is available, he will be required to perform such work to qualify for the four (4) hours' pay. If work is unavailable as the result of causes beyond the control of management, no pay shall be granted under this section.

Failure on the part of an employee to keep the Company informed of his correct address and telephone number relieves the Company of the responsibility of any notification required by this Agreement.

Section 9 - Pay Period

The pay period shall be from Saturday to and including the following Friday. Monies owed to em-
employees shall be issued either by direct deposit, mail or pay card normally on Friday, but no later than seven (7) days after the end of the pay period and shall represent the earnings of the employees during that pay period.

Section 10 - Lost Time

Deductions for time off, whether due to tardiness or other causes, shall be at the rate of one-hundredth (1/100th) of an hour’s pay for each one hundredth of an hour lost from work, rounded to the nearest minute.

Section 11 - Pay for Lead

The rate of pay for Lead shall be thirty-five cents (35¢) above the maximum rate of the Lead’s own classification without regard to GPR rated employee(s) in the respective group being led. For non-GPR employees holding a Lead position as of March 2, 2014 and continuing to hold the Lead position shall continue to receive thirty-five ($.35) above the maximum of the GPR rate provided the GPR employee is in the group being led for not less than a major portion of a given pay period.

For employees holding a Lead position as of March 1, 2005 and continuing to hold the Lead position, the rate of pay for Lead shall be twenty cents (20¢) above the maximum of the highest classification, but not less than thirty-five (35¢) above the Lead’s own classification, of any employee who remains within
PART B - ARTICLE VII SECTION 12

the group led for not less than a major portion of a given pay period. Provided, however, the classification of an employee who is either promoted or recalled and is being held within the group or that of an employee working down into the group for a temporary period not to exceed twenty (20) working days (excluding those employees working down for medical limitations) shall not be used in the calculation of lead pay, unless the employee is performing the work of that classification.

Section 12 - Field Duty

(1) An employee shall be considered on Field Duty when sent by the Company, on a temporary basis, to other places within the 50 United States other than the plant or office to which he is permanently assigned, when such temporary assignment is a distance that it requires that the employee obtain lodging other than his established residence.

(2) While an employee assigned to such Field Duty is traveling to that Field Duty assignment or returning to his regular work station from such assignment, or is traveling between Field Duty stations, he shall be paid as follows:

(a) With respect to the day of departure and the day of arrival, if no work is performed on such day they shall be paid nine (9) hours pay at their straight time rate for such day when such travel occurs on Monday through Thursday for employees assigned to a 9/80 work schedule. When
PART B - ARTICLE VII SECTION 10 & 11

such day of departure and/or arrival is on a 9/80 Friday or a normal off day, they shall be paid for the actual hours of travel time at their overtime premium rate for such day but, in no event, shall this amount be less than four (4) hours or more than eight (8) hours at such overtime rate; or

(b) With respect to the day of departure and the day of arrival if such employee works during such day either prior to departure or after arrival he shall be paid for such hours worked on such day and, in addition, for such hours of travel time on such day which fall within the hours of his assigned shift but, in no event, less than a total of eight (8) hours' pay for such day; or

(c) With respect to the day of departure and the day of arrival if such employee works during such day both immediately prior to departure and immediately after arrival he shall be paid for such hours worked on such day and, in addition, for such hours of travel time on such day but, in no event, less than a total of eight (8) hours' pay for such day.

(d) With respect to days such employee is traveling, other than the day of departure or the day of arrival, he shall be paid eight (8) hours straight-time rate (or at his overtime premium rate if such day of travel is on the sixth or seventh day of his normal work week).

(e) Deviation from the standard shift hours on the day of departure and the day of arrival may
PART B - ARTICLE VII, SECTION 12

be made without obtaining the agreement referred to under the provisions of Article VII, Section 5, of this Agreement.

(3) The provisions of Articles VII and VIII of this Agreement for shift, odd work week and overtime premiums as well as lead differentials, shall apply in the same manner as at the employee's regular work station.

(4) An employee assigned to Field Duty shall be allowed a specified per diem for each full day to cover subsistence expenses incurred in accordance with the following schedule:

(a) For the first ninety (90) days of such Field Duty, $50.00 per day.

(b) For all days after ninety (90) of such Field Duty, $45.00 per day.

In field duty locations of inordinate residence cost, and where advance Company approval has been obtained, any expense for room cost that is more than half the specified per diem shall be an allowable addition to such per diem.

As an alternative to the above, an employee may elect the following:

Subsistence expenses, as defined below, shall be reimbursed on an actual and reasonable basis up to an established limit as set forth in the Government
Federal Travel Regulations (FTR) rates.

Subsistence expenses for employees will be reimbursed in accordance with current reimbursement policy in effect at time of travel for salaried employees. Lodging will be reimbursed on an actual basis up to the rates established by the published Government FTR. Original receipts for lodging must be furnished to the Company to obtain reimbursement. Lodging will be booked for traveling employees by the Company Travel Office who will be responsible for securing lodging within established guidelines. Employees are advised not to arrange lodging. If lodging is procured by the traveler, or not authorized by the LM AERO - MARIETTA Travel Office, any cost exceeding normal company prescribed lodging cost will not be reimbursed. In addition, the travel itinerary issued with the traveler's airline tickets must be attached to the travel expense report to document lodging arrangements upon completion of the trip.

(5) Except as set forth in Paragraph (6) below, an employee required to use his own automobile for travel on such field duty assignment or an occasional travel for authorized Company business shall be reimbursed at the current allowable mileage rate as defined by the Internal Revenue Service (IRS) not to exceed mileage of the most direct route as shown in the most recent addition of the Rand-McNally Highway Mileage Chart will be allowed for mileage necessary to the performance of such work. The Company will also provide for such an employee on
PART B - ARTICLE VII, SECTION 12

such occasions personal liability insurance coverage
with respect to liability, if any, to other employees
who are passengers engaged in such above referred
to travel for such purpose, except that such insur-
ance coverage shall apply only after such employee's
own personal liability insurance has been first ap-
plied, in the amount of fifty-thousand-dollars
($50,000.00) maximum per person or three hundred-
thousand-dollars ($300,000.00) maximum per acci-
dent.

Employees who are not on Field Duty as defined
above in this Section 12 but who are on an assign-
ment away from their regularly assigned plant which
delays their return to their residential area and de-
prives them of having dinner at home at a normal
hour shall be reimbursed for actual reasonable din-
nner expense incurred.

(6) An employee assigned to Field Duty who re-
quests and is granted permission to use other means
of transportation than that offered by the Company
shall be reimbursed in an amount equal to but not in
excess of the fare of the provided or offered trans-
portation. Such employee shall receive no more
total per diem allowance and travel time pay than
that allowed employees using Company provided or
offered transportation.

When automobile transportation is provided by the
Company at a field duty site, no more than three (3)
employees will be assigned to any one automobile.
PART B - ARTICLE VII, SECTION 13

(7) An employee assigned to Field Duty will not be subject to surplus or displacement until tour of duty is over or 60 days, whichever is the lesser. Such employee, upon completion of tour of duty or 60 days, whichever is the lesser, will be surplus on a current basis provided there is a more senior employee on recall to his classification.

The parties may, upon mutual agreement, extend the sixty (60) day period.

Section 13 - Flight Test Pay

(1) Flight in a propeller-driven aircraft:

An employee assigned to flight duties in a propeller-driven aircraft will be paid a bonus of three dollars ($3.00) per hour in addition to his regular wages. A minimum of one (1) hour flight pay shall be paid for the first ascension on any calendar day. For additional flights on the same calendar day, flight pay at the rate of three dollars ($3.00) per hour, computed to the nearest fifth of an hour, shall be paid. Flight time shall mean the time from take-off to the time of landing.

(2) Flight in a jet-propelled aircraft:

An employee assigned to flight duties in a jet-propelled aircraft will be paid a bonus of five dollars ($5.00) per hour in addition to his regular wages. A minimum of one (1) hour flight pay shall be paid for the first ascension on any calendar day.
tional flights on the same calendar day, flight pay at the rate of five dollars ($5.00) per hour, computed to the nearest fifth of an hour, shall be paid. Flight time shall mean the time from take-off to the time of landing.

ARTICLE VIII - PAY RATES

Section 1 - Job Descriptions and Basic Rates of Pay for Classified Employees

(1) The job descriptions for each of the Factory and for each of the Technical and Office classifications which were in effect on the date of execution of this Agreement, and the job descriptions as a result of the job combinations (effective June 2, 2008), or job descriptions which are placed into effect pursuant to Paragraph (2) hereof, shall be a part of this Agreement.

(2) In the event that a new job or position is established or there is a substantial change in the duties or requirements of an established job, the Company shall develop an appropriate job description and establish within the existing rate structure provided in Section 2 of this Article the basic rates to apply to such job, as well as its placement within the existing agreed upon functional lines. A substantial change in job duties is a change which alters the work performed to such a degree that the job has changed based on more difficult tasks being performed and the level of skills applied being clearly recognizably different and resulting in more than a mere change
PART B - ARTICLE VIII, SECTION 1

in procedure. The Company shall furnish the Union with the new job description and shall submit for its approval the functional line placement and the rate established for such job. In the event that agreement is not reached within seven (7) calendar days from the date of such submission or within such additional time as may be mutually agreed upon, the Company may place the new job description and rate in effect in the proposed functional line(s) subject to continued negotiation. Within five (5) working days from the date the job is placed into effect, the Union may proceed in accordance with Step 3 of the grievance procedure established in Article III, Section 1 of this Agreement.

In the event agreement on the rate range and/or functional line placement for the newly-established job is not reached by the Joint Labor Relations Committee, either party may refer the matter to arbitration in accordance with the provisions of Article III, Section 5 of this Agreement. The arbitrator shall have the authority to determine the proper position of the new or amended classification within the existing agreed upon rate structure on the sole basis of the relationship the new or amended job bears to the other jobs in the existing rate structure. Any change in the established rate resulting from the negotiations shall be retroactive to the date such rate was placed in effect. The arbitrator shall also have the authority to determine the proper placement of the job within the appropriate functional line(s).
PART B - ARTICLE VIII, SECTION 2

(3) Job descriptions shall be applied in accordance with the Supplement attached hereto and entitled, "Joint Statement of Policy for Application of Job Descriptions".

Section 2 - Rate Ranges for Labor Grades

The placement of job classifications within labor grades in effect on March 2, 2014 shall be a part of this Agreement. (Note - 2014 Job Combinations become effective March 2, 2014.)

(2) The following minimums and maximums of the Factory labor grades shall be established except for those employees with a Guaranteed Personal Rate (GPR) as described in Paragraph (4) below:

FACTORY RATE RANGES

<table>
<thead>
<tr>
<th>LABOR GRADE</th>
<th>MINIMUM</th>
<th>MAXIMUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>$18.80</td>
<td>$37.20</td>
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<tr>
<td>17</td>
<td>17.85</td>
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PART B - ARTICLE VIII, SECTION 2

<table>
<thead>
<tr>
<th>LABOR GRADE</th>
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<th>MAXIMUM</th>
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</thead>
<tbody>
<tr>
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<td>11.15</td>
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</tr>
<tr>
<td>1</td>
<td>10.42</td>
<td>19.59</td>
</tr>
</tbody>
</table>

NOTE: These ranges are applicable only to employees hired or rehired after June 14, 1993.

(3) The following minimums and maximums of the Technical and Office labor grades shall be established except for those employees with a Guaranteed Personal Rate (GPR) as described in Paragraph (4) below:

TECHNICAL AND OFFICE RATE RANGES

<table>
<thead>
<tr>
<th>LABOR GRADE</th>
<th>MINIMUM</th>
<th>MAXIMUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
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<td>28.26</td>
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<td>8</td>
<td>11.70</td>
<td>27.24</td>
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PART B - ARTICLE VIII, SECTION 2

<table>
<thead>
<tr>
<th>LABOR GRADE</th>
<th>MINIMUM</th>
<th>MAXIMUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>11.39</td>
<td>26.26</td>
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<tr>
<td>6</td>
<td>11.15</td>
<td>25.13</td>
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<td>21.79</td>
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<td>20.69</td>
</tr>
<tr>
<td>1</td>
<td>10.42</td>
<td>19.59</td>
</tr>
</tbody>
</table>

NOTE: These ranges are applicable only to employees hired or rehired after June 14, 1993.

(4) Guaranteed Personal Rate

(A) Eligibility:

All individuals with bargaining unit rights on the active payroll, approved leave of absence or on layoff on June 14, 1993 (when subsequently recalled) shall be eligible for a Guaranteed Personal Rate (GPR) while assigned to Labor Grades 1 through 14 Factory and Grades 1 through 16 Technical and Office.

(B) General Provisions:

(1) Employees eligible for a GPR as described in Subsection A above, and whose base rate is below the GPR maximum of the labor grade to which assigned, shall progress to the respective GPR maximum in accordance with Article VII, Section 1, (A).
PART B - ARTICLE VIII, SECTION 2

(2) Employees eligible for a GPR as described in Subsection A above, and whose base rate exceeds the GPR maximum for the labor grade to which assigned, shall regress to the respective GPR maximum in accordance with Article VII, Section 2.

(3) Employees with a GPR who are promoted to a labor grade for which a GPR maximum has been established will progress to the higher labor grade's GPR maximum in accordance with Article VII, Section 1, (A), provided that such employee's rate does not exceed the GPR maximum of the new classification.

(4) Employees with a GPR, or employees who are eligible for a GPR described in Subsection A above, who are downgraded by application of Article IV, Section 3 layoff procedure to a labor grade for which a GPR maximum has been established, shall regress to the GPR maximum of the labor grade in accordance with Article VII, Section 2, if such employee's rate exceeds the lower classification's GPR maximum.

(5) Employees with a GPR who are Leads shall be paid in accordance to Part B, Article VII, Section 11.
PART B - ARTICLE VIII, SECTION 2

FACTORY RATE RANGES
For
GPR Eligible Employees

<table>
<thead>
<tr>
<th>LABOR GRADE</th>
<th>MINIMUM</th>
<th>MAXIMUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
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<td>29.90</td>
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</table>
PART B - ARTICLE VIII, SECTION 2

TECHNICAL AND OFFICE RATE RANGES
For
GPR Eligible Employees

<table>
<thead>
<tr>
<th>LABOR GRADE</th>
<th>MINIMUM</th>
<th>MAXIMUM</th>
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</thead>
<tbody>
<tr>
<td>18</td>
<td>$18.80</td>
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<tr>
<td>1</td>
<td>10.42</td>
<td>29.90</td>
</tr>
</tbody>
</table>
PART B - ARTICLE VIII, SECTION 3

Section 3 - Cost-of-Living

(1) In addition to the base rate of pay of each employee, a Cost-of-Living (COL) Adjustment shall be paid to each employee in accordance with the provisions of this section.

(2) (a) Effective January 3, 2015 the current cumulative Cost-of-Living Adjustment payable on that date (including the amount effective on that date) shall be added to the GPR and non-GPR maximums and minimums of the rate ranges in Article VIII, Section 2.

(b) Effective January 2, 2016, the difference between the current cumulative Cost-of-Living Adjustment, and such previous adjustment as set forth in Subsection 2(a), if any, payable on that date (including the amount effective on that date) shall be added to the GPR and non-GPR maximums and minimums of the rate ranges in Article VIII, Section 2.

(c) Effective January 7, 2017, the difference between the current cumulative Cost-of-Living Adjustment, and such previous adjustment as set forth in Subsection 2(b), if any, payable on that date (including the amount effective on that date) shall be added to the GPR and non-GPR maximums and minimums of the rate ranges in Article VIII, Section 2.
PART B - ARTICLE VIII, SECTION 2

(d) Effective January 6, 2018, the difference between the current cumulative Cost-of-Living Adjustment, and such previous adjustment as set forth in Subsection 2(c), if any, payable on that date (including the amount effective on that date) shall be added to the GPR and non-GPR maximums and minimums of the rate ranges in Article VIII, Section 2.

On each of the above dates, the employee's base rate will increase by the amount of COL being received by that employee on that date.

### PART B - ARTICLE VIII, SECTION 3

(4) During the period of the Agreement, COL Adjustments shall be made at the following times:

<table>
<thead>
<tr>
<th>Effective Date of Adjustment</th>
<th>Based Upon Three-Month Average of the Price Indexes For:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Period commencing on:</td>
<td></td>
</tr>
<tr>
<td>July 5, 2014</td>
<td>March 2014, April, May,</td>
</tr>
<tr>
<td>October 4, 2014</td>
<td>June, July, August</td>
</tr>
<tr>
<td>January 3, 2015</td>
<td>September, October, November</td>
</tr>
<tr>
<td>April 4, 2015</td>
<td>Dec. 2014, January 2015, February</td>
</tr>
<tr>
<td>July 4, 2015</td>
<td>March, April, May</td>
</tr>
<tr>
<td>October 3, 2015</td>
<td>June, July, August</td>
</tr>
<tr>
<td>January 2, 2016</td>
<td>September, October, November</td>
</tr>
<tr>
<td>April 2, 2016</td>
<td>December 2015, January 2016, February</td>
</tr>
<tr>
<td>July 2, 2016</td>
<td>March, April, May</td>
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<tr>
<td>October 1, 2016</td>
<td>June, July, August</td>
</tr>
<tr>
<td>January 7, 2017</td>
<td>September, October, November</td>
</tr>
<tr>
<td>April 1, 2017</td>
<td>December 2016, January 2017, February</td>
</tr>
<tr>
<td>July 1, 2017</td>
<td>March, April, May</td>
</tr>
<tr>
<td>October 7, 2017</td>
<td>June, July, August</td>
</tr>
<tr>
<td>January 6, 2018</td>
<td>September, October, November</td>
</tr>
</tbody>
</table>
PART B - ARTICLE VIII, SECTION 3

In determining the three-month average of the Indexes for each specified period, the computed average shall be rounded to the nearest 0.1 Index Point.

(5) Effective the payroll period commencing July 5, 2014, the Cost-of-Living Adjustment factor shall be determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Three Month Average</th>
<th>COL Adjustment Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>BLS Consumer Price Index</td>
<td></td>
</tr>
<tr>
<td>230.0 and Below</td>
<td>0</td>
</tr>
<tr>
<td>230.1—230.3</td>
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<tr>
<td>230.4—230.6</td>
<td>.02 Per Hour</td>
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<td>.03 Per Hour</td>
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<td>.04 Per Hour</td>
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<td>231.6—231.8</td>
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<td>.09 Per Hour</td>
</tr>
<tr>
<td>232.8—233.0</td>
<td>.10 Per Hour</td>
</tr>
</tbody>
</table>

And so forth with $.01 for 0.3 point change in the Average Index for the appropriate date set forth in Paragraph 4 above.
PART B - ARTICLE VIII, SECTION 3

(6) The amount of any COL Adjustment in effect at the time shall be included for all hours worked after the effective date of the adjustment and in computing overtime payments, vacation and sick leave payments, pay for unused sick and injury leave, military leave, holiday, jury duty, jury examination and witness payments, and for no other purpose.

(7) In the event that the Bureau of Labor Statistics (BLS), United States Department of Labor, discontinues publication of the Price Index described in Paragraph (3) above, the Company and the Union shall enter into immediate negotiations to determine the appropriate index to be used. The purpose of these negotiations shall be to insure that the payments to be made under this Article will be as intended by the parties and shall be no less than that which would have occurred had the Price Index been continued unchanged in its present form. In the event the parties are unable to agree within sixty (60) days of the discontinuance of the Price Index, this dispute shall be submitted to final and binding arbitration as provided for in the Agreement. The Cost-of-Living Adjustment, if any, shall be retroactive to the appropriate effective date.

(8) In the event the Bureau of Labor Statistics does not issue the appropriate Price Indexes on or before the beginning of one of the pay periods referred to in Paragraph (4), any adjustment in the COL Adjustment required by such appropriate Indexes shall be effective at the beginning of the first pay period, or
as soon as administratively practicable, after receipt of the Indexes.

(9) No adjustment, retroactive or otherwise, shall be made due to any revision which may later be made in the published figures for the Price Index for any month or months specified in Paragraph (4).

Section 4 - General Wage Increases and Supplemenental Cost-of-Living Payments

Within 60 calendar days of ratification date, each employee on the active payroll, military leave or on approved leave of absence on such date, shall receive a Supplemental Wage Payment (SWP) in an amount equal to three percent (3.0%) of his/her bargaining unit compensation during the period of January 1, 2013 through December 31, 2013. This SWP will exclude compensation received under employee rewards and recognition programs, tuition assistance programs, grievance settlements and other lump sum payments. The SWP may be deferred to the Hourly Savings Plan (401K) upon completion of the appropriate form within 15 calendar days following ratification.

On or before December 19, 2014 a supplemental cost-of-living payment in the amount of eight hundred dollars ($800) will be paid to each employee on the active payroll, on approved leave of absence for less than one year, or military leave on December 6, 2014.
On March 14, 2015, a general wage increase in the amount of two and one-half percent (2.5%) will be effective for each bargaining unit employee on the active payroll, on approved leave of absence of less than one year, or military leave, who has completed the probationary period. The minimum and maximum for all GPR and non-GPR labor grades shall also be increased by two and one-half percent (2.5%).

On or before December 18, 2015, a supplemental cost-of-living payment in the amount of eight hundred dollars ($800) will be paid to each employee on the active payroll or approved leave of absence for less than one year on December 5, 2015.

On March 12, 2016, a general wage increase in the amount of two and one-half percent (2.5%) will be effective for each bargaining unit employee on the active payroll, on approved leave of absence of less than one year, or military leave. The minimum and maximum for all GPR and non-GPR labor grades shall also be increased by two and one-half percent (2.5%).

On or before December 16, 2016, a supplemental cost-of-living payment in the amount of eight hundred dollars ($800) will be paid to each employee on the active payroll or approved leave of absence for less than one year on December 3, 2016.
PART B - ARTICLE VIII, SECTION 4

On March 11, 2017, a general wage increase in the amount of two and one-half percent (2.5%) will be effective for each bargaining unit employee on the active payroll, on approved leave of absence of less than one year, or military leave. The minimum and maximum for all GPR and non-GPR labor grades shall also be increased by two and one-half percent (2.5%).

On or before December 15, 2017, a supplemental cost-of-living payment in the amount of eight hundred dollars ($800) will be paid to each employee on the active payroll or approved leave of absence for less than one year on December 2, 2017.

The entire Supplemental COLA Payment may be deferred to the Hourly Savings Plan Plus (401K) upon completion of the appropriate form.
# FACTORY JOB CLASSIFICATIONS AND LABOR GRADES

**SUPPLEMENT A**

**SUPPLEMENT "A"**

**(EFFECTIVE March 6, 2011)**

**FACTORY JOB CLASSIFICATIONS**

**AND LABOR GRADES**

**(Alphabetical)**

<table>
<thead>
<tr>
<th>Labor Code</th>
<th>Job Classification Title</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>350-3</td>
<td>Air Conditioning Mechanic</td>
<td>18</td>
</tr>
<tr>
<td>399-3</td>
<td>Aircraft Electrical Checkout Mechanic</td>
<td>17</td>
</tr>
<tr>
<td>622-3</td>
<td>Aircraft Modification Mechanic</td>
<td>13</td>
</tr>
<tr>
<td>561-3</td>
<td>Aircraft Preparation Attendant</td>
<td>6</td>
</tr>
<tr>
<td>576-3</td>
<td>Apprentice - Aircraft Systems Mechanic</td>
<td>*</td>
</tr>
<tr>
<td>357-3</td>
<td>Apprentice - Electronic Systems</td>
<td>*</td>
</tr>
<tr>
<td>578-3</td>
<td>Apprentice - Tooling</td>
<td>*</td>
</tr>
<tr>
<td>359-3</td>
<td>Assembler - Precision and Sheet Metal</td>
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</tr>
<tr>
<td>351-3</td>
<td>Assembler/Reworker/Checkout/Welder-Product Support</td>
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</tr>
<tr>
<td>542-3</td>
<td>Assembly Worker - Structures</td>
<td>7</td>
</tr>
<tr>
<td>606-3</td>
<td>Assembly Worker- Structures Senior</td>
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</tr>
<tr>
<td>448-3</td>
<td>Automated Machines Maintenance Mechanian</td>
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<td>Controls/Fabrication/Structures Development Mechanian</td>
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<td>Inspector - Hydraulic and Electrical Bench Test</td>
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## SUPPLEMENT A

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<td>Inspector - Magnetic and Fluorescent Pentrant</td>
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<td>Inspector - Nondestructive Test</td>
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<td>Inspector - Plastic &amp; Composite Fabrication-Dev</td>
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<td>Inspector - Precision and Electrical Assemblies</td>
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<td>Inspector - Precision Gauge and Instrument</td>
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<td>Inspector - Receiving and Shipping</td>
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<td>Inspector - Structures/Paint</td>
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<td>Inspector - Tool/Liaison - Trainee</td>
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<td>Manufacturing Experimental Tech/Research Tech</td>
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<td>Stretch Wrap-Forming Operator</td>
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SUPPLEMENT A

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<td>Trimmer</td>
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*Not in Labor Grade Structure

FIELD DUTY ASSIGNMENT CODE

Employees assigned to Field Duty shall have the fourth digit of the code listed for their classification in this Supplement designated by the number (9) for the period during which they are on such assignment. During such assignment their base rate shall be adjusted upward in the amount of forty-five cents (45¢) per hour. Upon return from such assignment, their normal base rate shall be established.

SUPPLEMENT "B"
SUPPLEMENT B
(EFFECTIVE March 6, 2011)

TECHNICAL AND OFFICE JOB CLASSIFICATIONS AND LABOR GRADES
(Alphabetical)

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<td>Accountant-General/Cashier</td>
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<td>657-3</td>
<td>Advance Materials Checker</td>
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<td>Aircraft Delivery</td>
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<td>Automotive Parts Attendant</td>
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<td>Benefits Assistant</td>
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<td>Conservation Liaison Investigator</td>
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<td>Customer Prop Processing &amp; Disp Analyst</td>
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<td>Inspector - Tool/Liaison</td>
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<td>712-3</td>
<td>Manufacturing Document Processor</td>
<td>9</td>
</tr>
<tr>
<td>839-3</td>
<td>Manufacturing Records Planner</td>
<td>16</td>
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<tr>
<td>773-3</td>
<td>Manufacturing Records Reconciler</td>
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<tr>
<td>812-3</td>
<td>Manufacturing Resource Planner</td>
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<tr>
<td>813-3</td>
<td>Manufacturing Resource Planner Trainee</td>
<td>14</td>
</tr>
<tr>
<td>730-3</td>
<td>Manufacturing Scheduler</td>
<td>14</td>
</tr>
<tr>
<td>734-3</td>
<td>Material Estimator/Scheduler</td>
<td>12</td>
</tr>
<tr>
<td>738-3</td>
<td>Material Procurement-Maintenance</td>
<td>11</td>
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<tr>
<td>841-3</td>
<td>Material Review Board Investigator</td>
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<td>742-3</td>
<td>Material Service Worker</td>
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<tr>
<td>748-3</td>
<td>Medical Technologist</td>
<td>18</td>
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<tr>
<td>750-3</td>
<td>Messenger - Mail</td>
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<tr>
<td>772-3</td>
<td>Micrographics Technician</td>
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**SUPPLEMENT B**

<table>
<thead>
<tr>
<th>Code</th>
<th>Job Classification Title</th>
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<tbody>
<tr>
<td>779-3</td>
<td>Orderwriter</td>
<td>11</td>
</tr>
<tr>
<td>756-3</td>
<td>Package Messenger</td>
<td>5</td>
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<tr>
<td>762-3</td>
<td>Paymaster Clerk</td>
<td>9</td>
</tr>
<tr>
<td>759-3</td>
<td>Payroll Processing Accountant</td>
<td>13</td>
</tr>
<tr>
<td>771-3</td>
<td>Photographic Supply Person</td>
<td>6</td>
</tr>
<tr>
<td>781-3</td>
<td>Purchase Order Processing Clerk</td>
<td>7</td>
</tr>
<tr>
<td>880-3</td>
<td>Receiving Audit and Processing Clerk</td>
<td>6</td>
</tr>
<tr>
<td>675-3</td>
<td>Reproduction Equipment Operator</td>
<td>7</td>
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<tr>
<td>788-3</td>
<td>Safety and Industrial Hygiene Technician</td>
<td>11</td>
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<tr>
<td>789-3</td>
<td>Secretary</td>
<td>10</td>
</tr>
<tr>
<td>704-3</td>
<td>Spares Procurement/Customer Property Clerk</td>
<td>9</td>
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<td>897-3</td>
<td>Special Trainee</td>
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<tr>
<td>797-3</td>
<td>Standard Tool Reconditioning Analyst</td>
<td>14</td>
</tr>
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<td>726-3</td>
<td>Switchboard Operator/Receptionist</td>
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<tr>
<td>814-3</td>
<td>Technical Illustrator</td>
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<td>817-3</td>
<td>Termination and Surplus</td>
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<td>821-3</td>
<td>Tool Designer</td>
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<td>Tool Planning Clerk</td>
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<td>824-3</td>
<td>Tool Procurement Analyst</td>
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<td>868-3</td>
<td>Tooling Process Surveyor</td>
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<tr>
<td>875-3</td>
<td>Transportation Equipment Dispatcher</td>
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</table>

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SUPPLEMENT C

832-3  Travel Reservation Clerk.................. 7
745-3  Typographic Technician....................11

*Not in Labor Grade Structure

FIELD DUTY ASSIGNMENT CODE

Employees assigned to Field Duty shall have the
fourth digit of the code listed for their classification
in this Supplement designated by the number (9) for
the period during which they are on such assign-
ment. During such assignment their base rate shall
be adjusted upward in the amount of forty-five cents
(45¢) per hour. Upon return from such assignment,
their normal base rate shall be established.

SUPPLEMENT "C"

LOCKHEED MARTIN AERONAUTICAL
SYSTEMS

and

AERONAUTICAL MACHINIST
LOCAL LODGE 709

JOINT STATEMENT OF POLICY FOR
APPLICATION OF JOB DESCRIPTIONS

The following basic principles governed the prepara-
tion of these descriptions; these same principles are
to govern their use:

1. The title selected for an occupation and/or
classification is that which most clearly indicates the general nature and character of the work performed, and yet serves to set the occupation and/or classification apart from others described.

2. The Occupational Summary developed for each occupation is a brief description of the occupation as a whole, the purpose of which is to set it forth in separation from other occupations.

3. The job description describes typical and normal requirements. These requirements are characteristic of the job and illustrate a level of difficulty of work and are not intended to list or describe all work operations done within the classification. These requirements may not fit all specific individual work assignments, as the description when written was stated so as to be broad enough to include all variations of work in the occupation and/or classification as it existed throughout the Company.

4. The work operations, duties and other distinguishing characteristics described in a job description are those which are performed under guidance or instruction which is considered usual and normal for the work described.

5. The descriptions were prepared on the basis:

   a. That as a part of promotional procedure a worker may occasionally perform some of the work of higher-rated jobs under close guid-
ance and instructions in order to qualify for advancement.

b. That a worker performs the work of lower-rated jobs when required.

c. That the normal duties of any worker may include assistance to other workers on work operations, and

d. That normal job relationships between workers include giving guidance and instruction to each other, as long as such guidance and instruction is not extended to conflict with the duties of a Lead.

6. The job description is written to define and illustrate the job standard to be established and as such shall be interpreted and applied in its entirety as a composite picture of the job requirements. This means that the Occupational Summary, Work Performed, (Typical Materials, Tools and Equipment Used, when applicable) and Knowledge and Ability Required, all must be considered in arriving at the proper classification.

In order to secure, or hold the classification, the employee must be assigned regularly and consistently to that work which distinguishes the occupation and classification from other occupations and classifications. An employee's classification shall be determined in the light of the overall requirements for knowledge, ability and skill necessary to perform his regularly as-
SUPPLEMENT C

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signed duties. In making this determination, duties that are performed infrequently or rarely shall not be considered or made the basis of granting the higher classification. This would not be appli-cable, however, to intermittent duties of a higher level to which the employee is specifically assigned in an area where the prevailing day to day routine may fall in lower level requirements. If the employee on such an assignment is expected to possess and apply the knowledge, skill and ability necessary for performance of the higher level work, he is entitled to the higher classification even though the majority of his work time may be spent on the lower level work. In such a case the employee is assigned to bring to the job the higher skills which he is expected to use as requirements demand.

To cite examples:

a. An employee on a jig where Assembly Workers-Structures are working, is assigned the responsibility and is retained in the group for the specific purpose of working off difficult M.C.N.'s and difficult reworks. His other daily activities are no different from that of the remaining employees on the assembly. The employee has had only three difficult rework jobs in three weeks and four difficult M.C.N.'s in the last month. This employee is properly classified as an Assembly Worker-Structures Senior due to his assigned responsibility of performing, as
requirements demanded, difficult structures work on the assembly.

b. At a production rate of one ship every two weeks, assume that the ship's hydraulic system requires two days for check-out. Assignment to this work would require classification as a Hydraulic and Plumbing Controls Checkout Mechanic.

7. The job descriptions herein referred to are of a composite nature and do thereby not require an individual employee to perform all of the work therein mentioned.

8. The job descriptions are not intended for, and should not be confused with operation sheets, work instructions, or work assignment sheets, etc.

9. The classifications assigned in the initial application of these descriptions shall be taken as generally indicative of the proper future application of such descriptions. This statement, however, is not intended to approve any misclassification, nor is it intended to bar correct classification of any work or any employee, subject to the limitation set forth below, or to bar grievances alleging improper classification, subject to the limitation set forth below. During the life of this Agreement the classification held by an employee as of the effective date of this Agreement shall be the classification which such employee
shall continue to hold unless and until there is either a change in the duties such employee performs or such employee is assigned to a different job. This provision does not mean that other employees assigned the same duties after the effective date of this Agreement shall be entitled to be so classified. Nothing stated herein modifies in any way the provisions set forth in Article IV, Section 3, 9, 10, and 11, and nothing stated herein shall prevent assignment of such employee to a different job where different duties are performed.

SUPPLEMENT "D"

A GLOSSARY OF TERMS AND PHRASES AS USED IN LOCKHEED MARTIN AERONAUTICAL SYSTEMS FACTORY JOB DESCRIPTIONS

In preparation of the job descriptions the following terms and words are given definition and meaning to clearly indicate the common and consistent interpretation to be placed in them by all persons using the descriptions.

The meaning of words and phrases not included in this Glossary shall be as defined by Webster's Collegiate Dictionary.

Adapts:
SUPPLEMENT C

Means to utilize for other purposes than originally intended.

Angle, Compound:

Means the angle between the two non-coinciding sides of two oblique angles which are in different planes and have a vertex and one side in common. Making a compound angle usually presents a coordinating tolerance problem since it results from the holding within tolerances of two adjoining component angles.

As Required:

Means performance of work operations if and when such are necessary, as long as they are within the level of difficulty described.

Authorized Document:

Means any type of document which is used by the Company to transmit to the worker what is to be done, and how it is to be done, and/or what specifications or requirements are applicable to the work.

Blueprints, Assembly and Installation:

Are blueprints which provide information for the installation and/or assembly of fabricated and accessory parts into an assembly.

Blueprints, Detail:
SUPPLEMENT D

Are any class of blueprints which give necessary detailed information for fabricating one or more parts.

Blueprints, Detail Assembly:

Are blueprints which provide information for assembling parts together with the necessary information for making some or all of the individual parts.

Check, Functional:

Means to determine or ascertain whether a unit of or portion of a system performs the function for which it is intended and whether rework or alteration is required.

Check Out, Operational:

Means making a complete check of an entire completed independent system to determine if rework or alteration is necessary.

Contour:

Means a curved surface having radii of different lengths all of which lie in parallel planes or the same plane, such planes being perpendicular to the curved surface, or a curved line having radii of different lengths all of which are in the same plane. The surface of a cone or section thereon, a typical airfoil surface, the curved edge of a profiled plate and the curved layout line guiding the making of a router.
block are examples. Contour surfaces composed of sections of cylinders and edges whose profile is a section of a circle are excluded since the radii are the same length.

**Contour Compound:**

Means a curved surface having radii of different lengths which lie in non-parallel planes.

**Contour, Reverse:**

Means a contour that reverses its curvature so that it has both concave and convex portions.

**Coordinated Tolerances, Coordinated Dimensions:**

These expressions are used only when exacting tolerances are implied. It should be understood that the mere location of a point by two or more reference dimensions does not in itself mean that the dimensions themselves are coordinated. An example of truly coordinated dimensions is shown in the following: The precision dimensions between two holes must be held while at the same time the precision dimensions locating each of the holes must also be held with respect to another reference point or line.

**Detail Bench Assembly:**

Detail Bench Assembly is that type and size of assembly work where size of parts, jigs and fixtures allows their being worked on a bench. Floor type
jigs of similar size are included.

**Develops, Development:**

Means to develop information and/or build or make new parts, assemblies and installations or patterns, and tooling where exercise of a thorough knowledge of the shop theory involved is necessary and further is a recognizably difficult assignment which is characterized by requiring ingenuity (skill in devising) and originality (creative in doing) to accomplish the assignment satisfactorily.

**Fabricates Completely:**

Means to perform all necessary fabrication operations required to produce a finished article ready for use in an assembly, airplane or the plant.

**Fixtures:**

Refers to holding, production, or established fixtures, or standard tooling designed to hold, align, or coordinate workpiece for machining, fabrication, installation, assembly, layout, or other work operation.

**Hand Tools:**

Includes those portable tools used by hand by the workman in the normal performance of duties and tasks of the occupation in which he works.

**Helps:**
SUPPLEMENT D

Means to assist or aid an employee in the performance of the duties as set up in the particular job description where the phrase exists. The assisting worker is not expected to work wholly independently but rather cooperatively and, further, is entitled to, and should receive, the guidance and instructions considered usual and normal under these circumstances.

**Improvises:**

Means to contrive or make use of makeshift tooling and/or methods to meet immediate needs or requirements.

**Improvise Shop Aids (etc.) to Facilitate Fabrication, Assembly, and/or Installation as Required:**

This does not mean to go into a tool making program or to conflict with the duties of those engaged in tool making occupations.

**Knowledge, Complete:**

Means full understanding of, and ability to apply, all facts that must normally be known by the worker in the occupation.

**Knowledge, Elementary:**

Means that the employee is not expected to carry out the technical functions of his classification completely without guidance from supervision or more
senior fellow workmen.

Knowledge of:

Means knowledge of the inherent elements or details of a job that must be known by a worker to do his work satisfactorily.

Layout:

Means the marking of points and lines which will determine the exact location and/or dimensions of the part, tool, or assembly.

May:

When used as the first word of a sentence or phrase, means that the function is performed by some of the personnel holding the classification or, that the function is occasionally performed, but is not a requisite for the classification.

May Furnish Information to Authorized Liaison Personnel, Regarding Defective Parts, Tooling or Assemblies or Incorrect Assembly Sequence:

This phrase starting with the word "may" (see definition above) is merely recognition that on some job details a worker is in a better position to give information than any one else. Such information should be given only at request of his supervision.

May Suggest Changes in Installation to Engineers or Others and Assist Them in Interpreting
and Applying Customer Specifications Relating to Armament:

"May Suggest", when used in a statement of this type, is not compulsory, but of an optional nature.

Points Out Need for Tooling, Part, or Installation Corrections:

a. This phrase is intended to cover suggestions by the employee to the lead or supervisor as to how to do the job better, easier or quicker, and is optional and not compulsory; or

b. This phrase is intended to cover the worker's responsibility to show or give information as to faulty parts, tools, or practices. The worker is expected to report these instances to supervision.

Processing:

(Airplane Components, or Assemblies.) An inclusive term covering various finishes, etc., such as: anodizing, cadmium plating, etching, painting, oiling, passivating, fabric doping, chromodizing, pickling, plating, degreasing, sandblasting and similar operations which do not change the basic structure of the materials processed.

Production Illustrations:
SUPPLEMENT D

Are blueprints or sketches which are used as an aid in visualizing parts and/or their assembly and are usually isometric, perspective, pictorial or third angle projection drawings or photographs.

Removal and Rework of Aircraft Power Plants:

This means to remove and undress the power plant, to rework the removed parts and reinstall such as carburetors, governors, fuel, oil and injection pumps, starters, generators, manifold pressure regulators, ignition harness, spark plugs, etc. It does not mean the reworking of the engine.

Rework:

Means that type and kind of work, including pickup, involving disassembly, modification, repair, and/or rebuilding of any part, assembly, or installation as set forth and described in the Work Performed section of the job description within the limits of the occupation or classification in which the rework is to be performed.

Set-Up, Sets Up:

Includes the various necessary physical work operations or steps, (other than layout) which must be accomplished before actual fabrication can proceed. Set-up of machines or equipment might include such operations as selecting and aligning proper tooling, positioning and securing material, and setting speeds, feeds, stroke, travel, pressure, flow, etc. In
most assembly operations set-up (e.g., positioning parts, obtaining parts) is so closely inter-mingled with fitting and joining together that set-up is not customarily designated as such. This is generally true of operations where machine operation is not the primary job factor.

**Shop Mathematics:**

Is that form of mathematics normally used by shop workmen in the performance of the duties of the occupation in which he works.

**Shop Mathematics, Including Trigonometry:**

Means the use of trigonometry to solve any problem that may arise in the work to which assigned.

**Shop Practice:**

Means the generally accepted method of performing a basic, common, or usual operation under specified conditions. It covers the knowledge which is common to the occupation itself and to most manufacturing shops using the operation under consideration. Besides knowledge and ability to use required hand tools and equipment, it includes knowledge of general safety practices, conduct, rules of cleanliness, neatness, good housekeeping and care of equipment. When used in the phrase "shop practices and procedure", practice need not imply other than practice or methods learned or acquired at the Company.

**Shop Theory:**
Implies a knowledge of "why" as well as "how" a given task should be done. It implies a real understanding of the diversity of work in an occupation, of the capacities and limitations of machines used, and of the skills involved. It is acquired by a combination of observation, experience and schooling.

**Tolerances, Close:**

Means those tolerances which are held by the machine, operator and/or fixture without great or special care, effort or skill on the part of the workman. This term expresses a level of difficulty rather than preciseness of linear, angular or other measurement.

**Tolerances, Exacting:**

Means those tolerances which require special care and attention on the part of a skilled workman to obtain or hold. These tolerances would be difficult, if not impossible, for a semi-skilled or unskilled workman to hold consistently at a good production rate. This term expresses a level of difficulty rather than a preciseness of linear, angular or other measurement.

**When So Assigned:**

Means that the work operation, function or job duty is usually and normally performed after or as a direct result of an order, work assignment or request from recognized supervisory personnel. Means an occasional or incidental job requirement.
SUPPLEMENT D

Where Complete Information Is Not Readily Available:

a. This phrase is not to be interpreted as requiring the worker to develop his own information, except for such information which falls into the category of acceptable shop practice.

b. Where this phrase is used in a job description it is understood that all workers in the classification will work under these conditions as required.

With or Without the Aid of Tooling:

This phrase means that in some cases where tooling does not exist or is faulty, the worker may be required to work around such a condition. At times when this condition does not exist the worker may still hold the classification, provided other qualifying factors of the classification are present in the job.

Work from Production, Pre-Release, Check, Detail, Assembly and Installation Blueprints, D.A.T.'s, Sketches, or Other Authorized Documents:

This statement when used in a job description does not mean that a worker must have a complete knowledge of all the above-mentioned documents, but only to the extent of the difficulty described in the description where used.
Works with Authorized Liaison Personnel as Necessary (or When Required):

a. This phrase is intended to cover situations such as when trouble develops on a job the worker goes to their lead or supervisor who in turn may call in a liaison personnel, and then the worker, being more familiar with the job, will cooperate with the liaison personnel to straighten out the trouble.
b. Under this phrase it is not intended that workers are to contact or to be contacted by liaison personnel, except through their supervisor.

It is understood that all statements used in specific job descriptions are to be interpreted on the basis of the level of difficulty contained in the respective descriptions.

SUPPLEMENT "E"

A GLOSSARY OF TERMS AND PHRASES AS USED IN LOCKHEED MARTIN AERONAUTICAL SYSTEMS TECHNICAL AND OFFICE JOB DESCRIPTIONS

In preparation of the job descriptions the following terms and words are given definition and meaning to clearly indicate the common and consistent interpretation to be placed in them by all persons using the descriptions.
**SUPPLEMENT E**

The meaning of words and phrases not included in this Glossary shall be as defined by Webster's Colle-
giate Dictionary.

**As Required:**

Means performance of work operations if and when such are necessary, as long as they are within the level of difficulty described.

**Assists (Helps):**

Means to assist or aid an employee in the performance of the duties as set up in the particular job description where the phrase exists. The assisting worker is not expected to work wholly independent-
ly but rather cooperatively and, further, is entitled to, and should receive, the guidance and instructions considered usual and normal under these circum-
stances.

**Basic Knowledge:**

To know the fundamental principles and operations of a specific job or function, but does not require the ability to apply such knowledge.

**Check:**

A clerical function of examining and comparing facts, figures or other data to determine complete-
ness and accuracy.
SUPPLEMENT E

Determine:

To choose, judge, or decide; to select pertinent data or information from documents, records, etc.

Initiate:

To introduce by a first act; originate; begin.

Knowledge:

To know and understand the principles, operations, and procedures required of a specific job or function and the ability to apply such knowledge to the performance of the specified job.

Liaison:

The act of investigating problems, coordination activities and contacting personnel with a view to arriving at mutually acceptable agreements, changes, etc.

Material:

Used to designate raw stock or purchased items which must be subjected to processes of manufacture before use in an airplane.

May:

When used as the first word of a sentence or phrase,
SUPPLEMENT E

means that the function is performed by some of the personnel holding the classification or, that the function is occasionally performed, but is not a requisite for the classification.

Process:

Receive forms or documents, check to determine that necessary information is shown, make records from or add any required data to document, and send to next destination.

Reconcile:

To bring into agreement. To check (as facts, figures, accounts, etc.) one against another and make, or arrange for, adjustments necessary to bring the two into balance or agreement.

Survey:

To examine, select, and check data, and determine the accuracy and/or adequacy of the information contained.

When Assigned:

Means that the work operation, functions or job duties are usually and normally performed after, or, as a direct result, of an order, work assignment or request from recognized supervisory personnel.

Working Knowledge:
To know or understand the fundamental principles and operations of a specific job or function and the ability to apply that knowledge as a minimum requirement for the performance of the given job.

**SUPPLEMENT "F"**
Letters of Procedure and Understanding

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<tr>
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<tbody>
<tr>
<td>2.</td>
<td>Uniform Items Furnished Firefighters.</td>
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<tr>
<td>3.</td>
<td>Eligibility and Work Week Assignment of Stewards in the Fire Department.</td>
</tr>
<tr>
<td>6.</td>
<td>Agreement reached in 2005 Negotiations regarding Part B, Article IV, Section 10 (transferring within a classification).</td>
</tr>
<tr>
<td>7.</td>
<td>Pay for Weekend Overtime Worked by an Employee in His Old Department When a Change in Status is Effective on Saturday.</td>
</tr>
</tbody>
</table>
SUPPLEMENT F

8. Pay for Knowledge Understanding.

9. Rate Establishment Upon Promotion or Rehire to Formerly Held Job, and Savings Plan and Group Insurance Participation for Rehires.

10. Applicability of Recognition Awards.


12. Union Request to be Contacted in the Event of Serious Injury of a Represented Employee While at Work.


14. Shift Transfer.


17. Department and Shift Placement for Prolonged Leave of Absence Returnees.

18. Assignment of Certain Assembly and Installation Work on Production Aircraft to Cer
SUPPLEMENT E

tain Job Classifications.

19. Special Departmental Union Representation to be Afforded Employees Represented by Aeronautical Machinist Local Lodge 709 in the Event They Are Being Given a Disciplinary Suspension.

19A. Special Departmental Union Representation.


21. Placement Request and Bypass Notification

23. Field Duty.


26. Informational Meetings.

27. Scheduling of Split Vacations.


29. Nullifying Discipline.


31. Use of Part-Time Employees.
SUPPLEMENT F

32. Employees in Trainee Classification.
33. Refusal of Recall.
35. Retirement Agreement.
36. Union Orientation New Employees.
38. Return of Employees Who Take Disability (Total and Permanent) Retirement Upon Sufficient Recovery.
40. Posting and Filling Trainee Openings.
41. Payment of Union Senior Board Member for Work Performed Regarding Employee Benefits.
42. Alternate Recall.
43. Quality Letter.
45. Recall/Retreat Rights to Previously Held Jobs Combined During 1989, 1993, 1996,
SUPPLEMENT F


49. Facilities Subcontract Review Meetings.

50. Substantial Change Grievance Procedure.

52. Union Security and Rights of Employees


55. Testing and Proficiency Demonstrations.

56. Firefighter Operations and Scheduling

57. Third party Medical Review

58. Maintenance Subcontracting Agreement

59. Seniority Status of Employees transferred to a Salaried occupation

60. New Business

61. Field Duty Assignments
SUPPLEMENT F

December 13, 1971

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
932 Clay Street
Marietta, Georgia 30060

Dear Mr. Bowen:

The original letter of understanding dated June 11, 1958, from Jack W. Farnell, Labor Relations Manager, to Mr. E. A. Demcheck, President, Aeronautical Industrial District Lodge 33, and included in the 1968 Agreement as Code 1, Supplement "F", Letters of Procedure and Understanding, is continued as follows with the underlined addition under paragraph "b" included to reflect the actual practice as agreed upon.

"This letter agreement is written to confirm the understanding reached following the 1958 negotiations regarding the payment of the difference between the amount of weekly disability benefit paid under Georgia Workmen's Compensation laws and the amount of weekly disability benefit payable for non-occupational illness or injury under the Lockheed Employees' Group Insurance Plan.

"This provision, which is a part of the Memorandum of Understanding in the 1957 Company-Union Agreement was inadvertently omitted from
the Memorandum of Understanding in the 1958 Company-Union Agreement and reads as follows:

a. Change the definition of "Dependents" in the Group Insurance Plan for Dependents to refer to "spouse" rather than "wife."

b. Provide for payment of the difference between the amount of weekly disability benefit paid under Georgia Workmen's Compensation laws and the amount of weekly disability benefit payable for non-occupational illness or injury under the Lockheed Employees' Group Insurance Plan. Such payment will be made for not to exceed twenty-six (26) weeks and only for weeks the employee is absent from work due to such occupational illness or injury and in which he draws weekly disability benefits under Georgia Workmen's Compensation laws, except that any amount up to the full amount payable for weekly disability benefits will be made for the first week of disability if it is not payable under Workmen's Compensation. This provision will be applicable only to employees insured under the Lockheed Employees' Group Insurance Plan.

"As agreed, it is the intent of the Company to continue for the duration of the present Agreement, the practice established as the result of inclusion of the above provision in the 1957 Company-Union Agreement.

"If this represents your understanding of the agree-
SUPPLEMENT F

ment reached, please so indicate by signing in the space provided below, returning one copy for our file and retaining one for yours.

Very truly yours,

LOCKHEED AIRCRAFT CORPORATION
Georgia Division

s/Jack Farnell
Jack W. Farnell
Labor Relations Manager

APPROVAL: s/E. A. Demcheck
E. A. Demcheck, President
Aeronautical Industrial
District Lodge 33"

Very truly yours,
LOCKHEED-GEORGIA COMPANY

J. R. Akins
Assistant Director of Industrial Relations

APPROVED:
Reeves Bowen, Jr.
SUPPLEMENT F

2 January 1, 1978

(Revised 2002 Negotiations)

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
1032 Clay Street, S.E.
Marietta, Georgia 30060

Dear Mr. Bowen:

The following understanding was reached during 1977 negotiations concerning uniform items furnished Firefighters and Fire Inspectors.

The Company will issue the following items as needed on a replacement basis: (Replacements will cover tattered, significantly worn, permanently stained or unusable clothing.)

****(ADDED 2002 Negotiations)

** FIREFIGHTERS AND FIRE INSPECTORS **

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dress trousers (all season)</td>
<td>3</td>
</tr>
<tr>
<td>Dress jacket (all season)</td>
<td>1</td>
</tr>
<tr>
<td>Summer shirt (short sleeve)</td>
<td>3</td>
</tr>
</tbody>
</table>

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SUPPLEMENT F

Winter shirt (long sleeve)..........................3
Cap Service ............................................1
Coveralls (work) ......................................1
*Coat (winter) ........................................1
 *(ADDED 1980 Negotiations)

American flag, LM-Aero badge and sleeve patches will be sewn onto uniform items when they are issued.

In addition, the Company will provide a limited number of coveralls in the B-4 and B-25 fire stations for the firefighters when they are cleaning, polishing, and servicing the fire trucks.

Very truly yours,
LOCKHEED-GEORGIA COMPANY
S/J.R. Akins
J. R. Akins
Director, Labor Relations
and Plant Personnel

JRA:cm
Mr. E. A. Demcheck, President
Aeronautical Industrial District Lodge 33
International Association of Machinists
112 Waverly Way
Marietta, Georgia

Dear Mr. Demcheck:

This is in confirmation of an agreement reached by the Company and the Union in a meeting attended by S. R. Krysiak, W. J. Willcox and T. I. Thrasher for the Company; E. A. Demcheck, H. D. Gallo- way and G. C. Cook for the Union, in the Labor Relations Office on July 10, concerning assignment of Senior Chairmen within the Fire Department. It was agreed that the existing practice established under the joint agreement between the Company and the Union on May 20, 1957 is to be continued.

Each Chairman (Group and Senior) shall be an employee, other than a Leadman, regularly assigned to work on the same shift as the employees he represents. The Senior Chairman will be regularly assigned to work week one (1) as expeditiously as practicable following receipt of notification by the Labor Relations Department of such status. The Senior Chairman, at the end of his term of office, shall revert to the work week which he held at the time he was elected Chairman.

Very truly yours,
SUPPLEMENT F

LOCKHEED AIRCRAFT CORPORATION
--Georgia Division--

s/Jack Farnell
Jack W. Farnell
Labor Relations Manager

JWF/SRK:as

APPROVED: s/E. A. Demcheck
For the Union

4 August 18, 1965

Mr. Clyde Williams, President
Aeronautical Machinist Local Lodge 709
International Association of Machinists
and Aerospace Workers
1100 Clay Street
Marietta, Georgia

Dear Mr. Williams:

This supersedes and cancels the letter of January 10, 1963, which deals with the manner in which vacancies are to be filled by Firemen in the Fire and Safety Department, 90-52, and will confirm the understanding reached by the Company and the Union on the filling of vacancies.

Written requests for shift assignment will be accepted by the Fire Chief each month for the duration of this contract. Preference cards will allow
employees one specific shift preference. Shift assignments will be made by the Fire Chief in accordance with shift preference cards on file at the time of any shift reassignment.

(A) In filling an opening on any shift, preference shall be given to the most senior qualified employee who has a written request card on file requesting the shift on which the vacancy occurs, subject to the limitations set forth in (H) below.

(B) In filling a work week vacancy occurring on any shift which does not involve a change in manpower on the shift, preference shall be given on the basis of seniority to the most senior qualified employee on the shift. The surplus employee on the work week where the excess exists may displace the least senior of any less senior employee on any other work week on the shift. Additional vacancies or displacements thus created shall be filled in a like manner.

(C) (1) If there exists a surplus on a shift which involves the movement of personnel to another specified shift, employees on the surplus shift who have requests on file for the shift to which employees are to be moved will be allowed to move instead of the least senior employee on the shift where the surplus exists. If no requests as outlined above exist, the least senior employee will be moved.

(2) In the application of (C) (1) above, if the employee moving from the surplus shift has
greater seniority than an employee on any work week on the shift to which he is moved, he may displace said employee on that work week.

(3) If an employee is displaced as in (C) (2) above from his work week, he will remain on his shift and may be placed on a work week in accordance with his seniority. If the employee has less seniority than any employee, he shall be placed on a work week in accordance with the Company's need.

(4) In effecting the above moves, the employees on the shift where the surplus exists and the shift to which employees are to be moved are the only affected employees.

(5) In effecting these shift moves, the limitations of (H) below apply. On filling of work week vacancies only, the limitations in item (H) do not apply.

(D) In filling any vacancies as a result of the employee's request, the employee will take any necessary days off to effect the reassignment; however, in the event that requirements are such that some other employee must be brought in on his sixth or seventh day for coverage occasioned by the above, the employee scheduled to take the time off to accomplish the move will be allowed to work instead of the sixth or seventh day man. This will apply to the sixth and/or seventh day of the employee's old work week. Such time, if premium time for the
employee making the move, will not be included for purposes of the normal overtime rotation roster.

If an employee is moved for the convenience of the Company, sixth or seventh day overtime will be paid if such move necessitates work on the sixth or seventh day for the employee being moved.

(E) The Company shall have the right to place a probationary employee on any shift and work week for orientation and training until completion of his probationary period at which time a shift and work week vacancy will be considered to exist and will be filled in the manner prescribed herein. The Company shall have the right at any time, during the employee's 90-day probationary period, to declare the existence of a shift and work week vacancy to be filled in the manner prescribed above; in this event the probationary employee will not be moved again at the expiration of his 90-day probationary period.

The Company will make every reasonable effort to place probationary employees on other than Work Week 1, Day Shift, at the earliest possible date following hire consistent with the practical requirements of the Department to provide adequate training during the probationary period. The Company will not normally place more than two (2) probationary employees on swing shift for training purposes at any one time.
(F) In effecting the reassignments, employees classified as Fire Inspector will be considered as a separate group on the basis of special qualifications.

(G) In the event that an employee changes shifts, he may elect to file a new preference card.

(H) In the filling of shift vacancies as established by the Fire Chief, no more than four shift moves shall be made under (A) above (the initial move and three resultant moves).

(I) An employee filing a written request for shift assignment preference shall be given a written receipt setting forth the date the request was received by the Fire Chief and showing the shift requested.

(J) For purposes of application of the above, an employee request move shall be any move resulting from a request from an employee where such moving employee obtains a choice of work week or shift by virtue of exercising his seniority to obtain such work week or shift. A Company request move shall be defined as a move resulting in the placement of an employee in a work week or shift vacancy where the employee did not exercise his seniority to obtain such vacant shift or work week opening.

It is agreed that the interpretation and application of the provisions of Article IV, Section 10 - Filling of Shift and Work Week Vacancies - in the Agreement between the Company and the Plant Protec-
tion Lodge 615 dated December 21, 1971, will be binding and controlling for Firemen in exactly the same manner as such practice is applied for Guards should any question arise regarding filling of shift or work week vacancies for Firemen under the above-stated provisions. (PARAGRAPH REVISED 1974 NEGOTIATIONS)

Very truly yours,
LOCKHEED-GEORGIA COMPANY

s/J. R. Akins
J. R. Akins
Labor Relations Manager

s/Clyde Williams
Clyde Williams, President
Mr. Cornell Stevens, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia  30060-2899

Dear Mr. Stevens:

This will confirm the agreement reached during the 2005 Negotiations clarifying the intent of Part B, Article IV, Section 10 (transferring within a classification). The intent of the language is for the company to have the ability to temporarily transfer an employee to a full-time lateral or lower classification as a short-term work assignment or to perform work while the company is in the process of filling a requisition for such work assignment. The company will not use such transfers to circumvent surplusing by seniority or as a disciplinary assignment.

Sincerely,

LOCKHEED MARTIN AERONAUTICAL SYSTEMS
s/Jack R. Lambert
Site Director, Human Resources

JRL:sh
Mr. Clyde Williams, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
1100 Clay Street
Marietta, Georgia

Dear Mr. Williams:

This is to confirm the discussion in my office between you, Mr. Key, Mr. Wilson and myself concerning overtime for employees on Saturday or Sunday.

You will recall that I explained that under the agreement to pay employees on Thursday that all changes of status in the future, commencing about the middle of November, would be effective each Saturday. During the recent negotiations, we agreed that overtime work on Saturday and Sunday would be paid a week later than at present. Our understanding was that the payroll would be closed at the end of swing shift on Friday. This, of course, envisioned making changes of status effective Saturday morning. By doing so, it is conceivable that some employee might allege that another employee who is transferred with a change of status effective Saturday was no longer in the affected group (releasing department) for overtime purposes. As we both agreed, it was the understanding in negotiations that such employee would be considered in the releasing department for purposes of any overtime for which he might be eligible.
SUPPLEMENT F

the event such an employee is eligible and works on either Saturday or Sunday he will be paid the new rate of pay if higher or the rate he was receiving in his old department in the event that he has been downgraded.

This letter is being sent to you to assist both your staff and my staff in the future application of the overtime provisions of the Agreement.

Very truly yours,

LOCKHEED-GEORGIA COMPANY

s/Jack W. Farnell
Jack W. Farnell
Labor Relations Manager

JWF:mm

February 10, 2005

Mr. Cornell Stevens, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
1032 S. Marietta Parkway
Marietta, Georgia 30060-2899

Re: Memorandum of Understanding
Pay for Knowledge

202
Dear Mr. Stevens:

During discussions held in the 2005 Negotiations, it was agreed that a Pay for Knowledge plan may be developed providing additional pay in those instances where it has been determined that a specific knowledge, skill or ability provides additional value and would be mutually beneficial to both the Company and the Union. In those circumstances, it was agreed the parties would meet for the purpose of agreement on the design of a pilot project including the tasks for which additional compensation will be granted, the method for identifying how compensation will be offered and the term that the pilot project will be implemented. Where such project is initiated, both parties will have the opportunity to either extend by mutual agreement or terminate at either party’s request.

Sincerely,

LOCKHEED MARTIN
AERONAUTICS
COMPANY-MARIETTA

s/Jack R. Lambert
Site Director, Human Resources

JSK: sh
SUPPLEMENT F

October 20, 1980

(1962 LETTER REVISED AND REWRITTEN
1980 NEGOTIATIONS, Revised 2011,
and 2014 Negotiations)

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
1032 Clay Street, S. E.
Marietta, Georgia 30060

Dear Mr. Bowen:

A. The policy of the Company relative to establishment of rates of pay for employees promoted to a job previously held will be to have their rates of pay established on the following basis:

Upon promotion to a classification previously held wherein the employee has either continuous seniority or recall rights since previously holding the higher classification, such employee will receive his current rate, or an ingrade rate consistent with the rate such employee held at the time he previously held such classification, whichever is greater.

B. The policy of the Company relative to establishment of rate of pay for employees promoted to a classification not previously held is to establish the rate at his then current rate at the time of promotion, or the minimum of the higher classification, whichever is greater.
SUPPLEMENT F

C. The rate of pay of an employee recalled under the provisions of Article IV, Section 4, Recall, to a previously-held classification will be established at an ingrade rate in line with such employee's position in the rate range at the time that such employee was downgraded. However, in the event such employee is recalled to the classification after holding a lateral or higher classification and subsequently surplused and not placed in the classification due to insufficient seniority, such employee shall have his ingrade rate established at the same ingrade position to which he would have been entitled had he been placed in the classification at the time of the above-named surplus.

D. Any former employee who at any time since 1950 accumulated two years' seniority and left employment with any plant of the Corporation since that date, whether through layoff or quitting, shall upon rehire without seniority:

1. Serve no waiting period for group insurance coverage.

2. Be eligible for savings plan participation immediately upon rehire.

3. If rehired in a comparable classification held in their previous tenure with the LM Aeronautics Companies (Clarksburg, Fort Worth, Johnstown, Meridian, Palmdale, Helendale and Rye Canyon) with a collective bargaining agreement in effect, have their rehire rate established at an ingrade rate at least as high as
SUPPLEMENT F

the rate position held in such classification during the previous tenure.

Very truly yours,

LOCKHEED-GEORGIA COMPANY

s/J. R. Akins
J. R. Akins, Director
Labor Relations and Plant Personnel

JRA:cm

10 January 14, 2014

Mr. Perry Gulledge, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
A.F. of L.-C.I.O.
1032 South Marietta Parkway
Marietta, Georgia 30060-2899

Dear Mr. Gulledge

We acknowledge the value of giving special recognition awards for exceptional and/or significantly improved performance to teams as well as individual employees where the Company, in its sole discretion, identifies and individual employee or group of employees who have made significant
contribution(s) to the Company, a special recognition or spot award may be utilized for recognizing the employee(s) in the form of a monetary or non-monetary award. This contribution may be demonstrated in a single one-time event or over a period of sustained high performance and may include an interval based award tied to the achievement of performance metrics as defined by management. The Company will inform the Union when team-based awards are granted.

The issuance of Special Recognition or Spot Awards will be in accord with Aero Code policy AC-3697.

Sincerely,

LOCKHEED MARTIN AERONAUTICS COMPANY

s/Ronny E. Sibley
Senior Manager, Labor Relations

TW:res

11 January 9, 1959

Mr. E. A. Demcheck, President
Aeronautical Industrial District Lodge 33
International Association of Machinists
112 Waverly Way
Marietta, Georgia
Dear Mr. Demcheck:

This confirms the understanding reached regarding the matter of recall rights of employees to job classifications held for a portion of their probationary period and from which they were downgraded in lieu of layoff prior to acquiring seniority rights. This issue arose in connection with a grievance by Mr. H. G. Cagle, ST-355.

It is agreed that from this date forward employees hereafter downgraded from an occupation in lieu of layoff during their probationary period, and who subsequently acquire seniority while holding the lower classification, will be placed on the recall list to the classification from which they were downgraded during their probationary period. It is also understood that this agreement regarding recall rights does not include employees heretofore downgraded in lieu of layoff during their probationary period, and who thereafter never held the classification from which they were downgraded during their probationary period.

This agreement does not include employees laid off during their probationary period.

Very truly yours,

LOCKHEED AIRCRAFT CORPORATION

--Georgia Division--

208
12 February 2, 2005

Mr. Cornell Stevens, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
1032 S. Marietta Parkway
Marietta, Georgia 30060-2899

Dear Mr. Stevens:

During the discussions leading to the resolution of the 2005 contract, the Union requested to be contacted in the event of serious injury of a represented employee while at work.

To resolve this issue, the parties agreed that the Senior Manager, Labor Relations will notify either the Union President or the Vice President in the event an accident which included serious injury occurs.

Sincerely,

LOCKHEED MARTIN AERONAUTICS
Mr. Cornell Stevens, President  
Aeronautical Machinists Local Lodge 709  
International Association of Machinists  
And Aerospace Workers  
1032 South Marietta Parkway  
Marietta, Georgia  30060-2899  

Dear Mr. Stevens:

This is to confirm the understanding reached during the 2005 Negotiations regarding the application of the Attendance Standards as defined in Supplement H of the Company/Union Agreement.

We recognize the change in the 2005 Agreement with regard to the new Supplement H Attendance Standards. In order to provide employees the opportunity to understand these changes and make appropriate changes in their attendance, the last disciplinary step an employee has received for attendance will be removed from their record. Employees will retain their existing number of attend-
ANCE irregularities up to four (4) irregularities. If an employee has received five (5) or more attendance irregularities since the last attendance discipline, the attendance irregularities will be reduced to the most recent four (4) irregularities. For example, an employee with an EPN and five (5) attendance irregularities will be converted to a Verbal Warning and four (4) attendance irregularities. Employees that do not have any active attendance discipline on their record will have attendance irregularities reduced to zero (0).

This is only effective for the beginning of the 2005 Company/Union Agreement. Once the initial application has occurred, Supplement H will be administered as written. No other deviations will be made. Any questions regarding the application of the new 2005 Attendance Standards will be addressed by the Company/Union Negotiating Committee.

Jack Lambert
Site Director, Human Resources

14 July 22, 1965

Mr. Clyde Williams, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
1100 Clay Street
Marietta, Georgia

Dear Mr. Williams:

SUBJECT: Shift Transfers

This letter confirms the understanding reached by the Company and the Union during the current contract negotiations regarding shift transfers.

A. All transfers are subject to and made on the basis of operational requirements of the Company.

B. In the event it becomes necessary to transfer an employee from one shift to another to fill a vacancy, the following conditions and method of selection will apply.

1. Each department will post a shift preference list for day, swing and graveyard shifts. When openings become available, employees will be offered in seniority order. If an employee refuses, the next senior employee on the list will be offered the open shift. Employee’s names that are not on the list at the time of offering will not be considered for the open shift.

2. If an insufficient number of employees accept the transfer as provided in paragraph 1 above, the Company may then transfer the required number of qualified employees in inverse order of seniority from the classification and from within the department where the vacancy exists and such employees shall be required to accept such a transfer.
SUPPLEMENT F

C. It is recognized that exceptions to the basic rule set forth in B above may occur where specific skills are needed on a particular shift. This requirement may result in an employee being retained or transferred out of sequence to the degree necessary to obtain or retain persons of specialized skills not possessed by the affected employees.

D. 1. Employees transferred to another shift for a temporary period shall be returned to their former shift upon completion of their assignment. The Company will discuss with the employees involved and the appropriate shop steward the reasons for such temporary assignment.

2. To the maximum extent consistent with operating requirements, requested transfers will be made and at the earliest practicable date.

Very truly yours,

LOCKHEED GEORGIA COMPANY

s/J. R. Akins
J. R. Akins
Labor Relations Manager

APPROVED:
s/Clyde Williams
Clyde Williams, President
Aeronautical Machinists Local Lodge 709
Mr. Clyde Williams, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
1100 Clay Street
Marietta, Georgia

Dear Mr. Williams:

This is to set forth certain understandings reached regarding the authorization of time off the job for the Steward for the handling of emergency situations under certain conditions.

It is expected that employee complaints or grievances shall be handled by the Steward during the periods regularly allotted by the Agreement for such matters.

It is recognized, however, that situations sometimes occur which could create hardship, hazardous working conditions, or deny the employee beyond recovery his contractual rights if not handled promptly. Such situations do not occur very often which cannot be properly and adequately handled during regularly allotted periods.

In those instances where it is established that a bona fide emergency does, in fact, exist which requires the Steward's attention at that particular time, he will be authorized the extra time off upon request to his Department Manager. Requests for this extra time off shall not unreasonably be de-
SUPPLEMENT F

nied. However, it is understood such requests for extra time off shall be maintained at an absolute minimum and furthermore shall be no more frequent and for no longer than the immediate requirement of the emergency demands.

Any question or dispute regarding this matter will be referred to the Division Manager for final determination.

Very truly yours,

LOCKHEED-GEORGIA COMPANY

s/J. R. Akins
J. R. Akins
Labor Relations Manager

APPROVED:
s/Clyde Williams
Clyde Williams, President
Aeronautical Machinists Local Lodge 709
SUPPLEMENT F

16 July 25, 1965

Mr. Clyde Williams, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1100 Clay Street
Marietta, Georgia

Dear Mr. Williams:

SUBJECT: Inclement Weather - Flight Line Employees

This letter confirms the understanding reached by the Company and the Union during the current contract negotiations, relative to the Company's practice of sending Flight Line employees home because of inclement weather.

1. When inclement weather prevails at the start of an employee's shift, the Company may send him home at that time. If sent home, the employee is to receive four hours' pay.

2. When inclement weather prevails at the start of an employee's shift and the employee is required to work, he will be retained for the entire shift. This also applies when inclement weather sets in subsequent to the start of an employee's assigned shift.

Very truly yours,
17 July 25, 1965

Mr. Clyde Williams, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1100 Clay Street
Marietta, Georgia

Dear Mr. Williams:

SUBJECT: Department and Shift
Placement for P. A. Returnees

This letter confirms the understanding reached between the Company and the Union during the current contract negotiations, relative to department and shift placement for employees eligible to return from prolonged leave of absence.

The employee shall be reinstated in his former de-
SUPPLEMENT F

partment and on his former shift, provided his physical condition is such that he is able to perform the work, and further provided that his job classification, department, and shift are available to him in accordance with his seniority rights.

The Company may offer the returning employee placement in an available opening elsewhere in his classification which the employee may accept in lieu of placement as set forth above.

Very truly yours,

LOCKHEED-GEORGIA COMPANY

s/J. R. Akins
J. R. Akins
Labor Relations Manager

APPROVED:
s/Clyde Williams
Clyde Williams, President
Aeronautical Machinists Local Lodge 709

18 July 25, 1965

Mr. Clyde Williams, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
1100 Clay Street
Marietta, Georgia
Dear Mr. Williams:

This represents a letter of understanding with regard to assignment of certain assembly and installation work on production aircraft to certain job classifications.

Affected job descriptions and their application in accordance with Supplement "C" notwithstanding, the Company shall assign to employees classified in existing assembly jobs in Labor Grade 11 the assembly and/or installation of functional or structural items planned for installation or assembly on production aircraft models, including and following commencement of the manufacturing assembly sequence point known as major body mate (as distinguished from major section mate). Such work to be reassigned is further identified as any and all work in the manufacturing sequence as defined heretofore performed directly upon the aircraft by employees classified as Structures Assembler and Assembler Installer, Labor Grade 7, and of the character of work as described by the job descriptions therefore.

It should be understood that assignment of personnel in compliance with this letter, and any promotions resulting there from, shall be accomplished within 90 days following the effective date of the new Agreement by the departments affected, consistent with the maintenance of production efficiency and under the provisions of the existing promotion procedure.
SUPPLEMENT F

It is estimated that approximately 600 employees will be affected.

Very truly yours,

LOCKHEED-GEORGIA COMPANY

s/E. G. Mattison
E. G. Mattison
Director of Industrial Relations

APPROVED:
s/Clyde Williams
Clyde Williams, President
Aeronautical Machinists Local Lodge 709

LABOR GRADE DESIGNATION CHANGED
1977 NEGOTIATIONS.

19 July 25, 1965

Mr. Clyde Williams, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
1100 Clay Street
Marietta, Georgia

Dear Mr. Williams:

This is to set forth certain understandings reached regarding special departmental Union representa-
tion to be afforded employees represented by Aeronautical Machinists Local Lodge 709 in the event they are being given a disciplinary suspension. Such an employee, under the conditions enumerated herein, will be permitted to see his Steward, if the employee so requests, for a period of up to ten (10) minutes prior to his exit from the plant due to such disciplinary suspension. Supervision may elect to be present at such time to clarify to the Steward the reason for the employee's suspension.

The criteria for determining employee entitlement to such special Union representation and the procedural rules to apply are as follows:

(1) The employee is being suspended and escorted from the plant prior to the end of the shift, and hence will not be in a position to see his Steward during the period contractually allotted for the Steward to conduct Company-Union business under Article II, Section 1 (2) (a) of the Agreement.

(2) The employee's suspension has not created an inflammatory situation, such as fighting or insubordination, where his continued presence in the plant cannot be tolerated.

(3) At the time disciplinary suspension is decided, sufficient time remains prior to the end of the shift for such Steward contact to be made.

(4) The time set forth in the first paragraph of
SUPPLEMENT F

this letter is not to be used for writing out a grievance.

(5) Following such contact by the employee, as provided above, the Steward will return to his regular work assignment.

Very truly yours,

LOCKHEED-GEORGIA COMPANY

s/J. R. Akins
J. R. Akins
Labor Relations Manager

APPROVED:
s/Clyde Williams
Clyde Williams, President
Aeronautical Machinists Local Lodge 709

19-A December 13, 1971

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
932 Clay Street
Marietta, Georgia 30060

SUBJECT: Special Departmental Union Representation
Dear Mr. Bowen:

This is to set forth understandings reached regarding special departmental Union representation to be afforded an employee represented by Aeronautical Machinists Local Lodge 709 during the administration of disciplinary action in the plant. Such employee may request of his Manager and the Manager will have his Steward present under the conditions enumerated herein. (LAST SENTENCE REVISED 1974 NEGOTIATIONS)

(1) If the employee's offense has not created an inflammatory situation, such as fighting or insubordination, where his continued presence in the plant cannot be tolerated.

(2) If the employee desires the presence of his Steward.

(3) If there is more than one management person present when the employee is being criticized in the Department Manager's office or advised that disciplinary action is to be taken. (REVISED 1974 NEGOTIATIONS)

(4) The Steward may be present only as an observer or witness.

(5) Such Steward will return to his regular work assignment immediately following such disciplinary meeting.

Very truly yours,

SUPPLEMENT F
SUPPLEMENT F

LOCKHEED-GEORGIA COMPANY

J. R. Akins
Labor Relations Manager

JRA:cm
APPROVED:
Reeves Bowen, Jr.
SUPPLEMENT F

20 August 19, 1965

Mr. Clyde Williams, President
Aeronautical Machinists Local Lodge 709
1100 Clay Street
Marietta, Georgia

Dear Mr. Williams:

This is to confirm certain understandings reached with reference to the usage of the Welder - Maintenance classification insofar as performance of certain Maintenance Mechanic's work is concerned.

These understandings were reached following discussion of this matter in a meeting between Messrs. George Alexander, H. K. Gammon, Carson Green, Clyde Williams and W. P. Key.

It is understood that (1) Welder-Maintenance employees may perform certain Maintenance Mechanic work which is directly related but incidental to their primary function of performing work in their own classification; (2) Welder Maintenance employees who perform their function in the shop will not be assigned to installation of the equipment in some other area of the Plant unless (a) it is required for job continuity, (b) such installations require performance of welding work; and (3) it is not the intention of the Company to assign Welder Maintenance employees to the performance of Maintenance Mechanic work assignments if no welding functions are involved.
SUPPLEMENT F

It is the intent of the Company to make every reasonable attempt to assign the work to the classification which appears at the time to be the most affected of the two classifications.

If this represents your understanding of the agreement reached, please so indicate by signing in the space provided below, returning one copy for our files and retaining one for yours.

Very truly yours,

LOCKHEED GEORGIA COMPANY

s/W. P. Key
W. P. Key
Acting Labor Relations Manager

APPROVED: s/Clyde Williams
Clyde Williams, President
Aeronautical Machinists
Local Lodge 709
SUPPLEMENT F

21  February 22, 2002

(Revised 2005 and 2011 Negotiations)

Mr. Cornell Stevens, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia 30060-2899

Dear Mr. Stevens:

SUBJECT: Placement Request and Bypass Notification

This will confirm the agreement reached in negotiations that the Hourly Personnel Requirements Department will notify employees with upgrade requests regarding the following:

All employees with valid Placements Requests, who are deemed by the parties to be not qualified will be notified in writing and informed as to what part of the criteria they did not meet. As part of this notification, employees will receive a description of the appeal process to be used if they believe the decision to be inappropriate. Such appeal will be limited to clarification of information in resume at the time it was reviewed. No new information will be allowed. Following said appeal, a decision shall
be rendered.

Additionally, any employee that has been deemed qualified by the parties who is bypassed out of seniority due to lack of appropriate security clearance or access, will receive a notice of bypass. The notice will be sent within ten (10) calendar days of the bypass and will contain the effective date of the promotion for which the employee was bypassed.

At the time of receipt by the bypassed employee, the notice of bypass shall be signed and dated by the employee and initialed by the Company representative who delivered the notice.

It is understood between the parties that any employee who has been bypassed as a result of not possessing a security clearance or access who has not already applied or been denied clearance or access, will be encouraged to contact Hourly Personnel Requirements to request the necessary paperwork to initiate the clearance process.

J. R. Lambert
Site Director, Human Resource
SUPPLEMENT F

23 December 13, 1971

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
932 Clay Street
Marietta, Georgia 30060

SUBJECT: FIELD DUTY

Dear Mr. Bowen:

Seniority, operational requirements, surplus vulnerability, and qualifications are among the considerations in the selection of employees for Field Duty assignments within the continental limits of the United States. Consideration shall be given to rotating appropriate affected personnel in such selection.

Any grievance filed must be within specified time limits from commencement of the field duty assignment being contested. Any retroactive monetary adjustment shall be limited to any overtime lost if a difference in hours exists and the amount
SUPPLEMENT F

of adjustment lost based on change in base rate specified for employees assigned to field duty.

Very truly yours,

LOCKHEED GEORGIA COMPANY

J. R. Akins
Assistant Director of Industrial Relations

APPROVED:
Reeves Bowen, Jr.
Mr. B. W. Myrick, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia 30060-2899

Dear Mr. Myrick:

This will confirm the agreement reached during the 1999 Negotiations concerning the use of sick leave pay and attendance irregularities.

Paid sick and injury leave may be taken in either a one (1), two (2), three (3), four (4), five (5), six (6), seven (7) or eight (8) hour increment. Any partial or full day absence for which an employee receives sick leave pay shall not be counted as an attendance irregularity. A partial day sick leave must be requested prior to the start of the leave; however, an employee who is not present at the start of the employee's assigned shift may request within the first two (2) hours of the start of the shift and shall be granted a partial or full day sick leave. In the event an employee requests a partial day sick leave and takes more time than originally requested, the employee will be charged with an irregularity.

Dear Mr. Bowen:

SUBJECT: Informational Meetings

This letter confirms the understanding reached during the current contract negotiations regarding the holding of joint quarterly informational meetings.

Quarterly informational meetings will be held with senior management with the subject matter of

Sincerely,

LOCKHEED MARTIN AERONAUTICAL SYSTEMS

s/Thomas A. Coffey
V.P. Human Resources
TAC:pb

26 January 22, 2005

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
1032 Clay Street
Marietta, Georgia 30060

Dear Mr. Bowen:

SUBJECT: Informational Meetings

This letter confirms the understanding reached during the current contract negotiations regarding the holding of joint quarterly informational meetings.

Quarterly informational meetings will be held with senior management with the subject matter of
such meetings to include production, experimental, and tooling subcontracting. Such meetings to be attended for the Union by the Union members of the Senior Negotiating Committee.

Very truly yours,

LOCKHEED GEORGIA COMPANY

J. R. Akins
Labor Relations Manager

JRA:cm
APPROVED:
Reeves Bowen, Jr.

27 October 2, 1974

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 Clay Street
Marietta, Georgia 30060

Dear Mr. Bowen:

SUBJECT: Scheduling of Split Vacations

This letter confirms the Company’s policy regarding the scheduling of split vacations as follows:
SUPPLEMENT F

Schedule together, in seniority order, the vacations of employees eligible for and who are taking a consecutive vacation and employees who are eligible for and are taking the primary (first) portion of vacations which they have elected to split.

Following this basic scheduling, schedule in seniority order the secondary portions of the split vacations.

Very truly yours,

LOCKHEED GEORGIA COMPANY

J. R. Akins
Labor Relations Manager

JRA:cm
APPROVED:
Reeves Bowen, Jr.
SUPPLEMENT F

28 October 2, 1974

REVISED 1999 NEGOTIATIONS

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 Clay Street
Marietta, Georgia 30060-2899

Dear Mr. Bowen:

SUBJECT: Leave of Absence Conditions
for Union Officials

It is the policy of Lockheed Martin Aeronautical Systems to grant indefinite leaves of absence to Lockheed Martin employees who become full-time paid official officers of unions (including the International) which have and continue to have representation at LM AERO – MARIETTA. Such leaves of absence are for the purpose of recognizing fully accumulated seniority in the event such an official returns to his former LM AERO – MARIETTA position as an employee within 60 days following his severance as a union employee. Retirement Plan eligibility of such officials will be governed by the terms of the applicable retirement plan.

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SUPPLEMENT F

While on leave of absence, it is LM AERO – MARIETTA policy to permit elected full-time local union officials to participate at no cost to the company in the group medical (including optional plans) and life insurance plans in effect for IAM represented employees. Officers selecting a plan which does not provide life insurance coverage will be entitled to select life insurance coverage from the appropriate group plan providing it. Full premiums at group rates for the coverage selected by the union official are to be paid directly to the selected carrier. LM AERO – MARIETTA will make whatever arrangements are necessary with the carrier to ensure that the coverage when requested is provided.

This policy applies both prospectively and to ex-employees who are now union officials as defined above.

Very truly yours,

LOCKHEED-GEORGIA COMPANY
J.R. Akins
Labor Relations Manager

JRA:cm
Mr. Reeves Bowen, Jr., President  
Aeronautical Machinists Local Lodge 709  
International Association of Machinists  
and Aerospace Workers  
1032 Clay Street  
Marietta, Georgia

Dear Mr. Bowen:

This confirms the understanding reached during 1977 negotiations concerning nullifying verbal warnings, Employee Performance Notices, and disciplinary suspensions in the records of employees.

It was agreed if there has been no further disciplinary action taken for the same type offense during the two (2) year period following the issuance of such discipline, the verbal warning, Employee Performance Notice, or disciplinary suspension shall be considered as voided, and the documents and documentation in question shall be removed upon employee request. (REVISED 1983, 1986 & 1989 NEGOTIATIONS)

Very truly yours,

LOCKHEED-GEORGIA COMPANY  
J. R. Akins, Director  
Labor Relations and Plant Personnel

JRA:cm
Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 Clay Street
Marietta, Georgia 30060

Dear Mr. Bowen:

The following represents the understanding reached during negotiations on the subject of Union Security:

If at any time during the term of the Company-Union Agreement now being negotiated, the provisions of the Georgia Code applicable to union security, that is, union shop or agency shop, are repealed or amended by the Georgia Legislature, or if during that time Section 14(b) of the National Labor Relations Act is amended or repealed, with the result that those provisions of the Georgia Code are repealed or invalidated, then to the full extent permitted under Georgia law the Company-Union Agreement will be amended to incorporate the same union security provisions contained in Article I, Section 9 of the Agreement between the Lockheed-California Company and Aeronautical Industrial District Lodge 727 and the International
SUPPLEMENT F

Association of Machinists and Aerospace Workers eliminating any requirement that employees become or remain members of the Union and excepting from the coverage of such provisions the same categories of employees excepted from the application of the union security provisions of the Union-Lockheed-California Company Agreement. It is intended that employees within the coverage will be required to pay, to the extent permitted by the above-described changes in law, the same initiation fees and dues as regular members of Aeronautical Machinists Local Lodge 709, but shall not be required to be union members.

Very truly yours,

LOCKHEED-GEORGIA COMPANY

J. R. Akins
Labor Relations Manager

APPROVED:
Reeves Bowen, Jr.

31 January 1, 1978

(Revised 1996 Negotiations to Reflect Job Title Changes)

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
1032 Clay Street, S. E.
Marietta, Georgia 30062

Dear Mr. Bowen:

This confirms the agreement reached during 1977 negotiations between the Company and the Union concerning the use of “part-time” employees. Unless mutually agreed otherwise, the use of “part-time” employees is limited to the Long Distance Switchboard Operator/Receptionist, 726-3, Accountant-General/Cashier, 653-3; and to other classifications which have no recall list.

Very truly yours,

LOCKHEED-GEORGIA COMPANY

J. R. Akins
Labor Relations Manager

JRA:cm

32 October 20, 1980

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
1032 Clay Street, S. E.
Marietta, Georgia 30060

Dear Mr. Bowen:

This is to confirm our understanding regarding any
employee placed in a Trainee classification who subsequently is found to be unable to meet the requirements for continuation in the program or who is removed from the Trainee classification due to surplus.

Such employee, upon removal from the Trainee classification under either of the above referenced circumstances, will be placed back in the same classification held immediately prior to his placement in the Trainee classification, seniority permitting. The rate of pay for such employee shall be not less than his ingrade rate immediately prior to his placement in the Trainee classification.

If such employee does not have sufficient seniority for such placement, he shall be declared surplus in the classification held immediately prior to his placement in the Trainee classification and placed in accordance with the applicable provisions of Article IV of the Agreement.

Further, any such employee who lost recall rights to any other classification(s) because of his promotion to the Trainee classification shall have such recall rights reinstated upon his placement under the second and third paragraph of this letter.

It is further agreed that employees who have accepted downgrade to enter a Trainee classification and are subsequently promoted from such Trainee classification to that classification for which trained, shall be paid not less than the ingrade rate
SUPPLEMENT F

(based on the rate immediately prior to the downgrade) in the classification from which downgraded, plus the standard promotional increase. Such rate shall not exceed the maximum rate for the classification to which promoted. (REVISED 1986 NEGOTIATIONS)

Very truly yours,

LOCKHEED-GEORGIA COMPANY

J. R. Akins
Director, Labor Relations
and Plant Personnel

JRA:cm

33 February 29, 1996


Mr. James M. Carroll, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 S. Marietta Parkway
Marietta, Georgia 30060

Dear Mr. Carroll:

Employees on the active payroll of the Company who are notified that they are to be recalled shall not be permitted to refuse recall unless they sign and submit to the Company a “Refusal of Recall” form within three (3) working days or date of noti-

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SUPPLEMENT F

Such form is to be made a part of the employee’s record with the Company.

Upon receipt of the signed and dated “Refusal of Recall” form, the employee’s name will be removed from the recall list. An employee on prolonged absence at the time of recall shall have three (3) working days upon return to the active payroll of the Company, to accept or refuse such recall, seniority permitting. An employee accepting recall will be placed into the opening on the Monday following the next scheduled hourly surplus date provided the employee has sufficient seniority to be placed.

Very truly yours,

LOCKHEED MARTIN
AERONAUTICAL SYSTEMS

R. L. Whillock
Vice President Human Resources

RLW:pb

35 October 20, 1980

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 Clay Street
Marietta, Georgia 30060

Dear Mr. Bowen:

SUBJECT: Retirement Agreement

This letter summarizes certain provisions of the agreement reached during the current contract negotiations regarding the Hourly Retirement Plan.

The Company and the Union entered into an Agreement for a Retirement Plan as of December 16, 1961, which superseded the retirement plan agreement of March 27, 1957. Since 1961 the parties, including during the 1980 negotiations, have entered into amendments to the 1961 Agreement which have added additional benefits and provided for certain understandings concerning the Plan.

During the 1980 negotiations the Retirement Plan Amendment Agreement provided specifically for certain protections in the application and administration of the Plan to assure that changes to the Plan resulting from the restatement of the Plan during the period of 1977-1980 would not reduce or eliminate the rights or benefits of Plan Members which existed prior to the restatement. Specifically, the Retirement Plan Amendment Agreement provided as follows:

The Plan having been amended and restated as of December 25, 1976, for the sole purpose of...
compliance with ERISA, while incorporating the provisions of the Plan as in effect December 25, 1971, as specifically amended by the parties through negotiations in 1974 and 1977, there was and is no intent of the parties, by virtue of said amended and restated Plan, to reduce, limit, or eliminate any pre-existing rights and benefits of the Members of the Plan, including those represented by the Union.

Therefore, notwithstanding any other provision of this Agreement or any previous agreement pertaining to the Plan and notwithstanding any policy, practice, or interpretation of the Company in the administration and application of the Plan, if the application of any term or condition of the Plan as in effect prior to the Plan amendment and restatement of December 25, 1976, would be more favorable to a Member or retiree than would result from the application of any term or condition of the Plan as amended and restated effective December 25, 1976, the term and condition of the former shall apply.

The purpose of this letter is to effect broader dissemination of the specific agreement set forth above. It is not intended to change or replace the formal agreements of the parties concerning the retirement plan which, among other things, provide that no matter respecting the Plan is subject to the grievance procedure of the collective bargaining agreement. In that regard, the 1961 Retire-
ment Plan Agreement, which continues in effect, provides for a joint Company-Union Board to make certain determinations concerning Plan rights and benefits and a procedure for settling disputes arising out of the joint Board deliberations.

Very truly yours,

LOCKHEED-GEORGIA COMPANY

J. R. Akins
Director, Labor Relations
and Plant Personnel

JRA:cm

36 October 24, 1983

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 Clay Street
Marietta, Georgia 30062

SUBJECT: UNION ORIENTATION
NEW EMPLOYEES

Dear Mr. Bowen:

This is to confirm the agreement reached during

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SUPPLEMENT F

the 1983 Negotiations regarding Union Proposal to participate in the one-time orientation of represented newly hired employees. In response to such it is agreed that during such orientation an appropriate video tape of less than 10 minutes duration prepared and provided by the Union will be played by the Company representative. The subject of such tape to be limited to Union orientation.

A Union Officer of Local Lodge 709 may be present at the showing of such video tape during orientation of newly hired hourly represented employees for the purpose of answering questions which may arise following the showing of the tape, and the distribution of application for Union membership cards and dues deduction cards. (REVISED – 1986 NEGOTIATIONS)

Very truly yours,

LOCKHEED-GEORGIA COMPANY

J. R. Akins, Jr.
Director of Labor Relations
and Plant Personnel

JRA:mld

October 24, 1983

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
SUBJECT: NEW TECHNOLOGY

Dear Mr. Bowen:

1. The Union and the Company agree that employee job security may be affected from the Company’s introduction and utilization of new machinery and equipment such as automated machines, and robots. It is further agreed that the utilization of the safest and most efficient machines, processes, methods, and materials is to the mutual benefit of the Union, the Company, and employees.

2. The term “new technology” shall be defined as the installation or introduction of automated manufacturing machines, robots, and computer aided manufacturing systems which cause the direct elimination of work which has been performed manually by an hourly represented employee.

3. Technological advances such as those referred to in “2” (“new technology”) above necessitate changes which could affect jobs and the employees assigned thereto. In recognition of the Union’s expressed concerns the Company will establish a committee which will deal with the introduction of new machinery and equipment with the goal of assuring that the employees whose jobs are directly eliminated by the introduction of new machin-
SUPPLEMENT F

er and equipment will be offered retraining in the event that equivalent job opportunities are not available. Normally, this training will be accomplished on the employees own time and is intended to provide equal or better job opportunities than would have existed had the new machinery or equipment installation not occurred. Such training will only be for a job for which the Company foresees a requirement.

4. The committee will be made up of the Director of Human Resources, Director of Manufacturing, Director of Engineering, Director of Information Services and will be chaired by the Vice President for Operations. Quarterly meetings will be held with the Union Senior Negotiating Committee to acquaint them with substantive developments in this area including timely advice to the Union regarding Company plans to introduce new technology as defined in Paragraph 2 above.

5. Any new job classifications created as the result of technological change will be reviewed in advance with the Union.

Very truly yours,

LOCKHEED-GEORGIA COMPANY

J. R. Akins, Jr.
Director of Labor Relations
and Plant Personnel

JRA:mld
Dear Mr. Bowen:

SUBJECT: Return of Employees Who Take Disability (Total and Permanent) Retirement Upon Sufficient Recovery

This will confirm the agreement reached in negotiations concerning the return to work of employees who take disability (total and permanent) retirement and draw Social Security for total disability but later lose coverage of both because of sufficient recovery to return to work.

An employee who takes disability (total and permanent) retirement on or after January 1, 1987 and draws Social Security for total disability and later loses coverage of both because of sufficient recovery to return to work shall be entitled to return with full seniority. Such employee shall be placed in the last classification held immediately prior to disability retirement, subject to possessing sufficient seniority, and to any physical restrictions/limitations as determined by the Company Medi-
SUPPLEMENT F

cal Department.

In the event the employee cannot be so placed because of insufficient seniority or physical restrictions/limitations, the employee will be considered as surplussed from the last such classification held and handled under the surplus provisions of the Labor Agreement.

Very truly yours,

LOCKHEED-GEORGIA COMPANY

s/J. R. Akins, Director
Labor Relations & Plant Personnel

JRA:mld

39 October 3, 1986

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 Clay Street
Marietta, Georgia 30062

Dear Mr. Bowen:

The following is to confirm agreement with respect to the removal of an employee from a job classification through the arbitration process.
SUPPLEMENT F

In those instances wherein an arbitrator holds the placement of an employee into a classification as improper and the employee is removed from such classification as the result thereof, the time spent by the employee in the classification is not to be referenced in the future as countable, qualifying experience.

Very truly yours,

LOCKHEED-GEORGIA COMPANY

s/J. R. Akins, Director
Labor Relations & Plant Personnel

JRA:mld

February 28, 1986

(1986 Letter Revised 1996 and 1999 Negotiations)

Mr. James M. Carroll, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
1032 S. Marietta Parkway
Marietta, Georgia 30062

SUBJECT: POSTING AND FILLING TRAINEE OPENINGS
Dear Mr. Carroll:

This will confirm the understanding reached during 1986 Negotiations assuring the continuance of past practice in posting and filling Trainee openings, including the selection of qualified employees in order of seniority from active placement requests. Posting of Trainee openings and expression of employee interest will be done through electronic media. Employees will be considered whether it is an upgrade, lateral or downgrade.

Very truly yours,

LOCKHEED MARTIN
AERONAUTICAL SYSTEMS
s/R.L. Whillock
Vice President Human Resources

RLW:pb

____________________________

41 September 15, 1986

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 Clay Street
Marietta, Georgia 30062
Dear Mr. Bowen:

This is to confirm the understanding reached regarding pay for the Union Senior Board member assigned to work with bargaining unit employees regarding employee benefits.

The Company will pay one-half the salary of the Union Senior Board member up to a maximum of four and one-half (4.5) hours so assigned on the one day each week that such work is accomplished.

(1986 Letter Revised 2008 Negotiations)

Very truly yours,
LOCKHEED MARTIN AERO-MARIETTA

s/Shan Cooper
Vice President – Human Resources

SC:res

42 September 8, 1989

Mr. J. C. Wall, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 South Cobb Parkway
Marietta, Georgia 30062
SUPPLEMENT F

Dear Mr. Wall:

This will confirm the understanding reached during the 1989 Negotiations by the Company and the Union that there are no provisions for “alternate recall”.

In addition, it is agreed if a laid off LASC-Georgia employee who has recall rights is rehired with seniority at the LASC-Georgia Marietta Plant facility into a classification not previously held, the President of Local Lodge 709 will be notified by letter of such rehire within five (5) working days subsequent to the date of rehire. All employees on the payroll who have active placement request cards on file for that classification will be notified of the rehire of such laid off employee within ten (10) calendar days subsequent to the date of that rehire.

Sincerely,

LOCKHEED AERONAUTICAL
SYSTEMS COMPANY·GEORGIA

s/T. E. Heiserman, Director
Hourly Personnel & Union Relations Division

THE:mld
Mr. B. W. Myrick, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia 30060-2899

Dear Mr. Myrick:

During the 1999 Negotiations, the parties recognize defense budgets, production costs, and competition for business impacts greatly upon the Company, its employees, the Union and its members. The Company and Union agree that it is in both parties’ best interests to produce a high quality, cost effective product and to that end, both parties will support this position.

We are dedicated to the concept that through effectively involving all employees and working together at all levels with mutual trust, respect and honesty, we can increase the viability of our Company.

In an effort to develop better working relationships, if the parties can mutually identify areas which are
SUPPLEMENT F

of a nature that affects cooperative working rela-
tions, both the Company-Union Negotiating Com-
mittees will agree to attend a joint training program
on same.

Very truly yours,

LOCKHEED MARTIN
AERONAUTICAL SYSTEMS

s/Thomas A. Coffey
Vice President Human Resources

TAC:pb

44 January 25, 1993

Mr. J. C. Wall, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia 30060

Dear Mr. Wall:

The Company shall provide training as required
for employees who are placed in classifications
combined between the 1989, 2011, and 2014 Com-
pany-Union Negotiations.
SUPPLEMENT F

Each affected employee during their working hours shall be provided on the job and/or classroom training by seniority, by classification, by department, and by shift for required skills not possessed. No disciplinary action for inability to perform will be taken against an employee who has made a positive effort to be trained.

Each department shall publish the skills required for each combined classification used in the department and shall maintain a record noting the skills possessed by each employee in the department office based on the employee’s record. Such records will be made available to the employee and/or the employee’s Union representative upon request.

An employee will not be assigned to perform a duty in a combined classification unless the employee 1) should be able to perform the duty in question based on the employee’s work history both at Lockheed and employment outside of Lockheed, 2) has been provided training for that duty, or 3) is currently being trained on the job duty not previously performed.

Sincerely,
LOCKHEED AERONAUTICAL SYSTEMS COMPANY-GEORGIA

T. E. Heiserman, Director
Employee & Union Relations Division
THE:smm

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SUPPLEMENT F

45    February 3, 1999

Mr. B. W. Myrick, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 S. Marietta Parkway
Marietta, Georgia 30060-2899

Dear Mr. Myrick:

This will confirm the agreement reached in the 1989, and reconfirmed in subsequent Negotiations that an employee who has contractually established recall rights or retreat rights to any previously-held classifications(s) which become part of a job combination during either of those Contract Negotiations shall retain such contractual rights to the newly combined job(s).

Additionally, rehired Lockheed-Martin Marietta Plant employees who earn recall and/or retreat rights to previously-held jobs in accordance with the provisions as set forth in part B, Article IV, Section 3 (A), Subparagraph (5)(c) may exercise such rights to previously-held jobs which become part of a job combination between the 1989 and 2011 Contract Negotiations.

Functional line placement rights into a job combination established between the 1989, 2011, and
SUPPLEMENT F

2014 Contract Negotiations shall be in accordance with the most recent functional line charts as negotiated by the Company and the Union.

Sincerely,

LOCKHEED MARTIN
AERONAUTICAL SYSTEMS

s/Thomas A. Coffey
V.P. Human Resources

TAC:pb

49 January 25, 1993

Mr. J. C. Wall, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia 30060

Dear Mr. Wall:

This will confirm the agreement reached during the 1993 Company/Union Negotiations regarding the Facilities Subcontract Review System. The Maintenance Division Manager will meet on a monthly basis (time and date to be mutually agreed upon) with the Vice President of Local Lodge 709
and the appropriate Business Representative to review facilities projects that are being considered for subcontracting.

Facilities projects to be subcontracted will be thoroughly reviewed by Management, and a list of those projects will be furnished to the Vice President and the appropriate Business Representative for discussion and problem solving.

It is understood that the above review system in no way modifies Part B, Article I, Section 14 of the Company/Union Agreement in regard to Subcontracting.

Sincerely,
LOCKHEED AERONAUTICAL SYSTEMS COMPANY-GEORGIA

T. E. Heiserman, Director
Employee & Union Relations Division

THE:smm

50 January 25, 1993

REVISED 1999 and 2008 NEGOTIATIONS

Mr. Jeff Goen, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 South Marietta Parkway  
Marietta, Georgia 30060

Subject: Processing of Substantial Change Grievances

Dear Mr. Goen:

Set forth below is the new procedure for processing substantial change grievances.

When a substantial change grievance is filed, without negotiations or any attempt to settle, the Department Head shall promptly sign and date the grievance. Within five (5) working days after receipt of the grievance by the Department Manager, the Department Manager shall convene a meeting attended by the Department Manager, the Steward, the appropriate Human Resources Representative and one member of the Union’s Classification Grievance Committee in order to develop an appropriate job duty resume which shall set forth those duties which have changed since the ratification date of the current contract. If after such a review the parties cannot agree, the parties shall develop separate job duty resumes.

After the appropriate job duty resume(s) has been developed, the grievance shall be submitted by the Union directly from Step 1 to Step 3. If between the time the joint job duty resume (or job duty resumes) is submitted to Step 3 and the time the...
grievance is heard by the Substantial Change Review Committee the Union is of the opinion that an additional change has occurred since the initial meeting to develop the joint job duty resume, the appropriate Department Manager, Steward, Human Resources Representative and Classification Grievance Committee member shall reconvene in order to develop an addendum to the initial joint job duty resume (or job duty resumes). If after such a review the parties cannot agree, the parties shall develop separate job duty resume addendums.

A Substantial Change Grievance Review Committee shall be established in order to review all substantial change grievances. The representatives of the Union shall be the Union’s Classification Grievance Committee. The representatives of the Company shall consist of a like number, all such representatives being members of the Company’s Negotiating Committee. The Company’s committee shall be chaired by the Senior Manager of Labor Relations or designee. The Substantial Change Grievance Review Committee shall convene quarterly or as otherwise mutually agreed to between the parties, to review all substantial change grievances at Step III.

The Company will pay for one-half of the time of Union members of the Union Classification Grievance Committee up to a maximum of four and one-half (4.5) hours on days during the regular work
week when they meet with the Company on Company-Union business for the purpose of hearing substantial change grievances.

The decisions of the Substantial Change Grievance Committee shall be considered as final if the majority of the Union representatives and a majority of the Company representatives concur.

If the Substantial Change Grievance Committee decides to grant the substantial change grievance, the Company shall provide to the Union’s Classification Grievance Committee a draft of the new job description for discussion between the Committees; thereafter, the Company shall furnish the Union with the new job description and shall submit for its approval the functional line placement and the rate established for such job in accordance with Article VIII, Section 1.

If the Company and the Union Committees do not agree, then the party seeking arbitration must deliver to the other party written notice of such intent to proceed to arbitration within five (5) working days after the Substantial Change Grievance Committee has rendered its decision.

Within one month after ratification of the contract, the parties shall request the Federal Mediation and Conciliation Service to submit a list of fifteen (15) persons, unless otherwise mutually agreed, from which the arbitrator shall be chosen. The Union
SUPPLEMENT F

and the Company shall alternatively strike one (1) name from such panel (the right to strike the first name having been determined by lot) until only one (1) name remains and that person shall be the arbitrator.

Such arbitrator shall be assigned to all substantial change grievances to be arbitrated. However, either party may request during the month of February each year that a new arbitrator be selected in accordance with the above provision. Within one month of notification of the death/incapacity of an arbitrator, a new arbitrator shall be selected in accordance with the above procedure.

In the event an arbitrator rules that a substantial change has occurred and a new job is written whose rate is challenged by the Union and referred to arbitration, the parties shall use the same arbitrator who heard the initial substantial change case for purposes of determining the rate.

With the exception of the selection of the arbitrator, all other provisions of Article III, Section 5 shall be applicable.

Sincerely,

LOCKHEED MARTIN AERO - MARIETTA
s/Shan Cooper
Vice President – Human Resources

SC:res

265
March 6, 1996

Mr. J. M. Carroll, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 S. Marietta Parkway
Marietta, GA 30060

Dear Mr. Carroll:

This will confirm the agreement reached during the 1996 Negotiations concerning union security and rights of employees.

In the event a declaratory judgment is awarded by a court of competent jurisdiction declaring that Air Force Plant No. 6 is a federal enclave with exclusive jurisdiction such that the Georgia right-to-work statute regarding agency shops is without effect, the following language will be immediately incorporated:

(1) Membership in the Union is not compulsory. Employees have the right to join, not join, maintain, or drop their membership in the Union as they see fit. Neither party shall exert any pressure on or discriminate against an employee as regards such matters.

(2) Each employee in the bargaining unit shall, beginning on the 91st day following his/her employment, rehire, reinstatement, reemployment, recall, transfer or regression into the bargaining unit, as a
condition of continued employment in the bargain-
ing unit, execute and deliver to the Company a union payroll deduction authorization card.

(3) Any employee within the bargaining unit who is required to contribute to the Union as provided for in the above paragraph of this Section and who is sub-
sequently transferred or promoted out of the bargain-
ing unit or laid off shall not be subject to any of the provisions of this Article during the period of time such employee remains outside the bargaining unit or is laid off.

(4) No employee within the bargaining unit shall be required to pay fees or dues covering any period during which the employee was not in the bargaining unit or was not on the Company’s active payroll including layoff.

(5) An employee within the bargaining unit shall be considered in good standing for the purposes of this Article when such employee tenders the amount of money equal to the Union’s regular and usual initia-
tion fee (due and payable only once per employee without regard to any interruption in service) and its regular, uniform and usual weekly dues through pay-
roll initiation fees/dues deduction. Upon written demand from the Union, the Company shall termi-
nate any employee within the bargaining unit who fails to tender the sum due the Union under Section (2) of this Article within thirty (30) days from the date such sum is due provided the Union informs the Company and the employee in writing and allows
him/her an additional fifteen (15) days after notification by the Union, the Company will terminate the employee effective the end of that pay period.

(6) Any dispute arising out of the interpretation or application of this Article, when reduced to writing as a grievance, shall be subject to the grievance procedure by initially referring the grievance to Step Three (3).

(7) Anything herein to the contrary notwithstanding, an employee shall not be required to become a member of or continue membership in or pay a sum equal to Union weekly dues or continue to pay any sums equal to the weekly Union dues, as a condition of employment, if it is determined that such is unlawful by the NLRB or by any court or administrative body of competent jurisdiction. It is understood and agreed that the Union will defend, save, hold harmless and indemnify the Company from any and all claims, demands, suits or any other forms of liability that shall arise out of the execution, placing in effect or carrying out of the terms of this Article by the Company.

Very truly yours,

LOCKHEED MARTIN AERONAUTICAL SYSTEMS
R. L. Whillock
Vice President Human Resources

RLW:pb
Dear Mr. Myrick:

The safety and health of our employees is vital to our success and is of utmost importance to the parties. Environmental, Safety and Health (ESH) integration into business operations is essential if we are to meet our objectives. Lockheed Martin Aeronautical Systems (LM AERO – MARIETTA) has had a safety committee structure in place for a number of years. The purpose of these committees is to deal with ESH issues at the lowest level in the organization, thereby fostering ESH consciousness and integration into the business function.

The Company and Union have agreed to five GSC members whose responsibility is divided among the north industrial area, the flight line and swing shift. The purpose of the committee is to ensure employee participation in, and awareness of, ESH issues.
Each employee must accept the responsibility for integrating ESH issues into our operations and make ESH awareness and compliance an ingrained part of everyone’s job. If safety issues are raised, immediate action must be taken to fix the issue or the ESH department shall be called immediately. ESH will notify the appropriate General Safety Committee member on the issue and will apprise the GSC member of the action being taken.

ESH departments investigate complaints received from the GSC members and respond back to them. If a GSC member is needed to investigate a serious issue or participate in a company wide safety issue, the ESH representative will contact the employee’s supervisor to obtain release for the time necessary, without a loss of pay, with a commitment from the GSC member to return to their work station as soon as possible.

The General Safety Committee meets twice monthly. There is a one hour pre-GSC meeting, which serves to alert management to potential issues to be discussed at the regular monthly meeting. The monthly meeting convenes three days after the pre-GSC meeting and the committee members discuss open old business and present any new items for discussion and resolution. The union GSC members raise safety issues which their constituents have not resolved at the local level. On an as-needed basis, committee members also participate
in regulatory inspections to include entrance and exit briefings. Committee members may request meetings on other issues of mutual concern.

Sincerely,
LOCKHEED MARTIN AERONAUTICAL SYSTEMS

s/Thomas A. Coffey
V.P. Human Resources

TAC: pb

February 5, 1999

LETTER #54 – DELETED
2005 NEGOTIATIONS

55 February 16, 1999
(Revised February 15, 2005)

Mr. Cornell Stevens, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace workers
1032 S. Marietta Parkway
Marietta, Georgia 30060-2899

Dear Mr. Stevens:

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As part of the 2005 contract bargaining, the parties have agreed to continue the understandings previously reached on the use of testing and proficiency demonstration in the selection and development of employees. The principles of those understandings are restated here in significant part:

Tests and Proficiency Demonstrations have been used in the selection of new hires and as a part of the criteria for Promotion of existing employees to certain classifications. While they will continue to be used for these purposes, the parties have agreed to shift the priority of their use toward that of employee development. To facilitate this, certain changes in procedure will be adopted.

Written tests and Proficiency Demonstrations will only be used as one of the factors of job eligibility for existing employees where specific manual clerical skills are required or where the parties have agreed the complexity of the work warrants skills testing. The parties have agreed to a list of the occupations that currently meet those criteria.

Tests developed for career advancement will be made available to employees for developmental purposes and will be administered voluntarily on an after-hours basis. Employees taking tests either for promotion or for developmental
supplement F

purposes, will be given the results by the Training Department with an explanation of their strengths/weaknesses and referral to academic, vocational, or other types of training that will help them develop their skills. Failure of the employee to report at a time scheduled for testing will be considered failure and the employee will not be allowed to retest for six (6) months.

In order to ensure that tests are predictive of success on the job and helpful to employees in developing their ability to perform, Union officials may gain input from employees experienced in the job and may work with supervision and the Training Department to incorporate that input into Tests and Proficiency Demonstrations. Appropriate Union officials will have complete access to all test materials and test results to ensure the Union's ability to properly represent its Membership. Confidentiality will be maintained by all to avoid embarrassment to anyone regarding test results and to ensure the validity of the testing on an ongoing basis.

It is recognized that, despite our efforts, a small number of people may be placed on jobs they cannot perform. In these cases, where an employee has the background, the recommended training, with proper job instructions, have re-
SUPPLEMENT F

ceived an opportunity to do the work, and still cannot perform, the employee will be returned to the last classification held, or to the highest classification that the employee would have been recalled to had he/she not been promoted, seniority permitting.

The parties are making these changes based on their shared commitments both to the development of people and to the performance of the organization. The parties agree that placement on a job is less dependent on the ability to test well and more dependent on the ability to perform well.

Sincerely,

LOCKHEED MARTIN AERONAUTICS COMPANY

Jack R. Lambert
Site Director, Human Resources
JRL:get
Attachment
This memorandum is entered into agreement between Lockheed Martin Aero–Marietta, hereinafter referred to as Management, and IAM Local Lodge 709, hereinafter referred to as the Union.

2) The purpose of this Memorandum is to provide for alternative shift schedules for employees assigned to the Fire Department.

3) **Schedule**

   A) There will be three shifts - A, B, and C consisting of Twenty-four on/Forty-eight off work schedules.

   This work schedule will be a series of twenty-four hours on, followed by forty-eight hours off shifts. Firefighters will be given an unpaid Kelly day on Saturday for all shifts.

   B) Shifts will be for a continuous Twenty-four (24) hour period beginning at 6:00 am.
C) The Twenty-four hour shift will be composed of twelve hours of Duty time and twelve hours of Standby time. Firefighters will not be called to duty during Standby time except for emergency response. During Standby time, Firefighters will have at least five continuous hours for sleep. Facilities will be made available for sleep area. Sleep periods will be arranged to insure that appropriate manning levels on the flight line and other areas of the facility are maintained at all times. In the event of a Firefighter responding to an emergency during the 5 hour rest period, he/she will not receive additional compensation.

4) Holidays

The holiday schedule included in Article VI, Section 3 of the Collective Bargaining Agreement will be used for Fire Department employees. Firefighters who work on scheduled Holidays will be paid an additional eight hours pay if they work. Firefighters who are scheduled off on Scheduled Holidays will be paid Holiday pay if they work the scheduled day preceding or following the Holiday.
SUPPLEMENT F

5) **Overtime Premiums and Distribution**

A) Firefighters will be paid Time and one half for any hours they work on a scheduled off day.

B) Firefighters will receive double time for the first twelve hours of their shift for hours worked on a Holiday. Premium pay earning calculations to be determined immediately following the holiday period and paid normally on Friday, but no later than the 1st full payroll period subsequent to the holiday period.

C) Overtime requirements identified less than one (1) full shift in advance or due to replacement of an absent Firefighter, will be offered in the following manner in order of lowest amount of charged hours on the overtime list first: available hours on shift A and available hours on shift B will be offered to shift A Firefighters. If there are not available employees that volunteer, Firefighters from the alternate shift will be offered overtime before Firefighters are drafted.

D) Not less than the minimum in-week manning level shall be scheduled to work a Saturday Kelly Day.
6) **Jury Duty and Short Term Military Leave**

Firefighters called to Jury service or satisfying weekend military obligations will be excused for such hours as are required for that service including reasonable travel time. Firefighters will be expected to complete the remaining portions of their shifts. In all cases, employees are required to provide the appropriate documentation of required attendance prior to being released.

Full weeks of short term military service will be compensated at forty hours per week up to the annual limits specified in the Agreement.

7) **Vacation, Sick & Injury Leave & Time Off**

The vacation pay and time off provisions of the Agreement shall be applicable. A Firefighter who takes eight (8) or more hours of vacation pay or sick pay for any day off will be excused for the entire day and the unpaid hours will not be an attendance discrepancy. However, employees who choose to work on days where this provision is exercised must work a minimum of four (4) hours duty time to be eligible for pay during standby time.
SUPPLEMENT F

With five days advance notice, Firefighters will be allowed to take off negotiated holidays without receiving an attendance irregularity subject to manning requirements and/or replacement availability.

Firefighters will receive an additional twelve (12) hours of sick and injury leave each year.

Firefighters are not eligible to receive additional compensation for activities performed during their assigned shift.

For purposes of administering Supplement “H”, ATTENDANCE STANDARDS - HOURLY EMPLOYEES will be applied.

Absences must be reported in accordance with provisions established in Supplement H. However, Firefighters will report their absence to the on-duty assistant chief two (2) hours prior to the start of the first shift of absence unless extenuating circumstances prevent such notice.

When reporting absence, if an employee anticipates that the absence will be for three shifts or less, the day of contemplated return should be specified. Thereafter, it will not be necessary to report the absence
SUPPLEMENT F

unless the employee cannot return to work on the day specified. If the expected absence is for more than three (3) days, the employee must call to report the continuing absence each three (3) days. Any unreported absence without a reasonable explanation for failure to notify the Company will be an infraction of Supplement H and treated as a failure to follow instructions.

8) Staffing, Implementation and Term

A) Firefighters hired on or after March 1, 2005 will be placed in the non-GPR Labor Grade 13 rate structure.

B) To staff the shifts and balance seniority for ensuring proper alignment of skills (EMT, Confined Space, Haz Mat, etc.), the most senior Firefighter will be placed on shift A, the second most senior on shift B, the third most senior on shift C, the fourth most senior on shift A and so on until the shifts are filled.

C) Firefighters who are hired and begin work on or after April 19, 1999 will not be eligible for placement into positions in the general plant except in the application of Article IV, Section 10, paragraph 3a (re: Physically limited employees). General plant employees will not be surplused into or placed on openings in the
SUPPLEMENT F

Fire Department.

D) Fire Department Dispatch will be performed by Firefighters, Fire Department Supervision, or from available employees outside the Department without regard to classification.

E) Fire watch duties may be assigned to any employee, including employees outside the Fire Department.

F) Fire Department Bargaining Unit employees will accept administrative responsibilities assigned by Management so that supervisory positions can be reduced.

G) All Fire Department training will be accomplished on the employee’s scheduled shift. Fire Department employees will be required to demonstrate proficiency by passing National Fire Protection Standards Testing including physical fitness testing. Any Firefighter with seniority prior to the date of ratification (March 8, 1999) who fails to pass the National Fire Protection Standards Testing, including physical fitness testing, shall be placed elsewhere in the bargaining unit in accordance with his contractual rights, seniority permitting.

Additionally, Firefighters with health conditions that preclude them from performing the
SUPPLEMENT F

work, will be provided accommodation for physical fitness training under the direction of the Medical department in order to re-qualify them for placement into the Firefighter classification.

Firefighters that meet the plan requirements may also be considered for Special Early Retirement under the negotiated retirement plan.

H) Qualified outside Firefighters will be hired on a part-time basis in the event of an emergency, training, and during periods where employee(s) are on a leave of absence of not less than thirty (30) days. Part-time employees will not be allowed to gain seniority.

I) This agreement shall be implemented on October 1, 2005 or as soon as systems and procedures can be modified to support the schedule. For purposes of administering this agreement, Management will meet and discuss any issue the Union may bring forward in an effort to improve the operating efficiency of this work schedule. This meeting will take place before or on the one year anniversary of implementation date. It is understood that changes will be considered which do not adversely affect the cost of providing fire protection services or interfere with the required level of fire protection services at this site.
J) Any dispute over the specific provisions of this Memorandum of Understanding shall be submitted to review and arbitration in accordance with the following:

When a dispute under this Memorandum of Understanding cannot be resolved by the parties, the dispute shall be submitted to a permanent third party arbitrator for resolution.

The arbitrator shall be bound by the terms of this Memorandum of Understanding and shall have no power to add to, subtract from, or change its terms.

This procedure is limited to disputes involving the specific terms of this Memorandum of Understanding and does not authorize arbitration of any other disputes.

Very truly yours,

LOCKHEED MARTIN AERONAUTICS COMPANY - MARIETTA

s/Shan Cooper
Vice President - Human Resources
SC: res
Dear Mr. Goen:
This will confirm the agreement reached in the 2008 Negotiations regarding the process for review of Medical Limitations placed by the Company’s Medical Department when the employee’s personal physician is not in agreement with the Medical Department’s determination.

Where the Medical Department’s decision is not in agreement with the Employee’s Personal Physician recommendation, an independent third party review will be established. For non-occupational illness or injury, the parties will come together to mutually agree to an independent Physician or Medical Group who will then be contacted to perform the review. Occupational illness and injury will be conducted in compliance with the guidelines of the State Board of Workers Compensation.

The employee must agree to provide the necessary release for Medical Documentation. The necessary medical information will then be provided to the
independent medical reviewer and an appointment will be made by LM Aero Medical in order to conduct the evaluation. The costs for the evaluation will be the responsibility of the Company provided the employee reports for all recommended appointments and follows the recommendations of the independent reviewer. In cases where an appointment is scheduled on behalf of the employee and he/she fails to report, they will be responsible for associated costs and any subsequent efforts for obtaining independent review will be withdrawn.

Very truly yours,

LOCKHEED MARTIN AERONAUTICS COMPANY - MARIETTA

s/Shan Cooper
Vice President - Human Resources
SC: res
Dear Mr. Goen:

During the course of the negotiations you expressed a strong desire and interest to maintain the Maintenance personnel levels at the September 2003 level, as agreed in the Memorandum of Understanding regarding Maintenance Subcontracting.

We discussed the uncertainty of our major programs as they are currently going through the government budget process. You understand that a reduction in our current population because of lesser needs and program requirements would cause that agreed upon number to reduce in a near proportionate manner.

It is our intention to maintain a minimum level of eighty-five (85) employees within those critical
classifications (Carpenter/Painter, Mason and Plasterer/Concrete Finisher, Plumber Maintenance, Sheet Metal Worker-Maintenance, Maintenance Pipe Welder, Automated Machines Maintenance Mechanic, Welder-Maintenance, Industrial Electronics/Electrical Technician, Air Conditioning Mechanic and Lineman) to ensure adequate Program and Facility Support through the life of this collective bargaining agreement. In the event it becomes necessary to alter the minimum level of personnel assigned to critical classifications within the facilities organization due to Program closure and/or site footprint reduction, the parties will meet for the purpose of reaching mutual agreement relative to the appropriate level of staffing.

Shan Cooper
Vice President, Human Resources

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March 7, 2011

Mrs. Denise Rakestraw, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
South Marietta Parkway
Marietta, Georgia 30060-2899

Dear Mrs. Rakestraw:

The language contained in Article IV, Section 1(2)
of the Company Union Agreement provides that the employee transferred from an occupation by this Agreement to a salaried occupation within the company on or after January 1, 2006, shall not continue to accumulate seniority, but will retain the seniority previously accumulated while holding an occupation covered by this agreement.

The purpose of this memorandum is not to change those provisions of the Agreement which were negotiated in reaching agreement on the 2005 Collective Bargaining Agreement, however in response to questions raised about the seniority status of employees who are transferred to a salaried position, the following clarification and agreement was reached by the parties.

An employee transferred from an occupation covered by this Agreement to a salaried occupation within the Company for a period not to exceed twelve (12) months shall not lose seniority for the period of time in that salaried position. Those employees who are transferred to a salaried occupation as a result of an assignment outside of the United States can be considered under this provision for a longer period of time if justified. Upon completion of the salaried assignment, the employee(s) will return to the classification held immediately prior to assignment to the salaried position, seniority permitting. If the employee has insufficient seniority to be returned to the classification held immediately prior to the salaried assignment,
SUPPLEMENT F

the employee will be placed in accordance with the procedure identified in Article IV, Section 1 (2).

Sincerely,

LOCKHEED MARTIN AERONAUTICS COMPANY—MARIETTA
s/Rainia Washington
Human Resources Director & Site Lead—Marietta

RW:res
Mr. Perry Gulledge, President  
Aeronautical Machinists Local Lodge 709  
International Association of Machinists and Aerospace Workers  
1032 South Marietta Parkway  
Marietta, Georgia 30060-2899

Dear Mr. Gulledge:

The Company and Union recognize that in order for Lockheed Martin to compete as a world class aircraft manufacturer, the Site must strategically leverage existing resources while eliminating inefficiencies which may exist in the current site structure. Additionally, in order to sustain Site competitiveness and attract potential future investment opportunities for ensuring business viability and continuity, the parties are committed to joint collaboration in new business ventures.

In order to facilitate this joint collaboration, upon mutual agreement, the parties may mutually agree to enter into ‘position to win’ discussions when a new business venture is identified by the Company. These discussions could include wage and benefit economic targets and operational modifications that would need to be achieved in order to submit a proposal for new business. Provided the membership votes and ratifies any modified operational agreements previously discussed, the parties agree to
open the collective bargaining agreement subject to a new program award for the purpose of integrating the new program work into the existing contractual provisions of the CBA, and any modified operational agreements previously agreed to in order to enact the wage and benefit agreements achieved in the position to win discussions.

Sincerely,

Lockheed Martin Aeronautics Company

s/Ronny E. Sibley
Senior Manager, Labor Relations

61 January 21, 2014

Mr. Perry Gulledge, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia 30060-2899

Dear Mr. Gulledge:

As part of the 2014 negotiations, the Company and Union discussed provisions associated with assigning employees to field duty activities as referenced in Article VII of the current collective bargaining
SUPPLEMENT F

agreement. During these discussions the Company expressed its intent to inform employees of the respective trip conditions (i.e.– location and duration of assignment, work schedules, method of transportation, lodging, etc.) prior to departure. However, the parties also acknowledged that the circumstances associated with trip conditions are subject to change without notice. When changes occur, the Customer must remain the first priority of both the Company and Union. The Company representative will coordinate changes to the affected employee(s) as soon as the trip conditions become known. The Company also expressed its intent to continue the current practice of providing employee subsistence to include hotel accommodations in accord with established policies and/or negotiated provisions.

Nothing contained in this communication should be interpreted in a manner that would conflict with or diminish the responsibility of both the Company and Union to fully meet Customer requirements and expectations during the field duty assignment.

Sincerely,

Lockheed Martin Aeronautics Company

Ronny E. Sibley
Senior Manager, Labor Relations

TW:res
SUPPLEMENT H
SUPPLEMENT “H”

ATTENDANCE STANDARDS - HOURLY EMPLOYEES

PURPOSE

To improve attendance, establish reasonable standards of employee attendance, provide a uniform means to enforce those standards and provide recognition for regular attendance.

Regular attendance by each employee is essential to the operation of the Company's business and key to the financial well being of the individual employee.

B. This agreement sets forth the standard to be used by the parties' in monitoring attendance and taking appropriate action.

I. PROCEDURE

A. Commendation

Outstanding attendance or significantly improved attendance records should normally be given special recognition. Special emphasis should be placed upon proper recognition and commendation of employees with exceptional attendance records. For example:
SUPPLEMENT H

a. One year – Commendation, form 5910, signed and issued by 1st level manager.

b. Two years – Commendation signed and issued by 2nd level manager.

c. Three or more years – Commendation signed and issued by 3rd level manager.

2. In evaluating attendance records to determine if an employee should receive a commendation for attendance, the following criteria should be used:

a. Perfect Attendance: No full or partial-day absence in any 12 consecutive – month period while on the active payroll. Do not count absences where the employee utilizes accrued vacation or sick leave, approved Family Medical Leave, Military Duty, Union Business, or Jury Duty.

b. Outstanding Attendance: No chargeable attendance irregularity in any 12 consecutive - month period while on the active payroll. However, for purposes of issuing a commendation for outstanding attendance, a department leave will be considered a chargeable attendance irregularity and will disqualify the employee.
SUPPLEMENT H

3. In the absence of a department manager, division manager, or branch head, the designated delegate should issue the commendation at the appropriate staff meeting.

B. Attendance

1. Definitions:

   a. Absence – A full day’s absence (excluding vacation and holiday – when not scheduled to work).

   b. Tardy – A part-day absence at the start of the shift.

   c. Short-time – A part-day absence after reporting for work.

2. An employee's attendance will be considered unacceptable if the employee has five (5) or more chargeable attendance irregularities in any continuous six (6) month period of active work.

3. Paid sick and injury leave time shall not be counted as an attendance irregularity. Employees’ who have unsatisfactory attendance (Verbal Warning or greater) are required to use any accrued sick leave prior to any unpaid absences if they have unused balances in those accounts.
SUPPLEMENT H

4. Any absence from work caused by a reason deemed excusable under the terms of the Family Medical Leave Act shall not be considered an attendance irregularity. In the event the Family and Medical Leave Act is modified, the terms that are in effect on the date of ratification of this agreement will be continued for the remainder of the term of this contract.

5. For so long as an employee does not currently have a disciplinary action on their record for unsatisfactory attendance, consecutive days of absence caused by the same illness within the same pay period will be considered as a single occurrence. Grouping of consecutive days of absence will not be allowed for employees who have current disciplinary action on their record for unsatisfactory attendance.

6. For so long as an employee does not currently have a disciplinary action on their record for unsatisfactory attendance, the employee will be allowed one (1) tardy per month which must be one hour or less in duration. This tardy will not be counted as a chargeable attendance irregularity for the purpose of disciplinary action. Additional tardies will be considered an attendance irregularity.

7. All absences must be reported, preferably in advance, but in any event within two hours
of the start of the first shift of absence, to the
designated absence report number, unless ex-
tenuating circumstances prevent such notice.
When reporting absence, if an employee antici-
pates that the absence will be for three days or
less, the day of contemplated return should be
specified. Thereafter, it will not be necessary
to report the absence unless the employee can-
not return to work on the day specified. If the
expected absence is for more than three (3)
days, the employee must call to report the con-
tinuing absence each three (3) days. Any unre-
ported absence without a reasonable explana-
tion for failure to notify the Company will be
an infraction of this Attendance policy and
treated as a failure to follow instructions.

C. Attendance Related Discipline

1. It is the intent of this policy to encourage
regular attendance and to be corrective rather
than punitive. It is recognized however, that if
employees do not comply with this agreement,
successively severe disciplinary penalties lead-
ing to termination are the appropriate course.

2. Progressive disciplinary action for unsatis-
factory attendance will be imposed in the fol-
lowing sequence.

   a. Verbal Warning – An employee whose
      attendance is unacceptable will be issued a

SUPPLEMENT H
SUPPLEMENT H

Verbal Warning. At this step, and at each subsequent step of the process, the employee's Shop Steward will be notified in advance that this is occurring and will be encouraged to attend the meeting and counsel the employee on the importance of good attendance.

b. Employee Performance Notice - An Employee Performance Notice will be issued to an employee who has been verbally warned about his/her attendance and who has had a subsequent period of unacceptable attendance. At each step of the process, only those infractions since the last step of formal discipline will be considered.

c. Employee Performance Notice Plus Suspension. An employee who has a third period of unacceptable attendance will be assessed an Employee Performance Notice and suspension without pay for the remainder of the current day and the following day.

d. Termination - An employee who is not responsive to the above outlined disciplinary sequence, and who has another period of unacceptable attendance, will be discharged. Before the final decision is made regarding termination, the employee's Busi-
ness Representative or the Local Union President, Division Manager, a Division Manager or higher level Manager from another area, and the Company's Director of Labor Relations or his/her designee will convene to consider any mitigating circumstances which would weigh in the favor of the employee. After that consideration, a final decision will be made.

3. Disciplinary action for unsatisfactory attendance should be taken on a progression basis. It starts with a verbal warning and progresses to stronger measures if the problem continues to exist (based on the irregularities since the date of any prior discipline was issued for attendance). The attendance record should be reviewed with your Labor Relations representative prior to issuing discipline for unsatisfactory attendance.

4. At each step of the process, Union Representatives and members of the Human Resources branch of the Company are available to counsel employees.

5. Attendance Related Discipline may be mitigated based on a serious demonstration of attendance improvement as follows:

   a. If, after assessment of a disciplinary
penalty, an employee maintains perfect attendance and/or does not receive subsequent attendance related discipline as defined below, while on the active payroll (do not count absences where the employee utilizes accrued vacation or sick leave, approved Family Medical Leave, Military Duty, Union Business, or Jury Duty), the penalty will be cancelled, (i.e., the disciplinary action remains on the record but is not considered in the event of subsequent unsatisfactory attendance) as follows:

- 6 months of perfect attendance = satisfactory attendance
- 12 months without subsequent discipline = Penalty is repeated
- 18 months without subsequent discipline = Penalty is reduced one step
- 24 months without subsequent discipline = Attendance is considered satisfactory and attendance related discipline will be removed upon employee request

If the discipline that is cancelled is a Verbal Warning, the employee’s attendance will then be considered satisfactory and therefore, consecutive days of absence caused by the same illness within the same pay
period will be considered as a single occurrence. Additionally, if the discipline that is cancelled is a Verbal Warning, the employee’s attendance will then be considered satisfactory and therefore, the employee will be allowed one (1) tardy per month which must be one hour or less in duration. This tardy will not be counted as a chargeable attendance irregularity for the purpose of disciplinary action. Additional tardies will be considered attendance irregularities. However, in no instance shall the discipline currently being administered revert to less than the discipline normally administered for a first offense.

D. Responsibility and Authority

Responsibility for good attendance rests with each individual employee. Responsibility for maintaining attendance standards rests with each organization manager. It is the responsibility of the Union to encourage high standards of employee attendance and counsel with employees concerning the importance of regular attendance.
PLANT-WIDE OVERTIME AGREEMENT

Reference

Overtime will be divided as equally as practicable among affected employees.” The phrase, “affected employees,” means those employees who are assigned the work during the regular work day and work week. Thus, the work to be performed on an overtime basis would normally be assigned to the same employees who do that same work on a straight time basis.

Applicability

The provisions of this policy are separately applicable to each supervisory group within a department by shift in the plant.

Note: This policy supersedes all prior written and oral agreements regarding the distribution and administration of overtime within each department of the plant. Furthermore, the policy cannot be deviated from nor amended without prior review and approval of the representatives of the Company-Union Negotiating Committees.
SUPPLEMENT I

General

To ensure that overtime is distributed in a consistent manner and in accordance with the Company-Union Agreement, the administration and application of this overtime agreement shall be by joint participation of the Manager and Shop Steward. Employees of the same classification within a supervisory group within a department by shift shall constitute an overtime group.

Principles of Operation

Affectability

Each Manager/designee shall establish and maintain by classification within a supervisory group within a department by shift, an overtime list/roster which shall initially be established by seniority and consist of affected employees assigned to the overtime group. These lists will be given to the Shop Steward or his designee to be checked for accuracy. Errors found must be corrected immediately so that the appropriate employee may be asked to work. A list shall be posted to bulletin boards within the department with a master list retained in the department office. All lists are subject to review by the Shop Steward or his designee.

2. Any employee who desires not to be con-
SUPPLEMENT I

tacted for voluntary overtime can advise
the Company. Thereafter, the employee
will not be contacted to work overtime un-
less the entire work group has been offered
the opportunity or they are the only em-
ployee capable of doing the job.

3. Overtime should be offered as soon as the
Company is aware of the need to work.
Generally, weekend overtime should be of-
fered as early in the week as possible.
When an employee has been offered and
accepted overtime and then is absent from
work on the day prior to the overtime as-
signment, (except for scheduled vacation)
the employee will be replaced and will not
be eligible for the offered weekend work.
The employee will be charged as if the
weekend work had been refused.

Recording

1. There will be one overtime list for each
classification by supervisory group within a
department by shift which will show the
hours charged for the date needed and the
cumulative total year-to-date. This list will
include in-week, weekend and holiday
overtime charges.

2. Charges shall be made on an hours-paid
basis rather than actual hours worked. For
example, an employee working eight (8)
3.05 hours at time and one-half will be charged with twelve (12); an employee working eight (8) hours at double time will be charged sixteen (16).

3. A refusal to work will be charged in the manner as if an employee worked the hours asked.

4. Employees who are absent on days that overtime is offered will be charged with available payable hours. Employees who accept overtime hours and then do not work will be charged with two times the available payable hours.

5. New employees entering an overtime group will be charged with the then current average overtime hours for that group.

6. Employees returning from a prolonged leave of absence shall be charged in the same manner as new employees.

7. Employees who are required to attend military training when overtime is being worked and are asked to work overtime and refuse will be charged with the hours refused.

8. Employees released for paid union business will be responsible for notifying the
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Company of their location so they can be notified regarding available overtime.

Loans

1. An employee assigned to a department on a loan basis will be treated as a new employee for purposes of overtime distribution and recording.

2. When an employee returns to their regular classification and department from being on loan to another department, the hours worked while on loan will be charged to their total in their regular overtime group.

3. When an employee is loaned for the purpose of overtime, it shall be by the lowest accumulative overtime hours. They will be affected for overtime only in that area in which they are loaned. Employees cannot be loaned for the purpose of placing them in preferred positions with respect to overtime.

Distribution

1. The employee with the lowest amount of charged hours on the overtime list will be offered overtime first.
   In cases where job continuity is an issue,
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the spread of hours between the employee offered the work and the employee lowest in hours on the overtime list will not exceed fifty (50) hours or as otherwise mutually agreed to by the Department Manager and the Shop Steward. Favoritism to an employee in the application of this agreement will not be tolerated.

It shall not be considered a violation of this provision if the reason the range of distribution is exceeded is a result of an employee’s failure to report for scheduled overtime.

Hours charged for consecutive days worked will not be considered to have violated the provisions of this agreement where such assignment creates a difference in the amount of overtime differentiation.

2. If, during a Friday or Saturday shift, it is determined that overtime will have to be worked on the following day where none had been scheduled, the employees working overtime will be considered first before calling in other employees from the department.

While working weekend overtime, any hours offered in excess of originally scheduled overtime hours will not be charged
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unless accepted. However, any issues arising as a result of this application are not subject to Article III of the current collective bargaining agreement.

3. If after all employees in the classification in an overtime group are scheduled or have been given an opportunity to work, additional employees are needed, employees in the same classification within the department on the same shift shall be asked first. Thereafter, employees in the same classification in the department on other shifts shall be asked. If a sufficient number of employees are still not available, employees in the department in the same Job Functional Line will be asked in order of low work hours.

4. An employee temporarily transferred to salaried status will not be entitled to participate in hourly overtime on the weekend of the temporary transfer to salary, during the temporary assignment to salaried status, or on the weekend of the return to the Bargaining Unit. He shall be charged all overtime that he could have worked while hourly had he not accepted the salaried assignment.

5. At the end of each calendar year, all over-
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time lists will be "zeroed out", i.e., take the employee with the lowest amount of hours and make them zero and subtract their total hours from each person in the overtime group. These new totals would be effective in January of the following year.

6. In situations where overtime has not been scheduled and it becomes necessary to call employees in, a record of the call-in effort will be made. If available, the Shop Steward or Committeeeman or their designee in the area will be asked to witness the call-in. Any employee working as a result of call-in will be charged the hours worked. Any employee who cannot be reached or refuses the call-in overtime work will not be charged.

7. The Supervisor must furnish the Shop Steward a list of the employees who accept or reject the opportunity for weekend and holiday overtime prior to the overtime being worked. A reasonable effort will also be made to apply this provision to in-week overtime.

Any overtime equalization disparity agreed to between the parties will be remedied by the following methods:

a. If the Supervisor is notified by the Shop
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Steward in writing before the overtime is worked that his selections are not the affected employees and he refuses to correct his mistake, the affected employees will be made whole by monetary settlement.

b If the Supervisor is not notified by the Shop Steward in writing before the overtime is worked that his selections are not the affected employees, the affected employee will be offered the next available overtime. If the Company fails to offer the employee the next overtime opportunity, the employee will be made whole by monetary settlement.

Overtime questions/answers reviewed and agreed to by the parties shall be a part of this agreement and applied for proper handling as issues arise.
This Agreement, which becomes effective as of March 3, 2014, is accepted and agreed to by the parties hereto as indicated by the signatures of the parties’ duly authorized representatives which appear below:

LOCKHEED MARTIN AERONAUTICS COMPANY-MARIETTA A Division of Lockheed Martin Corporation

AERONAUTICAL MACHINIST LOCAL LODGE 709

s/P. G. Gulledge s/R. E. Sibley
s/R. S. Dempsey s/S. E. Baxley
s/W. J. Egan s/J. S. Kinnebrew
s/M. S. Pietrofere s/R. J. Letourneau
s/J. W. Schroeder s/K. M. Madison

LOCAL LODGE 1027
s/T. Blidgett s/E. L. Peterson

LOCAL LODGE 2386
s/H. L. Threatt s/K. M. Smith
s/T. W. West

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS

s/T. L. Smith
s/J. P. Slaton
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