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between

THE BOEING COMPANY

and the

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA (UAW)

Effective June 22, 1999

Expiration Date: May 14, 2003

BOEING

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FOREWORD

During the 1999 negotiations, the United Aerospace Workers' and The Boeing Company discussed the ever increasing challenges in the Aerospace and Defense marketplace and evaluated the experience with employee involvement team efforts during the previous agreement. There is mutual recognition by both parties that the challenges in the marketplace will continue requiring fundamental changes in the workplace. As a result, the parties agreed to take steps jointly which will significantly increase and expand implementation of employee involvement programs focused on enhancing employee productivity, resulting in improved job security prospects for all employees.

The parties recognize that the success of any business is dependent on the full commitment and involvement of its employees, and that successful organizations understand that people want to be involved in decisions that affect them, care about their jobs, are concerned about what customers expect, care about each other, take pride in themselves and in their contributions, want to fully utilize their skills and abilities, and share in the success of their efforts.

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ARTICLE I

RECOGNITION

The Boeing Company, hereinafter referred to as the Company, and in the event of its sale, its successor, recognizes the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), and the Local Union specified below for each area unit, hereinafter, in each case, together referred to as "the Union," as the sole and exclusive collective bargaining representative with respect to wages, hours of employment and other conditions of employment, for the following employees of the Company in the bargaining unit described in Sections 1 through 7 below, with any other inclusions or exclusions resulting from National Labor Relations Board certifications or mutual agreements of the parties:

1. LOS ANGELES AREA UNIT (LOCAL 887)

(a) Inclusions—The term "employee" shall include employees in production, inspection, timekeeping, production control, storekeeping and maintenance, including group and working leads and employees included as a result of the decision by the National Labor Relations Board in Case No. 21-UC-10, who work at the following plants and facilities:

(1) The Electronic Systems & Missile Defense; Information & Communications Systems; and National Missile Defense/Lead Systems Integrator facilities at 3370 Miraloma Avenue, Anaheim, California 92806; and

(2) Rocketdyne Propulsion and Power at 6633 Canoga Avenue, Canoga Park, California 91303 and its facility located at 8900 DeSoto Avenue, Canoga Park, California; 91303; and

(3) Reusable Space Systems at 12214 Lakewood Boulevard, Downey, California 90742, and its facility at 2600 Westminster Boulevard, Seal Beach, California 90740; Space and Communications Group Offices at 2201 Seal Beach Boulevard, Seal Beach, California 90740 and Satellite and Ground Control Systems located at 2600 Westminster Boulevard, Seal Beach, California 90740.

(b) Exclusions—The term "employee" shall not include office workers, technical employees, professional employees, employees in classifications on the salaried payroll, weldors, employees of the industrial security department, maintenance electricians, maintenance painters, maintenance carpenters,

stationary engineers-high pressure, employees regularly assigned to operate licensed automotive equipment outside the plant and their dispatchers, officials who have the right to hire and discharge, all other supervisors including and above the rank of Assistant Supervisor and all employees excluded by mutual agreement of the parties or by the National Labor Relations Board in Case No. 21-UC-10.

2. PALMDALE AREA UNIT (LOCAL 887)

(a) Inclusions—The term "employee" shall include employees in production, inspection, timekeeping, production control, storekeeping and maintenance, including group and working leads and employees included as a result of the decision by the National Labor Relations Board in Case No. 21-UC-10, who work at the following plants and facilities:

(1) The Aircraft and Missiles Systems Boeing High Desert Assembly, Integration and Test Center at the Palmdale Airport, including USAF Plant 42, Site 1, 1500 East Avenue M, Palmdale, California 93550 and its included employees at Edwards Air Force Base, California 93523.;

(2) The Reusable Space Systems Assembly, Integration and Test Center at USAF Plant 42, Site 1, 1500 East Avenue M, Palmdale, California 93550 and its included employees at Edwards Air Force Base, California 93523.

(b) Exclusions—The term "employee" shall not include office workers, technical employees, professional employees, employees in classifications on the salaried payroll, weldors, employees of the industrial security department, maintenance electricians, maintenance painters, maintenance carpenters, stationary engineers—high pressure, employees regularly assigned to operate licensed automotive equipment outside the plant, officials who have the right to hire and discharge, all other supervisors including and above the rank of Assistant Supervisor and all employees excluded by mutual agreement of the parties or by the National Labor Relations Board in Case No. 21-UC-10.

3. MANUFACTURING PLANNING AND TOOL DESIGN UNIT (LOCAL 887)

(a) Inclusions—The term "employee" shall include employees in the following job titles: Tool Designer; Planning Status Processor; Planning Control Analyst; Planner-Electrical/Electronics; Planner-Machined Parts; Planner-Structures/Installations or their predecessor classifications set

forth in NLRB Case No. 31-RC-3413, who work at the plants and facilities set forth in Sections 1(a)(1), 1(a)(2), 1(a)(3), 2(a)(1) and 2(a)(2) above, excluding all other plant locations.

(b) Exclusions—The term "employee" shall not include professional employees, technical employees, clerical, guards and supervisors as defined in the Act or any other employees who were specifically excluded in NLRB Case No. 31-RC-3413.

4. TULSA AREA UNIT (LOCAL 952)

(a) Inclusions—The term "employee" shall include all production and maintenance employees, including truck drivers, inspectors, timekeepers, storekeepers, expediters, production control stock clerks, employees engaged in servicing, maintenance and warehouse activities for vending operations and group and working leads and employees included as a result of the decision by the National Labor Relations Board as to Groups A, B and D in Case No. 21-UC-10, who work at the Boeing Commercial Airplane Group-Tulsa Division at 3330 North Mingo Road, Tulsa, Oklahoma 74116, hereinafter referred to as "Tulsa."

(b) Exclusions—The term "employee" shall not include office workers, factory clerical workers, employees of the engineering department, employees of the industrial security department, planners, production control clerks, cafeteria employees, blueprint clerks, supervisors as defined in the Act, all other employees and all employees excluded by mutual agreement of the parties or by the National Labor Relations Board in Case No. 21-UC-10.

5. SANTA SUSANA FIELD LABORATORY AREA UNIT (LOCAL 1519)

(a) Inclusions—The term "employee" shall include all production and maintenance employees including research, test and operating employees, inspectors, truck drivers, stationary engineers, and leads, who work at the Rocketdyne Propulsion and Power Santa Susana Field Laboratory located at Chatsworth, California.

(b) Exclusions—The term "employee" shall not include supervisors, administrative employees, professional employees, salaried payroll employees, office employees, clerical employees, industrial electricians, weldors, guards and firemen.

6. EDWARDS FIELD LABORATORY AREA UNIT (LOCAL 1519)

(a) Inclusions—The term "employee" shall include all production and maintenance employees including inspectors, leads, plant clerical employees, photographers, photographic laboratory technicians, clerks-engineering in the photographic department, truck drivers, weldors and weldors designated as leads, who work at the Rocketdyne Propulsion and Power Edwards Field Laboratory located at Edwards Air Force Base, California 93523.

(b) Exclusions—The term "employee" shall not include technical photographers, office clerical employees and all professional employees, guards and supervisors as defined in the Act.

7. McALESTER AREA UNIT (LOCAL 1558)

(a) Inclusions—The term "employee" shall include all production and maintenance employees who work at the Boeing Commercial Airplane Group—McAlester Plant located at 1900 Gene Stipe Boulevard, McAlester, Oklahoma 74501.

(b) Exclusions—The term "employee" shall not include office workers, factory clerical workers, employees of the engineering department, technical employees, employees of the industrial security department, planners, expediters, production control clerks, cafeteria employees, blueprint clerks, supervisors as defined in the Act and all other employees.

8. The plants and facilities listed in each paragraph of Sections 1(a)(1) through 1(a)(3), 2(a)(1), 2(a)(2), 3(a), 4(a), 5(a), 6(a), and 7(a) above shall each constitute a separate division.

9. The Los Angeles area plants and facilities listed in Section 1 above shall constitute an area unit. The Palmdale area plants and facilities listed in Section 2 above, shall constitute an area unit. The Manufacturing Planning and Tool Design (MP&TD) Unit plants and facilities referenced in Section 3(a) above shall constitute a separate MP&TD unit within the Los Angeles area unit. Each of the divisions other than those listed in Sections 1 and 2 above, shall also constitute an area unit.

10. The Company and the Union agree that it will not be the policy of either to make or publish untrue statements about the other.

ARTICLE II

UNION SECURITY

1. At the time of hire, rehire or reinstatement the Company will deliver to each employee a copy of this Agreement, a Union membership application, a copy of Exhibit A and a letter of explanation outlining his rights and obligations under Articles II and III hereof.

2. An employee who is a member of the Union at the time this Agreement becomes effective shall continue membership in the Union for the duration of this Agreement to the extent of tendering the membership dues and reinstatement fee uniformly required as a condition of retaining membership in the Union.

(a) An employee who is not a member of the Union at the time this Agreement becomes effective shall become a member of the Union within thirty (30) days following the effective date of this Agreement or within thirty (30) days following employment, whichever is later, and shall remain a member of the Union, to the extent of tendering an initiation fee, the membership dues and reinstatement fee uniformly required as a condition of acquiring or retaining membership in the Union, whenever employed under and for the duration of this Agreement.

(b) Anything herein to the contrary notwithstanding, an employee shall not be required to become a member of or continue membership in the Union as a condition of employment if employed in any state which prohibits or otherwise makes unlawful membership in a labor organization as a condition of employment.

(c) The Union shall accept into membership each employee who now or in the future is covered by this Agreement who tenders to the Union the periodic dues and initiation or reinstatement fee uniformly required as a condition of acquiring or retaining membership in the Union.

3. Before any termination of employment pursuant to this Article becomes effective, the employee involved shall first be given notice in writing by the Union to pay the prescribed initiation or reinstatement fee and/or delinquent dues. If the employee fails to pay the initiation or reinstatement fee and/or delinquent dues, the Union shall then notify the Company of the delinquency in the manner provided in Article XIX, entitled Notices. The Company shall then notify the employee to pay the initia-

tion or reinstatement fee and/or delinquent dues and if such fees and/or dues are tendered within forty-eight (48) hours after the employee receives this notification from the Company, his dismissal hereunder shall not be required.

4. Notwithstanding any other provisions contained herein, if any employee who is a member of the Union shall be transferred or promoted out of the bargaining unit covered by this Agreement to a job outside such unit, the provisions of this Article shall become inoperative as to such employee. Notwithstanding any other provision contained herein, an employee transferred into the unit, whether such transfer results from agreement of the parties or action of the National Labor Relations Board, or otherwise, shall become a member of the Union within thirty (30) days following transfer and shall remain a member of the Union, to the extent of tendering an initiation or reinstatement fee and the membership dues uniformly required as a condition of acquiring or retaining membership in the Union, whenever employed under and for the duration of this Agreement.

5. In applying the terms of this Article II and Article III, if an employee who is a member of the Union leaves the bargaining unit, i.e., layoff, quit, formal leave or transfer out, and returns to work on a job in the bargaining unit during the term of this Agreement on or before the start of the last payroll period ending in any month and has not had Union membership dues for that month deducted from any pay received by him in that month, Union membership dues for that month shall be deducted from the pay received by the employee in the next succeeding calendar month, provided the employee has a currently effective Authorization and Assignment form on file and the employee has sufficient remaining net earnings to cover such Union membership dues after making regular Union membership dues deduction.

6. An employee working in an area unit who is transferred or reinstated to a job in another area unit will be required to become a member of the Local Union at the area unit to which he is transferring or being reinstated, subject to the provisions of this Agreement.

7. If any dispute arises as to whether any employee has failed to tender the initiation or reinstatement fee or regular dues as provided for herein, the Union shall tender written notice of its

position to the Company in the manner provided in Article XIX. The case shall then be reviewed by the Director of Labor Relations of the divisions involved or his designated representative and the Chairperson of the Bargaining Committee or his designated representative, and if not resolved, shall be decided by the Arbitrator.

8. The Union agrees that neither it nor any of its officers or members will intimidate or coerce employees into acquiring or retaining membership in the Union. If any dispute arises as to whether there has been any violation of this pledge, the case shall then be reviewed by the Director of Labor Relations of the division involved or his designated representative and the Chairperson of the Bargaining Committee or his designated representative, and if not resolved, shall be decided by the Arbitrator.

9. The Union agrees that neither the Union nor its members will intimidate or coerce any employee with respect to his right to work, or with respect to Union activities or membership and that there shall be no solicitation of employees for Union membership or dues on Company time.

10. In applying the terms of this Agreement, the Company agrees that it will not in any way discriminate against an employee because of his membership in or activity on behalf of or sympathy toward the Union.

11. In applying the terms of this Article II and Article III, it is agreed that the Union shall indemnify and save the Company harmless against any and all claims, demands, lawsuits or other forms of liability that may arise out of or by reason of action taken by the Company in making payroll deductions as herein provided or in complying with the Union Security Article.

12. The parties herewith agree to continue the Program as covered in the June 22, 1981 Letter of Agreement. Furthermore, the parties agree that this New Hire Orientation Program will henceforth include a clear explanation of the health care options available with emphasis on the differences between the available options. Such explanations shall be provided to new employees before the employee is asked to select an option, and the new employee shall be informed that a Benefits Representative will be available to answer questions and provide assistance prior to selection.

ARTICLE III

UNION DEDUCTIONS

1. (a) The Company agrees to deduct the initiation or reinstatement fee and regular monthly membership dues uniformly required as a condition of acquiring and retaining membership from the pay of those employees who are members of the Union and in the bargaining unit during said month, and who shall have executed and furnished to the Company and Union an authorization and assignment in the form appearing as Exhibit A attached to this Agreement and by this reference made part hereof.

(b) The Union shall furnish to the appropriate division of the Company by the first working day of each month any authorizations and assignments which have been executed. As provided on the authorization and assignment form it shall contain the name, serial (I.D.) number and social security number of the employee executing the authorization.

(c) Deductions shall be made from the employee's paycheck for the second pay period beginning in the month in which the deduction has been properly authorized as outlined above, provided that sufficient earnings remain to cover the Union dues and initiation fee after deductions for taxes, old age benefits, insurance premiums, social security and other deductions required by law or the Company have been made, and such deductions shall continue in like manner monthly thereafter, except as qualified herein. In the event there are not sufficient earnings remaining, deductions shall be made from the employee's paycheck in the first pay period in which sufficient earnings remain; however, in the event there are insufficient earnings in each pay period up to the next regular pay period for dues deductions, the pending deduction efforts will cease.

(d) In the event dues are not deducted in accordance with (c) above, the local union financial secretary will submit a list to the company. The list will contain the employee's name, social security number, local union, amount of dues (including initiation fee, if any) to be deducted and the specific month or months for which the union certifies that dues are required in accordance with the International Constitution. Such deductions shall be made from the employee's paycheck no later than the month following the month in which the notice was received.

(e) The Union accepts full responsibility for the authenticity of each of said authorizations and assignments and any

authorization and assignment which is incomplete or in error shall be disregarded by the Company. Authorizations which are incomplete or in error will be returned to the Union.

(f) Any employee who has previously executed the dues deduction authorization and assignment referred to in Sections 1(a) and (b) above, and who thereafter desires to revoke said authorization and assignment, in accordance with its terms, may do so by properly executing such revocation and forwarding it to the appropriate division and to the Union. Such authorization and assignment shall not be affected by the transfer of an employee between the Los Angeles area and Palmdale area units. The Company shall cease deducting dues from the pay of said employee from and after the effective pay period of said revocation.

(g) In cases where deductions are made from the pay of any employee who has previously paid such dues, reinstatement or initiation fee, the Union will make refund directly to said employee.

(h) Deductions shall be remitted not later than the first day of each month following the month in which deductions are made to the Financial Officer who shall be properly designated by the Union. The Company shall also furnish the designated Financial Officer of the Union with a record of those for whom deductions have been made.

2. An employee working in an area unit who is loaned temporarily to work in another area unit that is under the jurisdiction of the Union, shall have his dues sent to the Local Union at his home division.

3. When an employee is assigned on a short-term basis (twelve [12] consecutive months or less) to an off-site location where he performs work which is similar in nature to the work performed within the plants or facilities of the employee's home area unit, he will not be considered as a transfer and will be continued on dues check-off with his dues submitted to the Local Union representing his home area unit. The twelve (12) consecutive month period will be extended if the employee's off-site assignment is extended on a short-term basis to permit the completion of the work.

EXHIBIT A

INITIATION FEE AND DUES DEDUCTION AUTHORIZATION

To The Boeing Company, hereinafter referred to as the "Company".

You are Hereby Authorized and Directed:

(1) To deduct from my pay such sum as shall have been certified by the properly designated Financial Officer of the Local Union, UAW, hereinafter referred to as the "Union," to the Company as owing by me to the Union, as and for the initiation fee, reinstatement fee and monthly membership dues for the current month. Said deductions shall be made upon the terms and in the manner provided in the currently effective collective bargaining Agreement, or any successive applicable collective bargaining agreement between the Company and the Union, subject to the provisions below.

(2) To remit said deductions in full to the designated Financial Officer of the Union not later than the first day of each month following the month in which deductions are made.

This authorization shall supersede and invalidate any prior authorizations, shall become operative immediately and shall remain operative while the Company and the Union have in effect an agreement to check off fees and dues and while the Company and the Union are performing their obligations pursuant to Article VIII, Sections 1, 2 and 3, entitled Strikes and Lockouts, or their equivalent or counterpart in any successive applicable collective bargaining agreement, or until revoked as hereinafter provided.

This authorization shall be irrevocable until one (1) year next succeeding the date hereof, or until the termination date of the aforementioned agreement between the Company and the Union, whichever occurs sooner; and at such time, and except as otherwise provided herein, I agree and direct that this authorization shall be automatically renewed and if renewed shall be irrevocable until the anniversary date of this authorization next following such renewal, or until the termination of the then applicable collective bargaining agreement between the Company and the Union, whichever shall occur sooner, unless written notice revoking this authorization is given by me to the

Company and the Union during the fifteen (15) day period commencing with the anniversary date hereof, or the anniversary date in any subsequent year, or the fifteen (15) day period commencing with the termination date of the then applicable collective bargaining agreement between the Company and the Union, whichever occurs sooner. The revocation will be effective as of the last pay period in the month in which the revocation is tendered.

This authorization is made pursuant to and to satisfy the requirements of Section 302(c) of the Labor-Management Relations Act of 1947.

NAME _____
(Please print as on badge)

DATED _____

SOCIAL SECURITY NO. _____

SIGNED (as on badge) _____

WITNESS _____

ARTICLE III-A

UAW V-CAP CHECK-OFF

1. CONTRIBUTIONS TO UAW V-CAP

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

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

A properly executed copy of "Authorization for Assignment and Check-off of Contributions to UAW V-CAP" form for

each employee for whom voluntary contributions to UAW V-CAP are to be deducted hereunder, shall be delivered to the Company before any such deductions are made, except as to employees whose authorizations have heretofore been delivered. Deductions shall be made thereafter, only under the applicable "Authorization for Assignment and Check-off of Contributions to UAW V-CAP" forms which have been properly executed and are in effect.

Deductions shall normally be made, pursuant to the forms received by the Company, from the employee's third paycheck received in each and every month that the authorization remains in effect.

2. TERMINATION OF COMPANY OBLIGATION

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

3. REMITTANCE TO THE UNION

The Company agrees to remit the following on a monthly basis:

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

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

c. The Company shall, at the same time, remit to the Union its check for the amount shown under item (a) above, care of the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) applicable local Union.

The check should be made payable to UAW V-CAP fund and submitted to the UAW Accounting Department, 8000 E. Jefferson Avenue, Detroit, Michigan 48214.

The Company will provide the local union with a printout each month, showing how much each member has contributed that month.

4. INDEMNIFICATION OF COMPANY

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

5. SOLICITATION, COERCION, DISCRIMINATION

There shall be no intimidation, coercion, or discrimination in any way by the Company or its agents or by the Union, its representatives or employees against any employee because he does or does not contribute to UAW V-CAP.

6. AUTHORIZATION FOR DEDUCTIONS

AUTHORIZATION FOR ASSIGNMENT AND CHECKOFF OF CONTRIBUTIONS TO UAW V-CAP

To: The Boeing Company

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

☐ 50¢ ☐ $1.00 ☐ $2.00 ☐ other

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

This authorization is voluntarily made. I understand that the signing of this authorization and the making of payments to UAW V-CAP are not conditions of membership in the Union or of employment with the Company, that I have the right to refuse to sign this authorization and contribute to UAW V-CAP without any reprisal, and that UAW V-CAP will use the money it receives to make political contributions and expenditures in *connection with Federal, State and Local elections, and that* monies contributed to UAW V-CAP constitute a voluntary contribution to a joint fund-raising effort by the UAW and AFL-CIO.

Name (Print) _____

Date _____

Address _____

Soc. Sec. No. _____

City _____ State _____ Zip _____

Signature _____

UAW V-CAP is an independent political committee created by the UAW. This committee does not ask for or accept authorization from any candidate and no candidate is responsible for its activities.

ARTICLE IV

REPRESENTATION

1. For the purpose of this Article and Articles V and VI, the divisions shall be defined in Article I, and shall include those areas wherein employees work who are included in the bargaining unit as prescribed in Article I.

COMMITTEE PERSON

2. (a) Each division shall be partitioned into zones by agreement between the Company and the Bargaining Committee. Separate zones will be established for each shift with a minimum of one zone per shift, except for Local 1519 and McAlester.

(b) The average number of employees per zone on each shift shall be two hundred (200); provided, however, that zones may be established by mutual agreement in geographically isolated areas, or as a result of security requirements, without consideration of or effect upon such average number of employees, except for Local 1519 and McAlester.

(c) At Local 1519, each area unit shall be partitioned into geographical, proprietary and/or security areas.

(d) At McAlester, the plant shall be partitioned into two (2) areas on the first shift. Such areas are to be determined by

mutual agreement between the Personnel Manager and the President of the Local Union. There shall be one area on the second shift and one on the third shift.

3. (a) For each zone there shall be one Committeeperson designated by the Union from among the employees within the zone, to represent only the employees of that zone, as provided in Article V, except for Local 1519, MP&TD and McAlester.

(1) Local 1519-For each area there shall be one Committeeperson.

(2) For MP&TD, a Committeeperson shall be assigned to the second and/or third shift when three (3) or more employees are assigned on that shift.

(3) At McAlester, for each area, on the first shift, there shall be one Area Committeeperson; one Area Committeeperson on the second shift for as long as there are bargaining unit employees assigned to the second shift and one Area Committeeperson on the third shift at such times as there are more than ten (10) bargaining unit employees assigned to the third shift. These Area Committeepersons shall be selected by the Union to represent only the employees of that area.

(b) In the event of the absence from the plant of a Committeeperson the Alternate Committeeperson and in his absence the acting replacement designated by the Union shall act as the Committeeperson during the period of the Committeeperson's absence only, except to the extent mutually agreed by the parties.

4. (a) Whenever the total population of two (2) adjoining zones is reduced to three hundred (300) or fewer employees, the Company shall notify the President of the Local Union and the Chairperson of the Bargaining Committee that the two (2) zones are to be combined within ten (10) days. The President of the Local Union or his designated representative shall notify the Company, within such ten (10) day period, of the name of the new Committeeperson, except for Local 1519 & McAlester.

(b) Whenever the population of a zone has increased to more than three hundred (300), the zone shall be divided into two (2) zones in accordance with the provisions of Section 2(a) above, except for Local 1519 & McAlester.

5. For each zone there shall be one Alternate Committeeperson designated by the Union to represent employees in that zone, as provided in Article V, Problem/Grievance, Appeals and Ar-

bitration Procedure and in accordance with Section 3(b) of this Article, except for MP&TD and Local 1519.

(a) For MP&TD, there shall be an alternate for the first shift only. When twenty-five (25) or more employees are assigned to the second or third shift, an Alternate Committeeperson shall be assigned to those shifts.

(b) For Local 1519 there shall be one Alternate Committeeperson for each area.

BARGAINING COMMITTEEPERSONS, WAGE/SENIORITY COORDINATOR

(DIVISIONS WITH LESS THAN 200 EMPLOYEES)

6. (a) Each division shall have a Bargaining Committeeperson on each shift designated by the Union.

(b) Bargaining Committeepersons will be given permission to leave their place of work during working hours in the manner provided in this Article in order to perform the duties set forth herein. It is recognized and agreed that when not so engaged, Bargaining Committeepersons have production work to perform.

(c) One Bargaining Committeeperson will be designated as the Wage/Seniority Coordinator.

(DIVISIONS WITH 200 TO 999 EMPLOYEES)

7. (a) Each division shall have Bargaining Committeepersons designated by the Union in accordance with the following schedule:

No. of Employees	No. of Bargaining Committeepersons
200-399	1
400-699	2
700-999	3

(b) One Bargaining Committeeperson will be designated by the Union as the Wage/Seniority Coordinator.

(DIVISIONS WITH MORE THAN 999 EMPLOYEES)

BARGAINING COMMITTEEPERSONS

8. (a) Each division shall have a minimum of four (4) Bargaining Committeepersons designated by the Union.

(b) Additional Bargaining Committeepersons will be designated by the Union in accordance with the following schedule:

No. of Employees	No. of Bargaining Committeepersons
1,800	5
2,600	6
3,400	7
4,200	8

(c) Additional Bargaining Committeepersons beyond the schedule in Section 8(b) above will be provided on the basis of one Bargaining Committeeperson for each additional 800 employees.

WAGE/SENIORITY COORDINATOR

(d) Each division shall have a Wage/Seniority Coordinator designated by the Union to represent all employees in that division on matters pertaining to Article XI and Article XVI problems, as outlined in Section 20 of this Article.

BARGAINING COMMITTEE

9. (a) The Bargaining Committee at each division with less than 200 employees shall consist of the Bargaining Committeepersons. Two (2) Bargaining Committeepersons will constitute a quorum for the purpose of conducting business. For the purpose of a quorum only, the Union may designate an Alternate to attend meetings of the Bargaining Committee and the Director of Labor Relations. One Bargaining Committeeperson will be designated as the Chairperson of the Bargaining Committee.

(b) The Bargaining Committee at each division with 200 to 999 employees shall consist of the Bargaining Committeeper-

sons. Any two (2) Bargaining Committeepersons will constitute a quorum for the purpose of conducting business. For the purpose of a quorum only, a Committeeperson may attend meetings of the Bargaining Committee and the Director of Labor Relations. One member of the Bargaining Committee shall be designated as the Chairperson.

(c) The Bargaining Committee at each division with more than 999 employees shall consist of the Bargaining Committeepersons. Any three (3) Bargaining Committeepersons will constitute a quorum for the purpose of conducting business. Additional Bargaining Committeepersons and the Wage/Seniority Coordinators at each division may attend meetings of the Bargaining Committee and the Division Director of Labor Relations if requested by the Chairperson of the Bargaining Committee. One member of the Bargaining Committee shall be designated to act as Chairperson and one member shall be designated to act as Vice-Chairperson.

(d) Adjustments will be made based on bargaining unit employment figures as set forth in Sections 6, 7 and 8 above. Such adjustments will be made within the one hundred and twenty (120) days following the bargaining unit employment increase or decrease.

PLANT AREAS

10. (a) Each division with 300 or more employees shall be partitioned into plant areas by agreement between the Company and the Bargaining Committee.

(b) For each plant area there shall be one Bargaining Committeeperson designated by the Union to represent employees in that plant area as provided in Article V, Problem/Grievance, Appeal and Arbitration Procedure.

11. FOR LOCAL 1519:

(a) The Bargaining Committee shall consist of four (4) Committeepersons at the Edwards and Santa Susana Field Laboratories area units. Two (2) members of the Committee shall constitute a quorum.

(b) One member of the Bargaining Committee shall be designated to act as Chairperson and one member shall be designated to act as Vice-Chairperson.

(c) One member of the Bargaining Committee shall be designated to act as the Wage/Seniority Coordinator.

12. FOR McALESTER:

The Union will select one employee to act as Bargaining Chairperson. The Bargaining Chairperson shall also act as the Wage/Seniority Coordinator and will be assigned to first shift.

13. The Bargaining Committee for the MP&TD Unit is included as a part of the Bargaining Committee structure for the P&M unit.

SOLE DUTIES, RESPONSIBILITIES AND LIMITATIONS OF UNION REPRESENTATIVES

14. Sections 15 to 21 inclusive outline the sole duties, responsibilities and limitations of the Committeepersons, Alternate Committeepersons, Bargaining Committeepersons, Wage/Seniority Coordinator and the Chairpersons and Vice-Chairpersons of the Bargaining Committees in performing their functions as recognized Union representatives. This group constitutes all of the recognized Union representatives for purposes of this Article.

SOLE DUTIES, RESPONSIBILITIES AND LIMITATIONS OF THE COMMITTEEPERSON

15. (a) The Committeeperson will be given permission by his Supervisor upon the request of an employee in his zone to leave his job during his working hours to perform the following functions:

(1) To interview the employee, investigate, and present to a Supervisor in his zone a problem on behalf of an employee or group of employees in his zone when his presence has been requested by such an employee or employees. The Committeeperson shall not present to a Supervisor a problem concerning any issue provided for in Article V, Section 14, but instead shall request that his Supervisor refer such problem to Labor Relations.

(2) To request, through his Supervisor, to meet with the Bargaining Committeeperson, or Wage/Seniority Coordinator, as applicable, to discuss a problem on behalf of the Union arising in his zone, concerning any issue provided for in Article V, Section 14.

(3) To discuss with the Bargaining Committeeperson a

problem remaining unresolved after compliance with Article V, Step I, should the Bargaining Committeeperson desire his presence.

(4) If it is necessary for the Committeeperson to go outside his zone in investigating a problem, permission for such investigation will be given by the Director of Labor Relations or his representative, who will make necessary arrangements for such investigation.

(5) When the employee's Supervisor is not located in the zone where the problem originated, the Committeeperson shall ask his own Supervisor to call in the Supervisor of the employee whose problem is being investigated. The meeting between the Committeeperson and the employee's Supervisor shall be arranged by following the procedure outlined in Section 15 above.

(6) The Committeeperson may, by mutual agreement between the Supervisor and the Committeeperson, be afforded reasonable additional time to investigate new facts related to the problem prior to the meeting with the Supervisor.

(7) To meet with the Manager of an employee in his zone as provided in Article V.

(b) The Committeeperson will be given permission by his Supervisor to leave his job during working hours to initiate a problem on behalf of the Union, and to meet with the Bargaining Committeeperson.

SOLE DUTIES, RESPONSIBILITIES AND LIMITATIONS OF THE ALTERNATE COMMITTEEPERSON

16. (a) To act as the Committeeperson only as set forth in Section 3(b) of this Article.

(b) When the Alternate Committeeperson is once called in on a problem under the provisions of Sections 3(b) and 16(a) of this Article and Article V, Sections 2 and 3, he shall thereafter process the complaint as the Committeeperson in the manner provided in Section 15 above except as provided in Section 16(c).

(c) Should the Committeeperson be in the plant on the day an unresolved employee problem has been referred to the Manager, the Committeeperson, and not the Alternate Committeeperson,shall meet and discuss the problem as provided in Article V, Section 5.

SOLE DUTIES, RESPONSIBILITIES AND LIMITATIONS OF BARGAINING COMMITTEEPERSON (BARGAINING CHAIRPERSON AT McALESTER)

17. (a) To separately and/or jointly investigate with the appropriate Company representative a problem/grievance remaining unresolved after compliance with Article V, Section 7, or a problem/grievance on behalf of the Union concerning any issue provided for in Article V, Section 14, as described in Sections 15(a) and 15(b) hereof.

(b) If it is necessary for the Bargaining Committeeperson to go outside his plant area in investigating a problem/grievance, authorization for such investigation will be given by the Director of Labor Relations or his representative, who will make necessary arrangements for such investigation.

(c) To assist the Wage/Seniority Coordinator when the case load exceeds the capacity of such Coordinator and after agreement has been reached between the Director of Labor Relations and the Chairperson of the Bargaining Committee that such assistance is required.

(d) To reduce to writing on forms provided by the Company a grievance as provided in Article V, Section 14.

(e) To further investigate, when so assigned by the Chairperson of the Bargaining Committee, unresolved problems/grievances prior to their appeal to Article V, Section 15.

(f) To attend the scheduled meeting of the Bargaining Committee and the Company.

(g) To initiate a problem/problems arising under Article V, Section 14 or process a problem/grievance initiated by a former or inactive employee.

SOLE DUTIES, RESPONSIBILITIES AND LIMITATIONS OF THE CHAIRPERSON OF THE BARGAINING COMMITTEE

18. The Chairperson of the Bargaining Committee shall be responsible for the following:

(a) Reviewing settlements of the Wage/Seniority Coordinator.

(b) Attending the scheduled grievance meeting of the Bargaining Committee and the Director of Labor Relations and/or

his representatives and acting as Chairperson of the Bargaining Committee in presentation of grievances at this meeting.

(c) Receiving on behalf of the Union the disposition of grievances following the grievance meeting.

(d) Conducting, or assigning to a Bargaining Committeeperson, an investigation of a grievance subsequent to receipt by the Union of the Company's written disposition if in his opinion such investigation is warranted in order to determine the advisability of appealing the case to the Appeal Committee. Before making such investigation he shall notify the Director of Labor Relations or his designated representative who will make necessary arrangements for such investigation.

(e) To designate a Committeeperson from an absent Bargaining Committeeperson's plant area or another Bargaining Committeeperson to act in the capacity of the Bargaining Committeeperson until such time as the absent Bargaining Committeeperson returns to the plant. The Chairperson of the Bargaining Committee shall notify the Director of Labor Relations of such designation. The Chairperson of the Bargaining Committee may appoint temporary assistance to the Bargaining Committeeperson to accommodate unusual work load problems. If, in the opinion of the Division Director of Labor Relations, such assistance is not warranted, the situation will be immediately forwarded to the Corporate Director, Labor Relations and a representative of the National Aerospace Department for immediate resolution before such temporary appointment may become effective. The procedure described above will apply if a dispute arises as to the duration of such temporary appointment.

(f) To assign investigations to Bargaining Committeepersons involving wage and seniority matters when the case load exceeds the capacity of the Wage/Seniority Coordinator and agreement that such condition exists has been reached by the Chairperson and the Director of Labor Relations.

(g) To attend meetings of the Appeal Committee in accordance with the provisions of Article V.

SOLE DUTIES, RESPONSIBILITIES AND LIMITATIONS OF THE VICE-CHAIRPERSON OF THE BARGAINING COMMITTEE

19. In the absence from the plant of the Chairperson of the Bargaining Committee, the Vice-Chairperson is authorized to assume the functions of the Chairperson.

SOLE DUTIES, RESPONSIBILITIES AND LIMITATIONS OF THE WAGE/SENIORITY COORDINATOR

20. The Wage/Seniority Coordinator shall be responsible for the following:

(a) To separately and/or jointly investigate with the appropriate Company representative problems/grievances involving alleged misclassifications of employees which are referred to him as provided for in Sections 15(a) and 15(b) hereof.

(b) To separately and/or jointly investigate any questions or disputes which may arise under the provision of Article XVI, Section 7(b) of the Agreement.

(c) To separately and/or jointly investigate matters in connection with the installation of new or revised jobs under the provisions of Article XVI, Sections 2 and 3 when assigned by the Chairperson of the Bargaining Committee.

(d) To separately and/or jointly investigate with the appropriate Company representative problems/grievances arising under the provisions of Article XI, except for Section 10(i).

(e) To separately and/or jointly investigate with the appropriate Company representative a problem/grievance filed under Article XI, Section 10(i) remaining unresolved after compliance with Article V, Section 7.

(f) Receiving the seniority lists prepared by the Company and furnished to the Union as provided in Article XI, Section 13.

(g) To reduce to writing on forms provided by the Company a grievance as provided in Article V Section 14.

(h) To meet with the appropriate Company representative and jointly explain seniority rights to returning veterans who have satisfactorily completed their period of active service under the provisions of Article XV.

(i) Subject to the limitations specified in this Section 20, to initiate a problem/grievance arising under Article V, Section 14 or process a problem/grievance initiated by a former or inactive employee.

GENERAL PROVISIONS

21. (a) The Union representatives listed above will be active employees who have acquired seniority status with the Company in accordance with Article XI, Section 15.

(b) Recognized Union representatives will be given per-

mission to leave their places of work during working hours in the manner provided in this Article in order to perform the duties set forth herein. It is recognized and agreed that when not so engaged Committeepersons and Alternate Committee-persons have production work to perform.

(c) All Union representatives shall advise the responsible Supervisor of their purpose of being in a department.

(d) All Union representatives are subject to all plant rules regarding conduct of employees.

(e) While on a formal leave of absence, no employee shall serve as a Union representative in any of the offices listed in this section.

(f) Committeepersons shall report to their regular Supervisors or their representatives at the beginning of their shifts before investigating, meeting on or attempting to adjust problems during working hours as outlined in this Article.

(g) Adequate facilities will be provided for Bargaining Committeepersons/Coordinators to conduct Union business.

(h) Union representatives will be afforded the same promotional opportunities as all other employees.

(i) Bargaining Committeepersons and Wage/Seniority Coordinators will be considered for overtime assignments in their respective base departments and overtime groups.

(j) In those cases where there is not a full complement of supervisory personnel to deal with authorized Union representatives, as provided in the Agreement, the Company will notify the Union of a designated management representative.

(k) All Union representatives will keep to a minimum time required to transfer investigation material, including the exchange of information between the Alternate Committeeperson and the Committeeperson in those cases when the Committeeperson returns prior to the meeting with the Manager, in accordance with Section 16(c) hereof. In no event shall this exceed one hour.

(l) Committeepersons shall not conduct any Union activity, including transfer of investigation material or meeting with a Bargaining Committeeperson, without obtaining permission, as described in Section 22(b) hereof.

(m) LOS ANGELES AND PALMDALE AREA UNITS AND MP&TD UNIT

Should either party desire to discuss subjects not pertaining to problems, grievances, disputes or interpretations or applications of the terms of this Agreement, a meeting with representatives of the other party may be arranged upon written

request. In such written request, the party requesting the meeting shall set forth the subjects it desires to discuss. The representatives of the Union at such a meeting shall consist of the President of the Union and the Chairperson of the Bargaining Committee of each division. On matters strictly local in nature which do not affect the employees at other divisions in the Los Angeles and Palmdale areas and MP&TD unit, the representatives of the Union shall consist of the President of the Union and the Bargaining Committee. An International Representative may also be present and participate in such meetings.

(n) TULSA DIVISION, LOCAL 1519 AND McALESTER AREA UNIT

Should either party desire to discuss subjects not pertaining to problems, grievances, disputes or interpretations or applications of the terms of this Agreement, a meeting with representatives of the other party may be arranged upon written request. In such written request, the party requesting the meeting shall set forth the subjects it desires to discuss. The representatives of the Union at such a meeting shall consist of the President of the Union and the Bargaining Committee. An International Representative may also be present and participate in such meetings.

22. A written list as well as any changes in such list of the names of the Committeepersons, the Alternate Committeepersons, Bargaining Committeepersons, Wage/Seniority Coordinators, Chairpersons and Vice-Chairmen of the Bargaining Committees will be furnished by the President of the Local Union or his designated representative to the Director of Labor Relations of the Division involved. The names of the Committeepersons, Alternate Committeepersons, Bargaining Committeepersons, Wage/Seniority Coordinators, and the Chairpersons and Vice-Chairpersons of the Bargaining Committees will be furnished as herein provided at least forty-eight (48) hours not including Saturdays, Sundays and holidays prior to the effective date of assuming duties of office, except as provided in Section 4 hereof.

23. (a) No Union representative specified in Article XI, Section 15, shall be transferred or promoted out of the bargaining unit, except in accordance with the provisions of Article XI, unless mutually agreed to by the President of the Local Union and the Director of Labor Relations of the division involved; provided however, where such President withholds agreement,

such Union representative may, with his approval, be transferred or promoted out of the bargaining unit to the same job classification to which agreement of transfer or promotion was withheld, after ninety (90) days from the date the original transfer or promotion was requested.

(b) Any employee who is serving as a Committeeperson or Alternate Committeeperson shall not be transferred or promoted out of his zone, unless mutually agreed to by the division Chairperson of the Bargaining Committee or his designated representative and the Director of Labor Relations of the division involved.

24. The Company agrees that the authorized Union representatives designated in Section 14 of this Article shall not be hindered, coerced, restrained or interfered with in the performance of their duties of investigating, presenting and adjusting problems and grievances, as provided in this Article. Alleged abuses of this section shall be discussed between the President of the Local Union, the Chairperson of the Bargaining Committee and the Division Director of Labor Relations. The Company agrees that its representatives shall exercise their best efforts to eliminate any such abuses.

25. PAYMENT FOR UNION ACTIVITY TIME

Time spent away from their regular jobs during working hours by Union representatives as specified in Sections 15 through 21 hereof in the performance (within the plant by Committeepersons and Alternate Committeepersons) of their functions as specified in Articles IV, V and VI will be paid for by the Company. This will include the time as set forth in Section 15 of this Article to permit discussion in connection with the transfer of unresolved problems with a Bargaining Committeeperson or Wage/Seniority Coordinator. The Company will not pay for investigation of the same problem at the same level by more than one representative. Alleged abuses of Union activity time shall be discussed between the Division Director of Labor Relations, the President of the Local Union and the Chairperson of the Bargaining Committee. The Union agrees that its representatives shall exercise their best efforts to eliminate such abuses.

26. Except at McAlester, temporary exceptions to the above-described methods of representation may be made by mutual agreement between the Chairperson of the Bargaining Committee and the Director of Labor Relations of the division involved.

The President of the Local Union may appoint temporary assistance to the Wage/Seniority Coordinator to accommodate unusual work load problems. If, in the opinion of the Division Director of Labor Relations, such assistance is not warranted, the situation will be immediately forwarded to the Corporate Director, Labor Relations and a representative of the National Aerospace Department for immediate resolution before such temporary appointment may become effective. The procedure described above will apply if a dispute arises as to the duration of such temporary appointment. Other exceptions may be made only by mutual agreement between the President of the Local Union, the Bargaining Committee and the Director of Labor Relations of the division involved.

(a) At McAlester, temporary exceptions to the above-described method of representation may be made only by mutual agreement between the Bargaining Chairperson and the Personnel Manager. Other exceptions may be made only by mutual agreement between the President of the Local Union, the Bargaining Chairperson and the Personnel Manager.

27. The Corporate Director, Labor Relations and one other Company representative, and the President of the Intra-Corporate Bargaining Council, a representative of the National Aerospace Department, President of the Local and Chairperson of the Bargaining Committee, or their designated representatives, will meet at the request of either party, to review and, if necessary, adjust the Union representation structure provided in this Article IV, the Problem/Grievance, Appeal and Arbitration Procedure as provided in Article V and the Discipline procedure as provided in Article VI.

ARTICLE V

PROBLEM/GRIEVANCE, APPEAL AND ARBITRATION PROCEDURE

1. In the event any employee or the Union has any complaint, dispute, inquiry or problem concerning the interpretation or application of any of the terms of this Agreement, or any other work-related problem, such matters shall be adjusted according to the following procedure:

STEP 1

Employee and Committeeperson-Supervisor or Employee-Supervisor

(Subject to the limitations of Section 14 hereof)

2. Any employee having a problem/grievance, or one designated member of a group having a problem/grievance, may first take the problem/grievance up with the Supervisor.

3. An employee desirous of having his Committeeperson called to discuss his problem/grievance shall notify his Supervisor. Such notification shall include the employee entering his name, shift, social security number, job code, and the date and time of the request on the Employee Request for Union Representation Log. The Supervisor will immediately notify the Committeeperson (through such Committeeperson's Supervisor) of the request, and shall enter the date and time of such notification on the P Log.

4. Upon arrival in the department, the Committeeperson will notify the Supervisor of his presence and discuss the complaint with the employee. After discussions with the employee, the Committeeperson and employee, in an attempt to settle the grievance, will discuss the grievance with the employee's Supervisor and attempt to resolve the employee's problem. The Committeeperson and the Supervisor shall have full authority to settle the problem.

COMMITTEEPERSON-MANAGER

5. If the grievance is not satisfactorily settled with the Supervisor, the Committeeperson and the employee's Manager will meet within 24 hours to try and resolve the grievance.

6. If the grievance is not satisfactorily resolved at this stage of the procedure, it will be reduced to writing on Grievance forms provided by the Company and signed by the employee.

7. Upon receipt of the written grievance, the employee's Manager will give his written answer to the Committeeperson within two working days. If the Manager's answer is unsatisfactory, the grievance may be appealed to the next step of the procedure.

SETTLEMENTS OF PROBLEMS

8. Problems settled under the provisions of Step I are not precedent setting and are without prejudice to the position of either party in matters involving another employee, group of employees or problem.

STEP II

9. If a satisfactory disposition of the grievance is not made in the First Step of the Grievance Procedure, the Bargaining Committee of the Unit/division may, if they consider the grievance to be well-founded, appeal the grievance to the Second Step of the procedure within fourteen (14) days of the date of receiving the Company's First Step answer.

10. A Bargaining Committee meeting shall be held with the Director of Labor Relations and/or his representatives at a regularly scheduled time each week (unless a longer interval is agreed upon locally)-if there is business to be transacted-and shall continue on consecutive working days until all business before it has been completed.

(a) A duly accredited International Representative and the President of the Local Union shall be permitted to attend and participate in meetings of the Bargaining Committee and the Company upon oral notification to the Company.

11. The Company shall give its decision in writing to the Bargaining Committee Chairperson on all grievances considered at this meeting not later than one (1) week after the meeting.

(a) If a satisfactory disposition of the grievance is not made in the Second Step, the Chairperson of the Bargaining Committee, if he considers the grievance to be well-founded, may appeal the grievance to the Third Step.

12. Third Step grievances will be processed in accordance with the following provisions:

(a) Appeal Procedure-The Chairperson shall, within one week of written disposition of the Second Step, give written notice to the designated Company representative that the grievance is appealed to the Third Step.

(b) Within one week after notice of appeal has been given by the Chairperson the parties will prepare and exchange a complete and detailed statement of all the facts and circumstances surrounding the grievance.

(c) No grievance shall be considered by the Appeals Committee's Board in the Third Step, until the next meeting after the prescribed statement of facts has been presented on behalf of the Union.

STATEMENT OF FACT AND POSITION

13. Each party's statement shall be in detail sufficient to reasonably apprise the other party of the nature of (i) the grievance and the issues involved, (ii) the contentions made in support of the party's position on the issues (iii) the basic facts relied upon in support of such position, and (iv) where a claim of discrimination is included in the grievance, a statement of the facts and circumstances supporting such claim.

(a) Such statements shall fix the nature of the grievance and of the issues for all subsequent consideration of the case in the Grievance Procedure (including the Fourth Step), and neither party shall attempt to deviate materially from the contents of such statement after furnishing it to the other party. Any change or addition to facts or position must be submitted at this step of the Grievance Procedure. Any change or additions beyond this Third Step shall not be allowed by the Arbitrator.

(b) It is the purpose and intent of this subsection to assure that there shall be full discussion and consideration of the grievance, on the basis of a full disclosure of the relevant facts, in the voluntary steps of the Grievance Procedure.

14. GRIEVANCES TO BE INITIATED UNDER STEP II

Grievances concerning

(a) Article XI, except Section 10(i)

(b) Article XVI

(c) Work assignments to employees of another bargaining unit

(d) Subcontracting

(e) Employees terminated as a result of overstaying vaca-

tion or leave of absence

(f) Employees out of the plant on formal leave of absence

(g) Discharges

(h) Article X, Section 3

(i) Article XIV

(j) Article IX

(k) Article XIX, Section 5

(l) Matters affecting in the same manner a substantial number of employees

(m) Matters the parties agree are general in nature and application shall be referred by the appropriate Union representative to Labor Relations and shall be processed in accordance with this Article and subject to the provisions of the National Labor Relations Act, as amended.

STEP III

15. APPEAL PROCEDURE

International Union-Division Director of Personnel

(a) The Appeal Committee shall consist of four (4) members as follows: For the Union, the Regional Director or one designated representative of the Regional Director who is permanently assigned to handle all grievances arising under this Agreement in all plants of his region, and the Chairperson of the Bargaining Committee of the division involved; for the Company, two (2) representatives, one of whom will be the Division Director of Personnel, or a designated representative, who has not previously rendered a decision in the case.

(b) If it is necessary for the Regional Director or his designated representative to actually observe the operations about which the dispute has arisen, in order to understand the case, he will be permitted to enter the plant to make such observations, in accordance with government regulations and Company Rules respecting plant visitors.

(c) Should the Corporate Director, Labor Relations or the representative of the National Aerospace Department deem it necessary or advisable to participate in any appeal meeting, both may so attend and participate upon so notifying the other, where possible, in sufficient time to permit both to attend.

(d) Meetings of the Appeal Committee will be held at a time agreed to by the parties. Unless mutually agreed otherwise, such meetings will not be held more than once every two (2) weeks for each division. In the event meetings of the Appeal

Committee have not been held for more than two (2) weeks, meetings will be arranged by mutual agreement within seven (7) days after the Notice of Appeal has been received.

(e) All matters properly in the procedure will be discussed. If settlement of the case is not reached at this meeting, the Company will furnish a copy of a summary of the minutes of the meeting, including a statement of any departure from the basic contentions of either party, to the Chairperson of the Bargaining Committee, the Regional Director and the National Aerospace Department representative within five (5) working days after the meeting. This period may be extended by mutual written agreement.

(f) Any grievances not appealed in accordance with the procedures and time limits set forth in this Article, shall be considered fully settled on the basis of the Company's written disposition.

(g) Any grievances to which the Company fails to respond within the specified time limits, as set forth in this Article, shall be considered fully settled on the basis of the Union's requested remedy.

16. ARBITRATION PROCEDURE

(a) If the Company's decision at the Appeal Step does not satisfactorily settle the grievance and the Union desires to submit the grievance to the National Aerospace Department for review, it shall provide written notification to the Corporate Director, Labor Relations by registered or certified mail. Such notification must be placed in the mail within fourteen (14) days following delivery of the summary of minutes of the Appeal Committee meeting as provided in Section 2(e) hereof. Within thirty (30) days after receipt of the summary minutes of the Appeal Committee meeting, a National Aerospace Department review meeting will be scheduled. The Review Committee will consist of the Director of the National Aerospace Department or his designated representatives including one from the staff of the National Aerospace Department, one from the staff of the Regional Director and the Chairperson of the Local Union Bargaining Committee, and the Vice President, Human Resources or his designated representatives including one member of his staff and a divisional representative. Upon notification, an additional specialist, e.g., a wage or seniority expert, may join the meeting. Summary minutes of this meeting will be submitted by the Company to the National Aerospace Department within five (5) working days after the meeting. Within thirty (30) days after

receipt of the summary minutes, the National Aerospace Department will notify the Corporate Director, Labor Relations by registered or certified mail, that the Union intends to submit the grievance to Arbitration or that the grievance is considered settled. Upon notification to the Company by the Union of its intention to submit the grievance to Arbitration, the Union and the Company will simultaneously submit their summary position statements to the Arbitrator, mailed postage prepaid, return receipt requested, by registered or certified mail, on the fourteenth (14th) day after receipt by the Company of the notice from the National Aerospace Department as provided in this section. Each party's summary statement of the grievance shall contain the submitting party's version of the issue or issues involved, facts material to the issue or issues and its position with respect to such grievance, together with a copy of the grievance Statement of Fact, Company grievance disposition, and summary of minutes of the meeting of the Appeal Committee, as provided in this Article. Five (5) days after the submission by the parties of their respective summary statements to the Arbitrator as provided in this section, each party will submit to the other party, by registered or certified mail, a copy of its summary statement provided the Arbitrator. Any of the periods within which any of the acts required in this Section 16(a) are to be performed, may be extended by mutual agreement between the National Aerospace Department representative and the Corporate Director, Labor Relations, or their designated representatives.

(b) Cases appealed to the Arbitrator by the National Aerospace Department after the appeals meeting will be handled by the National Aerospace Department and/or the Region.

(c) Only grievances which have been processed through the Problem/Grievance Procedure as outlined in this Article and which have not been satisfactorily settled by the Appeal Committee, provided herein, may be appealed to Arbitration.

(d) After the procedures set forth in this Section 3 have been completed, the Arbitrator shall, when the issues have not been mutually agreed upon by the parties, determine the issues directly raised by the grievance Statements of Fact and Company dispositions which are unresolved, and he shall further decide whether or not these issues are arbitrable in accordance with the terms of this Agreement, provided the question of arbitrarily has been raised by either party.

(e) In each case where the appealing party has submitted its summary statement in accordance with the foregoing, an oral

hearing shall be expeditiously scheduled, after due notice to the parties, by the Arbitrator. At such hearings the testimony will be limited to such material facts as are in dispute, to a determination by the Arbitrator of the issue of arbitrability, if raised, and to the issue or issues processed through the Grievance Procedure and appealed to Arbitration and to such argument as the Arbitrator determines to be necessary and proper. All other procedure relating to Arbitration shall be determined by the Arbitrator.

17. ARBITRATION HEARINGS AND JURISDICTION OF THE ARBITRATOR

(a) Whenever witnesses are used, their evidence shall be taken at the division where the problem originated unless otherwise mutually agreed to by the parties. Any employee needed as a witness shall be released from work if he is on duty.

(b) The process of Arbitration shall be carried out as expeditiously as possible. The Arbitrator shall render his decision in writing not later than two (2) calendar weeks after he has taken the matter under submission, unless such time is extended by mutual agreement of the parties.

(c) Only grievances involving interpretation or application of this Agreement may be ruled on by the Arbitrator and the Arbitrator shall be limited in his decision to a determination on the issues determined in accordance with Section 16 hereof.

(d) The Arbitrator shall be prohibited from adding to, modifying or subtracting from the terms of this Agreement, or any supplemental written agreement of the parties.

(e) The decision of the Arbitrator shall be final, binding and conclusive. Copies of such decisions shall be sent by the Arbitrator to the Corporate Director, Labor Relations, the National Aerospace Department and Regional Director of the Region concerned of the International Union, the Director of Labor Relations of the division involved and the Chairperson of the Bargaining Committee of the division involved.

(f) In cases of disciplinary action the Arbitrator has the right to rescind the penalty and to compensate the employee for lost wages on the ground that the Company disciplined the employee without a justifiable reason. The Arbitrator shall not pass upon the extent of the discipline, except where the appealing party proves that the penalty was inconsistent with penalties applied in other similar cases, in which case he may modify the penalty to make it consistent with penalties applied in other similar cases. However, in discharge cases the Arbitrator may pass upon the extent of the discipline. Where he determines that

discharge was not the proper penalty he shall determine what the proper penalty should be.

18. GENERAL PROVISIONS

(a) The Director of the National Aerospace Department and the Vice President-Human Resources or their designated representatives shall select an Arbitrator who shall serve subject to conditions mutually specified by the parties.

(b) The compensation and expense of the Arbitrator and of Arbitration shall be borne equally by the parties. Either party shall have the right to have a transcript at its own expense.

(c) The Union agrees that it will not request the services of any Government Agency or of any other party to intervene in any problem, grievance or dispute until the full Problem/Grievance Procedure, Appeal Procedure and Arbitration Procedure as set forth in this Article (providing the grievance is properly subject to Arbitration under the terms of this Article), have been utilized.

(d) Grievances which are appealed to Arbitration and which contain continuing liability shall be given priority over all other grievances in the Arbitration Procedure at that time.

(e) Time spent by employees during their working hours in connection with the presentation of their problems to the appropriate Union representative, as provided in Article V, will be paid for by the Company. Employees must request an appropriate pass prior to meeting with their Committeeperson and prior to meeting with their Committeeperson and Supervisor.

(f) The Company may make any investigation necessary to determine the facts surrounding any problem/grievance. However, the Company will make no attempt to settle or dispose of any such problem/grievance with the concerned employee after a Union representative has begun the processing of such problem/grievance, except in the presence of the appropriate Union representative.

19. TIME LIMITS

(a) There is no responsibility on the Company to make an adjustment of any problem/grievance:

(1) Unless it is presented within one hundred and twenty (120) hours after the occurrence of the acts or omissions of the Company which are the basis of the problem/grievance unless the circumstances of the case made it impossible for either the employee or the Union to know that he had grounds for such a claim prior to that date, in which event it must be

presented within one hundred and twenty (120) hours after either party first knew of such act or omission; or

(b) In no event shall any decision or award upon any problem or grievance filed by any employee or the Union under Article V be made effective for any period beyond thirty (30) calendar days prior to the date such problem/grievance was first recorded in accordance with Article V.

(c) Any of the periods within which any of the acts required in Article V are to be performed may be extended by written mutual agreement between the Chairperson of the Bargaining Committee or his designated representative and the Director of Labor Relations or his designated representative.

(d) In computing the time within which the said acts are required to be performed under Article V, Saturdays, Sundays and holidays shall be excluded except when specified as calendar days.

(e) There is no responsibility on the part of the Company to make any further adjustment of any problem raised or grievance filed when the employee to whom the problem applies or to whom the grievance is applicable has voluntarily terminated his employment with the Company, unless the problem/grievance involves a claim for compensation.

ARTICLE VI

DISCIPLINE

1. DISCIPLINE PROCEDURE

(a) Any employee who is called to an office for the purpose of being disciplined may request his Committeeperson and the Committeeperson will be sent for. Upon arrival, the Committeeperson will be briefed on the purpose of the meeting and afforded a reasonable period of time, not to exceed five (5) minutes, to discuss the matter with the employee. Subsequent to such discussion, the meeting shall proceed without delay or interruption.

(b) When practical, employees to be given a disciplinary layoff will be notified of this fact no later than one hour before the end of their shift. An employee shall not be given a time off penalty at the start of his shift for a prior violation.

(c) If an employee is disciplined, he shall be given the opportunity, upon his request, to present his problem/grievance to his Committeeperson as provided in Article V, preferably before leaving the department and in any event before leaving the plant.

(d) Notwithstanding the provisions of Section 19(a) of Article V, any employee who receives a disciplinary layoff may present a problem/grievance concerning such disciplinary action not later than one hundred and twenty (120) hours after the end of such disciplinary layoff in accordance with the provisions of Article V.

(e) In cases of any disciplinary action the Union reserves the right to seek modification or elimination and compensation in whole or in part for lost wages on the ground that the employee was wrongfully disciplined.

2. DISCHARGE PROCEDURE

(a) When practical, employees to be discharged will be notified of this fact no later than one hour before the end of their shift.

(b) If any employee is discharged, he shall be given the opportunity upon his request to present his problem/grievance to his appropriate Union representative as provided in this Article, preferably before leaving the department and in any event before leaving the plant.

(c) Time spent by a discharged employee in presenting a problem/grievance to his appropriate Union representative will not be paid for by the Company.

(d) In discharge cases the Union reserves the right to seek reinstatement and compensation in whole or in part for lost wages on the ground that the employee was wrongfully discharged.

3. PRODUCTIVITY STANDARD

The test which shall be used as a basis for disciplining or discharging an employee for productivity not up to standard shall be the productivity of a normal employee reasonably exercising his working capacity.

4. GENERAL PROVISIONS

(a) Industrial Security personnel as well as supervision shall provide Union representation upon the request of an employee when (1) an employee is called to an office for the purpose of being disciplined, and (2) an employee is to be involved in an investigatory interview. Upon such a request, neither the disciplinary action nor the investigatory interview will proceed until Union representation has been provided.

ARTICLE VII

MANAGEMENT PREROGATIVES

1. Management prerogatives and the exercise thereof shall be unqualified, shall remain exclusively in the Management and shall include without limitation all matters not covered by this Agreement as well as the following, to the extent that the following are not limited or modified by the terms and conditions of this Agreement:

(a) The prerogative to hire, promote, assign to shifts, maintain discipline and efficiency, discharge and discipline all employees for a justifiable reason.

(b) The prerogative to determine the type of work to be performed, the location of work within the plants, the schedules of production, the schedules of working hours and the methods, process and means of manufacture.

ARTICLE VIII

STRIKES AND LOCKOUTS

1. During the term of this Agreement the Local Unions and the International Union, or any of them, shall not authorize, cause, engage in, sanction or assist in any slowdown, work stoppage or strike against the Company.

2. (a) In the event any employee who is employed in the bargaining unit as set forth in Article I of this Agreement shall call, engage in, sanction or assist in any unauthorized slowdown, work stoppage or strike against the Company or shall refuse to perform services duly assigned when directed to do so by the Company, the Local Union and the International Union and their officers and representatives agree to the following:

(1) That the Company may take whatever disciplinary action it deems appropriate including discharge and that the degree of such disciplinary action shall not be reviewable through Articles V and VI of this Agreement; and

(2) That each of them jointly and severally shall immediately disavow and refuse to recognize any picket line or lines established as a result of said unauthorized slow-down, work stoppage or strike against the Company or refusal to perform services; that each of them will issue instructions not to

respect or recognize any said picket line or lines; and in addition, each will do everything within their respective powers to secure the disestablishment and disbanding of any said picket line or lines; and

(3) That each of them jointly and severally shall immediately take or cause to be taken all affirmative action to demand, cause and require performance of the terms and conditions of this Agreement.

(b) In the event of any unauthorized slowdown, work stoppage or strike against the Company or refusal to perform services duly assigned when directed to do so by the Company, the Company agrees that it will not file or prosecute any action for damages arising out of said unauthorized slowdown, work stoppage, strike or refusal to perform services, against the Local Union, its officers, representatives or individual members, provided that the Local Union, its officers and representatives perform their obligations and responsibilities as set forth in this section, or against the International Union, its officers, representatives or individual members, provided that the International Union, its officers and representatives perform their obligations and responsibilities as set forth in this section.

(c) Nothing in Section 2(b) above shall preclude any right to which the Company previously was entitled to seek legal or other redress of any individual who has caused damage to or injury to or loss of Company property nor does the Company cede any rights in this regard to which it may be entitled by future legislation.

3. During the term of this Agreement the Company shall not cause, permit or engage in any lockout of its employees.

ARTICLE IX

EQUAL OPPORTUNITY

1. Both the Company and the Union are pledged to a policy of equal opportunity and non-discrimination in employment, in terms of employment and in the application of the provisions of this Agreement which shall apply irrespective of race, religion, color, national origin, sex, age, or disability as defined under applicable Federal statute. Additionally, the Company and Union are pledged to a policy of non-discrimination under applicable State laws.

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The Company is committed to provide its employees with a working environment free of all forms of discrimination, including sexual harassment.

2. The Company and the Union join in full support of the position that sexual harassment, as defined by the Equal Employment Opportunity Commission in its 1980 guidelines, offers a serious obstacle to the achievement of full employment opportunity for workers of both sexes, and will not be tolerated in facilities covered by this Agreement. The parties further agree that sexual harassment is grievable as a form of sex discrimination under this article, as well as under other applicable articles of the Agreement.

3. The Company further agrees to continue its policy of taking affirmative action to facilitate the employment of the disabled, disabled veterans and Vietnam-era veterans.

4. The Company and the Union agree that upon request of either party, in accordance with the provisions of Article IV, Section 21 (m) and (n) to meet with the other for the purpose of exchanging ideas and suggestions for the most effective implementation of the Company policies set forth in Section 1 above.

5. Where the masculine term is used in this Agreement, it shall apply with equal force to the feminine gender.

ARTICLE X

NON-BARGAINING UNIT EMPLOYEES

1. Non-bargaining unit employees shall not perform any work or operation performed by a bargaining unit employee at any time whatsoever, except in case of extreme emergency or for the purposes of instructing employees.

2. Complaints alleging violation of Section 1 during overtime hours may be presented in accordance with Section 2 of Article V.

3. Any other complaint alleging violation of Section 1 shall be presented in accordance with the provisions of Article V, Section 14.

4. The Company will furnish the Union a list of supervisors of bargaining unit employees on a quarterly basis. The list will be by zone, wherever practical, and will be updated monthly or more often if significant changes in supervisory personnel occur.

ARTICLE XI

SENIORITY

1. DEFINITIONS

(a) Area Unit-The term "area unit" shall be as defined in Article I except that, for the purposes of this Article XI, Seniority, the Palmdale area units will be considered as separate divisions within the Los Angeles area unit.

(b) Division-The word "division" shall be as defined in Article I. Neither the establishment of divisions, nor any other provision of this Agreement, shall modify or restrict the Company's existing right to transfer employees between divisions in the Los Angeles area as a result of the transfer of work between such divisions.

(c) Home Division-The term "home division" of a Los Angeles area unit employee is defined as:

(1) The division where he is currently working providing he has not been laid off since October 6, 1968; or

(2) The last division at which he worked if he has only been laid off from one division since October 6, 1968; or

(3) The division to which he has voluntarily transferred from his former home division;

OR

(4) The division where he is currently working if while on layoff he was reinstated at another division; and

(i) Is promoted to a classification in his family group or intermediate pool that is higher than the highest classification to which he had recall rights at his former home division.

(ii) Is promoted or transferred to a classification in the same or higher labor grade in a different family group or intermediate pool as the highest classification to which he had recall rights at his former home division.

(iii) Refuses recall to his highest classification at his former home division.

Program" shall be as identified and defined in Article XXVI. Employees in Selected Skills classifications will exercise their seniority as provided in Section 19 hereof, excluding McAlester.

(i) Proprietary Work—The term "Proprietary Work" means that work which, by its unique nature and strict "need-to-know" criteria, requires, for exposure to and/or participation in, an access, that is in addition to or in lieu of a security clearance.

2. MEASUREMENT OF SENIORITY

(a)(1) Seniority shall be measured by the employee's length of service with the Company from his effective date of entry into the area unit, except as modified by the provisions of Sections 2(b), 11 and 19 hereof and Application of Seniority NLRB Decision 21-UC-10: provided, however, that no employee with seniority in an area unit as of the effective date of this Agreement will have his seniority date changed as a result of this provision. The seniority of employees with the same seniority date will be determined by the alphabetical order of their names (surname first, then given name, then middle initial) with the employee whose name appears nearer the beginning of the alphabet having greater seniority. Employee's names for this purpose will be established as their name on the Company's records as of the effective date of the Agreement. New employees will have their names established as their name on the Company's records as of their hire date.

(2) The seniority of employees with the same Selected Skills classification seniority date will be determined first by their bargaining unit seniority date and second in accordance with Section 2(a)(1) above.

(b) Probationary Period

(1) All employees are on probation for a period of eighty-four (84) days from their most recent date of hire (first date worked). They shall not have seniority status during this period. At the end of the eighty-four (84) day probationary period, an employee's seniority shall be retroactive to his most recent date of hire or entry (reentry for employees who transferred out of the area unit before the end of the probationary period) into the area unit, whichever occurs later. All probationary employees shall be considered as temporary employees.

(2) If a probationary employee is laid off and is subsequently rehired by the Company within six (6) months of his original date of hire into the same classification from which he was laid off or into a classification in the divisional pool, he will complete his probationary period when he has been on the pay-

roll for a total of eighty-four (84) days including the period prior to his layoff. When he has completed eighty-four (84) days on the payroll, such employee's seniority shall be retroactive to his date of hire or entry into the area unit prior to the layoff which interrupted his probationary period.

(3) If a probationary employee is laid off and is subsequently rehired by the Company within six (6) months of his original date of hire into a different classification than that from which he was laid off, the employee will be on probation for a period of eighty-four (84) days from his date of rehire. However, upon completion of such eighty-four (84) day probationary period, the employee's seniority shall be retroactive to his date of hire or entry into the area unit prior to the layoff which interrupted his probationary period.

(c) An employee who is currently working or since his most recent date of hire had previously worked in an area unit represented by the Union who is transferred between a Los Angeles area division and a division outside the Los Angeles area, or between divisions outside the Los Angeles area shall:

(1) Have and accumulate seniority from his date of entry into the area unit at the division to which transferred. This seniority may be exercised only while the employee is at work at, or on layoff from such division.

(2) Retain and accumulate seniority in the area unit into which he was hired. Such seniority may be exercised by an employee to return to the last classification he held prior to transfer only at time of reduction of force when his seniority at the division to which he has been transferred is insufficient to prevent him from being laid off or downgraded below the labor grade he last held at the division from which he transferred (excluding McAlester).

(d) The transfer of an employee between divisions in the Los Angeles area will not affect his seniority date.

(e) At Local 1519 the transfer of an employee between Edwards Field Laboratories and Santa Susana Field Laboratories will not affect his seniority date.

(f) No employee who moves between the Manufacturing Planning and Tool Design Unit and the Production and Maintenance Unit, both represented by Local 887, shall have his seniority date changed as a result of such movement, except that time spent on the salary exempt, salary nonexempt or weekly payrolls (non-Manufacturing Planning and Tool Design) will be used in adjusting seniority dates from the appropriate date (October 6, 1967 in the Production and Maintenance Unit and

June 13, 1976 in the Manufacturing Planning and Tool Design Unit).

SENIORITY MOVEMENT AT TIME OF EXCESS

3. TEMPORARY LAYOFFS

(a) When reducing the working force due to breakdown, shortage of material or causes of a like nature, which in the judgment of the Company are of a temporary nature not exceeding one week (except at the Tulsa division pursuant to Section 5(h) hereof), employees directly involved will be laid off and returned to work according to their seniority in their classification in their department in their plant or facility.

(1) Within the MP&TD unit the one-week limitation in this Section 3(a) may be extended by mutual agreement.

(b) When reducing the working force due to breakdown, shortage of material or causes of a like nature, which in the judgment of the Company are of a temporary nature not exceeding four (4) weeks, employees will be laid off and returned to work according to their seniority in their classification in their department in their plant or facility.

(c) The Company will pay each employee on temporary layoff under the provisions of this Section 3 the holiday pay provided in Article XVII, Section 7(a), for each holiday falling during the period he is on temporary layoff. Such employee will, if eligible, be paid bereavement pay and jury duty allowance as provided in Article XVII, Sections 12, 13 and 15.

4. LAYOFFS FOR EXTENDED PERIODS

(a) When reducing the working force, other than in accordance with the provisions of Section 3 and 19 hereof, first probationary employees in the classifications affected and thereafter probationary employees in the division shall be laid off, provided there are excess employees with seniority who have the ability to perform the work and who are entitled to the classification pursuant to the provisions of Section 4(b) through 4(f) below.

(b) Los Angeles Area Divisions

A seniority employee whose seniority is insufficient to entitle him to remain in his classification at his division [if there are employees with more seniority who have the ability to perform the work and who are entitled to the classification in accor-

dance with the provisions of this Section 4(b)] will be afforded the options listed below, as applicable, if he has sufficient seniority and in each case conditioned upon his ability to perform the work.

(1) Transfer in his division to displace the least senior employee in a classification in his family group, his intermediate pool or the divisional pool:

(i) In the same labor grade if he has previously held such classification or if he is currently at work on downgrade or if the transfer is into or within the divisional pool; or

(ii) In the next lower labor grade;

An employee at work in a family group or intermediate pool other than his family group or intermediate pool will be given the option of exercising his seniority in the family group or intermediate pool in which he is working. If he elects to exercise his seniority in the family group or intermediate pool in which he is working, it will become his family group or intermediate pool.

OR

(2) Transfer to an available job in his division in the same or a lower labor grade as the highest classification to which he has upgrade rights if no employee has a right to such job under Section 4(b)(1) above and if this will result in a reduction in pay in the same or a lesser amount than the downgrade within his family group.

OR

(3) Layoff from his classification to be recalled in accordance with the provisions of Section 7 hereof.

(4) For employees in Division Unique Combined Classifications, an employee who is being excessed shall exercise rights to the family group of the classification the employee held prior to the Unique Combination in accordance with this section.

(c) Tulsa Division

A seniority employee whose seniority is insufficient to entitle him to remain in his classification at his division (if there are employees with more seniority who have the ability to perform the work and who are entitled to the classification in accordance with the provisions of this Section 4(c) will be given the choice between layoff from his classification to be recalled in accordance with the provisions of Section 7 hereof and a job in the appropriate classification identified in accordance with the provisions set forth below which will result in the least reduction

in pay if he has sufficient seniority and in each case conditioned *upon his ability to perform the work.*

(1) Transfer to displace the least senior employee in a classification in his family group, his intermediate pool or the divisional pool:

(i) In the same labor grade if he has previously held such classification or if he is currently at work on downgrade or if the transfer is into or within the divisional pool; or

(ii) In the next lower labor grade

(2) Transfer to displace the least senior employee in a classification in the same labor grade (if he is currently at work on downgrade) or in a classification in the next lower labor grade in the family group or the intermediate pool in which he is currently working; or, if he is currently working on downgrade in his family group or his intermediate pool, transfer to displace the least senior employee in the same or the next lower labor grade in the family group or intermediate pool from which he was most recently transferred in accordance with Section 4(c)(1).

(3) Transfer to an available job in his division in the same or a lower labor grade as the highest classification to which he has upgrade rights if no employee has a right to such job under Section 4(c) (1), (2) or (4) hereof and if this will result in a reduction in pay in the same or a lesser amount than the transfer provided in Section 4(c) (1), (2) or (4) hereof. (If a seniority employee is transferred to an available job and is the least senior employee in the classification to which he transferred, his job will be an "available job" for more senior employees who are excess during the next ninety (90) days and would not otherwise be eligible to remain at work under the provisions of this Section 4(c).

(4) Transfer, if he has more than two and one-half (2 1/2) years of seniority, to a classification previously held in the same or lower labor grade in which he performed successfully for at least sixty (60) days since November 10, 1963 at Tulsa, if such transfer will result in a lesser reduction in pay than transfer under the provisions of Section 4(c) (1), (2) or (3) hereof. (An employee who was a lead over an occupation in which he had not previously worked will have a right under this section to the classification that was the basis for his lead classification, but not to the lead classification itself.)

(d) Local 1519

(1) When reducing the work force, other than in accordance with the provisions of Section 3 above or Section 20

hereof, first probationary employees in the classifications affected and thereafter probationary employees in the facility shall be laid off, provided there are excess employees with seniority who have the ability to perform the work and who are entitled to the classification pursuant to the provisions of Section 4(d)(2) below.

(2) A seniority employee whose seniority is insufficient to entitle him to remain in his classification (provided there are employees with more seniority who have the ability to perform the work and who are entitled to the classification in accordance with the provisions of this Section (4)(d)) will be removed from his classification. Such employee will be given the choice between layoff from his classification to be recalled in accordance with the provisions of Section 9 hereof and a job in the appropriate classification identified in accordance with the provisions set forth below which will result in the least reduction in pay provided he has sufficient seniority and in each case conditioned upon his ability to perform the work.

(i) Transfer to a classification previously held at the area unit where held in the same or lower labor grade in which he performed successfully, or

(ii) Transfer to an available job at the area unit where he is currently working if this will result in a reduction in pay in the same or lesser amount than the transfer provided in Section 4(d)(2)(i) hereof.

(e) MP&TD

A seniority employee whose seniority is insufficient to entitle him to remain in his classification at his division will be removed from his classification. Such employee will be given the choice between;

(1) Layoff from his classification and a job in the appropriate classification identified in accordance with the provisions set forth below which will result in the least reduction in pay provided he has sufficient seniority and in each case conditioned upon his ability to perform the work.

OR

(2) Transfer in his division to displace the least senior employee in a classification which he has previously performed in the same or lower pay grade.

OR

(3) Transfer to an available job in his division in the same or lower pay grade.

OR

(4) An employee who has previously transferred out of the production and maintenance bargaining unit shall each time that he is excess be given the option to elect transfer back to such bargaining unit at the division from which he was most recently transferred, to the last classification he held.

OR

(5) Layoff from his classification to be recalled in accordance with Section 7 hereof.

(f) McAlester Division

A seniority employee whose seniority is insufficient to entitle him to remain in his classification provided there are employees with more seniority who have the ability to perform the work and who are entitled to the classification in accordance with the provisions of this section 4(f) will be given the choice between layoff from his classification to be recalled in accordance with the provisions of Section 7 hereof, and a transfer to displace the least senior employee in a classification in the same or lower labor grade which he has previously held and performed successfully for at least sixty (60) days since his most recent date of hire, or transfer to classification in the next lower labor grade in the family group in which he is currently working provided he has sufficient seniority. He will be offered the job that will result in the least reduction in pay to which he has a seniority right. If the employee has rights to more than one job in the same labor grade he will be offered the job held by the least senior employee. In each case, the employee must have the ability to perform the work.

(g) All Divisions

(1) Inability to Perform

If an employee is unable to perform the work of a classification to which he would normally have a seniority right in accordance with the provisions of Section 4(b), (c), (d), (e) or (f) hereof, his rights under Section 4(b), (c), (d), (e) or (f) will be determined as if the classification which he is unable to perform did not exist as a seniority right.

(2) Converted Employees

An employee who is in an over-rate-range position as a result of the application of Article XVI, Section 8 who is excess in the classification to which converted will have the option of exercising his seniority under this Section 4 as if he were still in his former classification, if he has the ability to perform the work of such classification or exercising his seniority in his new classification. If he elects to exercise his seniority in his new classification, the provisions of Section 10(h)(2) hereof shall apply with regard to his seniority rights to his former classification, In addition, any employee converted in accordance with Article XVI on or after November 17, 1974, will have the same rights.

(i) Converted Employees—Local 1519, MP&TD and McAlester:

An employee who is in an over-rate-range position as a result of the application of Article XVI, Section 8, will retain upgrade rights to his former classification provided he has the ability to perform the work of such classification. Such employee who is excess in the classification to which converted will exercise his seniority under Section 4 hereof, as if he were still in his former classification; provided he has the ability to perform the work of such classification.

(3) If an employee is excess in a newly created classification about which the Company and Union have not yet reached agreement as to rate range or family group placement, he will exercise his seniority as if he were still classified in his most recent previous classification. When the Company and the Union reach agreement as to the rate range, for such newly created classification and such rate range is the same or higher than that of the employee's current classification, he will be provided recall rights to such newly created classification.

(h) Inverse Seniority Layoff and Recall (ISL)

Notwithstanding any other provision of this Article XI, employees with one (1) year or more of seniority may voluntarily elect to be laid off in inverse or descending order of their seniority within their classification in their family group, without losing right of recall. The provisions for such layoff and recall situations are as set forth below:

(1) Employees with one (1) year or more of seniority and who desire to be laid off in inverse order of their seniority shall make application for such layoff to the Transfer Department, on a form supplied by the Company, at least two *(2) weeks prior to the next regularly schedule Seniority Move-*

ment Date (SMD). Such application shall remain in force for each succeeding SMD unless canceled by the employee at least two (2) weeks before such succeeding SMD.

(2) In the event of a layoff for an extended period, employees who have made application under the ISL plan shall be laid off in descending order of their seniority as excesses occur in their classification.

(3) If additional layoffs are required to reduce the workforce in accordance with production requirements, the normal layoff procedure of Article XI, Sections 4(a) through 4(f) shall apply.

(4) If the Company determines that an employee who has made application for an ISL cannot be laid off during the regular SMD because his skills are required on a regular assignment, the circumstances shall be discussed with the Wage/Seniority Coordinator (Bargaining Chairperson at McAlester) and the employee may be retained on such assignment until another employee can be trained to perform the work but in any event, except for extremely rare occasions, no longer than sixty (60) days.

(5) An employee on layoff under the ISL plan must remain on layoff from the Division from which laid off for a minimum of sixty (60) days.

(6) An employee on layoff under the ISL plan shall have recall and reinstatement rights and the Company shall have cancellation of ISL Layoff Rights identical to those described in Article XI, Section 7(e)(7) of the Agreement. Notwithstanding this, said employee may make application for recall or preferential reinstatement at any division of the Company (except the division at which the ISL occurred) and shall be recalled or preferentially reinstated at such division in accordance with the seniority provisions of the Agreement.

(7) An ISL employee shall be entitled to all benefits due any other laid off employee, just as though the layoff occurred under the regular Seniority Movement rules.

(8) In the event a ruling is made by the state in which an ISL employee lives, that such employee is ineligible because of the voluntary aspects of the ISL plan, the employee may, at his option, apply to be recalled in line with seniority as openings occur, but shall not displace an employee at work.

(i) The Company will not contest the right of an employee who exercises Inverse Seniority layoff to apply for and receive Unemployment Insurance benefits.

5. SCHEDULING OF SENIORITY MOVEMENTS

(a) The Company and the Union agree that seniority movements shall normally be scheduled on a once-a-month basis.

(b) Layoffs of seniority employees will be scheduled for the last Thursday of the Accounting Calendar Month (ACM) attached hereto as Exhibit B except if the last Thursday of the ACM is a holiday identified in Article XVII, Section 7, such layoff will be scheduled for the next Thursday (or the following Thursday at the discretion of the Company) and classification changes as a result of seniority movement will be made effective the following Friday. The Company shall during the following week review the effects of the seniority moves made and correct, without liability, any errors which may have developed as a result of such moves; however, during that week the Company will assume liability if it does not, within twenty-four (24) hours after an error is detected, initiate recall action to correct such error. The Company will also assume liability for specific errors involving individual employees brought to its attention by the Wage/Seniority Coordinator in advance of the seniority movement.

(1) McAlester

Layoffs of seniority employees will be scheduled for the last Thursday of the Accounting Calendar Month attached hereto as Exhibit B and classification changes as a result of seniority movement will be made effective the following Friday, i.e., the first Friday of the Accounting Calendar Month. The Company shall during the following week (the first week of the Accounting Calendar Month) review the effects of the seniority moves made and correct, without liability, any errors which may have developed as a result of such moves. The Company agrees to initiate action to correct situations where employees were downgraded or laid off in error within forty-eight (48) hours after the error is detected.

(c) During the period between scheduled seniority movements, when an employee's work runs out, the Company will provide another assignment for such employee without liability to employees currently on layoff or downgrade, with the understanding that at the time of the next scheduled seniority movement such employees will be properly classified or laid off in accordance with the provisions of this Article.

(1) McAlester

Employees will not be loaned under the provisions

of this Section 5(c) into the same classification in the same department for successive periods between seniority movement nor will the same employees be loaned from the same classification in the same department on two (2) successive periods unless the Company can demonstrate that there was a compelling reason for such loans. It is not the intent of the Company to use the loan-out provision of this Section 5(c) to limit the recall, upgrade or promotion rights of employees by loaning employees into the same classification for successive periods. It is also not the intent of the Company to avoid the transfer, downgrade or layoff of individual employees by loaning such employees in successive periods. It is also not the intent of the Company to loan employees and by such loans cause other employees to become excess.

(d) Both the Company and the Union at McAlester recognize that situations may develop where there are no work assignments available to keep employees at work between seniority movement dates. When such situations develop, the following provisions, will apply:

(1) If the employee is excess on his current assignment but obviously has sufficient seniority to remain at work in his classification, he will be loaned to another assignment and a less senior employee placed on temporary layoff in accordance with the procedures of Section 3 of this Article or if possible handled in accordance with the provisions of Section 5(d)(2) or (3) below.

(2) If the employee is excess on his current assignment and obviously does not have enough seniority to remain at work and would be placed on regular layoff without option at the time of the next seniority movement, he will be placed on regular layoff immediately.

(3) If the employee is excess on his current assignment and obviously does not have enough seniority to remain in his current classification and it is possible to determine what the employee's options will be as of the next seniority movement, he will be provided those options at once. If he elects layoff he will be immediately placed on regular layoff as indicated in Section 5(d)(2) above. If he elects to remain at work and there is no assignment to which he can be loaned, he will be placed on temporary layoff in accordance with the procedures of Section 3 of this article with instructions to report to work on the Monday following the next seniority movement.

(4) If the employee is excess on his current assignment and it is impossible to apply Section 5(d)(1), (2) or (3) above,

and there is no assignment to which he can be loaned, the employee will be placed on temporary layoff. Such employees will be contacted and processed in accordance with Section 5(d)(1), (2) or (3) above, as soon as it is possible to determine his rights at the time of the next seniority movement.

(e) Employees will not be laid off between regular seniority movements, except that employees who

(1) Return from formal leave of absence; or

(2) Return from off-site assignments; or

(3) Lose the seniority status provided by Section 15 or 16 hereof and would be laid off without option at the time of the next seniority movement may be laid off without option at the time of such occurrence.

(f) It is the intent of the Company to apply the loan-out provisions of Section 5(c) hereof to employees who, unless there is a subsequent change in the work requirements of their department, will be excess in their classification in their department at the time of the next seniority movement. In instances where employees who will clearly not be excess in their classification in their department at the time of the next seniority movement are loaned out, such actions must be in accordance with the provisions of Section 12 hereof and the Company will be liable for violations of such provisions.

(g) When work operations are being reduced in volume or phased out, the Company shall not be obligated to displace an employee at the time of a seniority movement if such employee's current assignment will be completed before the next scheduled seniority movement. (Similarly, the Company may retain an employee on his assignment in order to familiarize his replacement if there is no lead in the group who is qualified and available to provide such familiarization. When such familiarization period is completed, he will be laid off in accordance with Section 5(e) above or downgraded in accordance with Section 4. The Company representative assigned to seniority problems will notify the Wage/Seniority Coordinator when an employee is retained in accordance with the provisions of this Section 5(g).) The parenthetical phrase does not apply to McAlester.

(h) If the Company faces an immediate reduction in the work force at any division as a result of an occurrence such as a contract cancellation, a stop-work decision or a change in schedule which occurs between scheduled seniority movements, the circumstances surrounding the occurrence will be discussed with the Union and a seniority movement scheduled as soon as practical, except at the Tulsa Division where the Wage/Seniority

Coordinator and the Company representative assigned to seniority problems will determine if a temporary layoff under the provisions of Section 3(a) hereof should be applied to cover the period until the next scheduled seniority movement or a seniority movement scheduled as soon as practical. Vacation and sick leave allowance will be prorated to the next regular seniority movement for those employees laid off under this Section 5(h) on a special seniority movement.

(1) McAlester only

The Bargaining Chairperson and the Personnel Manager will determine if Section 5(d) above should be applied to cover the period until the next scheduled *seniority movement* or an unscheduled seniority movement should be established.

(i) The Company shall have a reasonable adjustment period not exceeding two (2) calendar weeks commencing with the date it is determined that an immediate reduction is necessary in accordance with Section 5(h) above, and such reduction exceeds two hundred and fifty (250) employees. During any adjustment period, employees temporarily may be retained, transferred, assigned work, laid off or recalled; however, at the end of such period all employees will be assigned to a job and properly classified, laid off or recalled in accordance with the provisions of this Article, except at McAlester.

FILLING JOB VACANCIES

6. PRIORITIES

(a) Los Angeles Unit and Tulsa

The priority of rights to fill job vacancies will be as set forth below:

First Priority—Shift transfers in accordance with the provisions of Section 10(i) hereof.

Second Priority—Seniority rights under Sections 4 and 7 hereof. These include rights at time of excess, upgrade of employees at work and recall of employees from layoff.

Third Priority—Job bidders under the provisions of Section 8 hereof.

Fourth Priority—Preferential reinstatement under the provisions of Section 9 hereof.

Fifth Priority—(Los Angeles area divisions) Applications for transfer in accordance with Section 10(j) and 10(k) hereof in classification between divi-

sions/departments.

Sixth Priority—(Los Angeles area divisions and fifth priority at Tulsa). Concurrently, promotion of non-bidders, intra and interdivisional transfers (other than those covered under the fifth priority above), job bidders from the Manufacturing Planning and Tool Design Unit and hire. When the Company promotes a non-bidder to fill an opening, the non-bidder promoted will be the most senior employee in the department or historically associated group of departments who is qualified to fill the opening.

(b) Local 1519

The priority of rights to fill job vacancies will be as set forth below:

(1) Shift transfers in classification and department

(2) Applications for transfer in classification between departments

(3) Seniority rights of upgrade, downgrade or recall

(4) Available job for excess employees

(5) Job bidders

(6) Preferential reinstatements

(7) Concurrently, promotion of non-bidders, inter- and intradivisional transfers (other than those covered in Section 6(B)(2) above) and hire

(c) MP&TD

The priority rights to fill job vacancies will be as set forth below:

First Priority—Department and shift transfers in accordance with Section 10 hereof.

Second Priority—Seniority rights under Sections 4 and 7 hereof. These include rights at time of excess, upgrade of employees at work and recall of employees from layoff.

Third Priority—Job bidders under the provisions of Section 8 hereof.

Fourth Priority—Company requested interdivisional transfers in accordance with the provisions of Section 10(k) hereof.

Fifth Priority—Preferential reinstatement under the provisions of Section 9 hereof.

Sixth Priority—Concurrently, promotions other than bidders, intra and interdivisional transfers, reinstatements other than recall, job bidders from the Production and Maintenance Unit and hire.

(d) McAlester Division

The priority rights to fill job vacancies will be as set forth below:

First Priority—Shift transfers in accordance with the provisions of Section 10(i) hereof.

Second Priority—Seniority rights under Section 4 and 7 hereof. These include rights at time of excess, upgrade of employees at work and recall of employees from layoff.

Third Priority—Job Bidders under the provisions of Section 8 hereof.

Fourth Priority—Preferential reinstatement under the provisions of Section 9 hereof.

Fifth Priority—Concurrently, promotion of non-bidders and hire.

7. RECALL OF EMPLOYEES

(a) Los Angeles Area Divisions

(1) An employee who was laid off or downgraded with recall or upgrade rights at the division where a vacancy arises and who retains recall rights at such division will be offered recall or upgrade in order of his seniority if the vacancy occurs in the highest classification from which he was downgraded or laid off or if the vacancy occurs in a lower classification in his family group, his intermediate pool or the divisional pool or if a vacancy occurs in a classification to which he had a seniority right at the time he was exercising seniority in accordance with Section 4(b) hereof, conditioned in all cases upon his ability to perform the work.

(2) An employee of a Los Angeles area division who has completed his probationary period and who makes application for recall at other Los Angeles area divisions will acquire as a result of such application recall rights at the divisions at which he made such application to the highest classification to which he has recall rights and lower classifications in his family group, his intermediate pool and the divisional pool as if he had been laid off from such divisions. An employee who refuses reinstatement at another division under this provision in the highest classification to which he has recall rights, will no longer have recall rights at such division. An employee reinstated at another division under this provision will retain recall rights to his home division, unless his home division changes as provided in Section 1(c) hereof, and will retain upgrade rights to the highest classification to which he has recall rights and lower classifica-

tions in his family group and his intermediate pool at the division where he was reinstated. Such reinstated employee will no longer have recall rights at other divisions at which he may have applied under the provisions of this section. An employee reinstated at his home division will no longer have recall rights under the provisions of this section at other divisions at which he may have applied.

(3) An employee of a Los Angeles area division who is reinstated at another division in accordance with Section 7(a)(2) or Section 9 of this Article will no longer have recall rights to his former home division if his home division changes as provided in Section 1(c) hereof.

(b) Tulsa Division

An employee who was laid off or downgraded with recall or upgrade rights at the division where a vacancy arises and who retains recall rights at such division will be offered recall or upgrade in order of his seniority to a job in accordance with the provisions set forth below, conditioned in all cases upon his ability to perform the work:

(1) To a vacancy in the highest classification from which the employee was downgraded or laid off in his family group, his intermediate pool or the divisional pool or to a vacancy in a lower classification in his family group, his intermediate pool or the divisional pool.

(2) To a vacancy in the highest classification the employee held on downgrade prior to downgrade to his current classification or layoff or to a vacancy in a classification in the same or a lower labor grade in the same family group or intermediate pool.

(3) To a vacancy in a classification to which he had a seniority right at the time he was exercising his seniority in accordance with Section 4(c) hereof except an employee will not by this provision acquire recall or upgrade rights to lower classifications in a family group or intermediate pool to which he has recall rights under Section 7(b)(4) hereof except in accordance with Section 7(b)(1) or (2) hereof.

(4) To a vacancy in any classification the employee previously held for at least sixty (60) days since November 10, 1963 at Tulsa if he has more than two and one-half (2-1/2) years of seniority. (An employee who was a lead over an occupation in which he had not previously worked will have a right of recall under this section to the classification that was the basis for his lead classification, but not to the lead classification itself.)

(c) Local 1519

(1) An employee who was laid off or downgraded with recall or upgrade rights and who retains recall rights will be offered recall or upgrade in order of his seniority to a vacancy in any classification previously held in which he performed successfully at his area unit, conditioned in all cases upon his ability to perform the work. An employee will be recalled to classifications higher than classifications he has previously refused at time of layoff or recall, except that the Company will not be obligated to recall any employee to a labor grade below the lowest labor grade he has voluntarily designated in accordance with the provisions of Section 14(d) or (e) hereof. An employee recalled to a classification lower than the highest classification to which he has recall rights may elect to remain on layoff, to be recalled to higher classifications to which he has recall rights in accordance with the provisions of this Section 7. (Employees on layoff on the effective date of this Agreement will have recall rights as provided in this Section 7.)

(2) An employee laid off or down graded who has subsequently been reinstated, promoted or offered recall or upgrade to a classification with the same or higher base rate as the highest classification to which he has recall rights will no longer have transfer, upgrade or recall rights to the classification from which he was laid off or downgraded.

(3) An employee offered upgrade to a classification lower than the highest classification to which he has upgrade rights may elect to remain on downgrade to be offered upgrade only to classifications higher than theretofore offered to which he has upgrade rights in accordance with the provisions of Section 7 hereof.

(4) An employee offered upgrade to the highest classification to which he has recall rights may elect to remain on downgrade. However, by such action he forfeits all upgrade rights.

(d) McAlester

(1) An employee who was laid off or downgraded with recall or upgrade rights and who retains recall rights will be offered recall or upgrade in order of his seniority to a job in accordance with the provisions set forth below, conditioned in all cases upon his ability to perform the work:

(a) to a vacancy in the highest classification from which he was downgraded or laid off or if the vacancy occurs in a lower classification in the same family group.

(b) To a vacancy in any classification the em-

ployee previously held and performed successfully for at least sixty (60) days since his most recent date of hire.

(2) An employee will be recalled only to classifications within the bracket of labor grades most recently designated in accordance with the provisions of Section 14(c) or (e) hereof. An employee recalled to a classification within the bracket of labor grades he has most recently designated in accordance with the provisions of Section 14(c) or (e) hereof but lower than the highest labor grade to which he has recall rights may elect to remain on layoff, to be recalled only to the highest labor grade to which he has recall rights except that, if the employee is still on layoff four (4) weeks after he declined such recall, he may redesignate the lowest labor grade to which he will accept recall in accordance with Section 14(e) hereof.

(3) An employee laid off or downgraded who has subsequently been reinstated, upgraded or promoted to a classification in the same or higher labor grade as the highest classification to which he has recall rights will no longer have upgrade or recall rights to the classification from which he was laid off or downgraded unless he is subsequently laid off or downgraded.

(4) An employee offered upgrade to a classification lower than the highest classification to which he has upgrade rights may elect to remain on downgrade to be offered upgrade only to classifications higher than theretofore offered to which he has upgrade rights in accordance with the provisions of Section 7(d) hereof.

(5) An employee offered upgrade to the highest classification to which he has recall rights may elect to remain on downgrade. However, by such action he forfeits all upgrade rights.

(e) All Divisions

(1) An employee will be recalled only to classifications within the bracket of labor grades most recently designated in accordance with the provisions of Sections 14(c), (d) or (e) hereof. An employee recalled to a classification within the bracket of labor grades he has most recently designated in accordance with the provisions of Sections 14(c), (d) or (e) hereof but lower than the highest labor grade to which he has recall rights may elect to remain on layoff to be recalled to the division at which he refused recall only to the highest labor grade to which he has recall rights except that, if the employee is still on layoff two (2) weeks after he declines such recall, he may redesignate the lowest labor grade to which he will accept recall in

accordance with Section 14(e) hereof.

(2) An employee laid off or downgraded who has subsequently been promoted or offered recall or upgrade at his home division to a classification with the same or higher base rate as the highest classification to which he has recall rights will no longer have transfer, upgrade or recall rights to the classification from which he was laid off or downgraded.

(3) An employee offered upgrade to a classification lower than the highest classification to which he has upgrade rights may elect to remain on downgrade to be offered upgrade only to classifications higher than theretofore offered to which he has upgrade rights in accordance with the provisions of Section 7(a) or 7(b) hereof.

(4) (i) A Tulsa employee offered upgrade to the highest classification to which he has recall rights may elect to remain on downgrade. However, by such action he forfeits all upgrade rights.

(ii) A Los Angeles area employee offered upgrade at his home division to the highest classification to which he has recall rights may elect to remain on downgrade. However, by such action he forfeits all upgrade/recall rights to such home division. Such employee at work in a division other than his home division shall retain his upgrade rights at his new home division.

(5) An employee will have a right to recall or upgrade only at those divisions at which he was downgraded or laid off except as provided in Section 7(a)(2) hereof. An employee who transfers between divisions while on downgrade or to a downgrade will retain upgrade rights to his highest classification at the division to which he transfers.

(6) An employee who accepts an offer of recall at his home division will be transferred to such division as soon as possible, and in any event, within thirty (30) working days of the date he accepts the offer. Such thirty (30) day time limit may be extended by mutual agreement between the chairperson of the bargaining committee and the Manager of Labor Relations at the releasing division.

(7) An employee who is at work in an over-rate range position as a result of the application of Article XVI, Section 8, will retain upgrade rights to his former classification.

(8) Suspension of Recall Rights

An employee may suspend his recall rights at the time he is laid off or following layoff by appearing in person or submitting a written request by registered or certified mail, re-

turn receipt requested, to the Transfer Section of the division from which he was laid off, provided such request is made prior to actual recall. In addition, an employee may suspend his recall rights when he is recalled, provided he is employed by another employer. Such suspension shall not, in any event, extend beyond the period provided in Section 17(g) hereof. A laid-off employee who has suspended his recall rights will be provided a document indicating his recall rights have been suspended. A laid-off employee who has suspended his recall rights may reinstate such recall rights for future vacancies by appearing in person or submitting a written request by registered or certified mail, return receipt requested, to the Transfer Section of the division from which he was laid off. Such requests for reinstatement of recall rights must be received by the Transfer Section by noon Wednesday to become effective the following Monday. (At McAlester, such recall rights will be reinstated three (3) full working days following receipt of such notice by the Company.) When the Company has recalled all employees with a recall right to a classification it shall cancel the suspensions of recall rights currently in effect for employees for whom the classification is the highest classification to which they would otherwise have recall rights, in inverse order of seniority.

(9) Suspension of Upgrade Rights

An employee at work on downgrade at any division may request suspension of his upgrade rights at that division. Such request must be received by the Transfer Section prior to the occurrence of an upgrade opportunity or at the time the downgrade job was accepted. A downgraded employee who has suspended his upgrade rights may request their reinstatement by appearing in person in the Transfer Section of the division where he is currently working. Such request must be made by noon Wednesday to become effective the following Monday. The Company shall cancel such suspension in accordance with the provisions of Section 7(e)(8) of this article.

8. POSTING AND BIDDING

(The rules which apply to posting and bidding are displayed at the regular posting locations throughout the divisions and are attached hereto as Exhibit C, K, M and N.)

(a) Every three (3) months (February, May, August and November) the Company will post for the first five (5) working days of the ACM at locations throughout the division lists of jobs within the division for which it expects vacancies to occur. During the last three (3) of the succeeding four (4) months dur-

ing the five (5) working days that the jobs are posted, employees including employees on layoff with recall rights (home division only for Los Angeles area unit employees on layoff) will be permitted to bid for jobs for which they are qualified. If an active employee successfully bids for a job in a lower labor grade, the provisions of Section 10(h)(2) hereof shall apply. (At McAlester he will lose all seniority rights to the classification from which he is transferred.) (Exception: If the employee is excess in his classification and successfully bids for a job in a lower labor grade.) There will be a limit of three (3) job bids for such expected vacancies per employee per period. Employees who are absent from the plant during the entire five (5) day period (or who are placed on downgrade immediately after the bidding period) may submit up to three (3) valid bids for such expected vacancies during the next ten (10) working days following the normal posting period.

(b) On each bid the employee will complete the bid form including the specific job classification desired. He will also indicate the shifts, departments and the locations at his own division which are not acceptable, if any. The Supervisor will assist the employee to insure the bid form is properly completed and legible. The employee will submit the bid to his Supervisor. The Supervisor will sign and date the bid and return a copy to the employee. The original will be forwarded to Personnel for processing. Employees who are not at work, including employees on layoff, may submit their bids either directly or through the Union to the Transfer Section (at McAlester, to the Personnel Department). The Transfer Section will sign and date the bid and return a copy to the employee. An employee's bid will remain active until the end of the quarter except as modified by Section 8(d) hereof.

(c) The Company (excluding MP&TD, Locals 1519 & 1558) will fill job vacancies by bidders who meet the qualifying requirements for the job in seniority order as openings occur in accordance with the following priorities:

(1) Jobs in Labor Grade 6 and lower will be filled on a plant-wide basis.

(2) Other jobs will be filled in the following order:

First Priority—Employees classified within seven (7) labor grades below and in the same family group (including the related Selected Skills classification(s) as identified in Exhibit H) and employees classified in the next lower level of the occupation as identified in Exhibit I.

Second Priority—Other employees in the same family group (including the related Selected Skills classification(s) as identified in Exhibit H) within seven (7) labor grades.

Third Priority—Others in the family group.

Fourth Priority—Other employees.

(NOTE: An employee on downgrade or layoff with recall rights in his family group or intermediate pool to a classification identified in the first or second priority above will be considered along with employees classified in such classification.)

(3) The MP&TD unit will fill job vacancies by bidders who meet the qualifying requirements in seniority order as openings occur, from within the division where the vacancy occurs in the following order:

First Priority—Employees classified in the next lower pay grade from the posted classifications.

Second Priority—Other employees in the bargaining unit. Pay Grade 1 Planning and Pay Grade 1 Tool Design vacancies will be filled in accordance with the following procedure:

(a) for every three (3) vacancies to be filled in a classification, two (2) such vacancies shall be filled by the most senior qualified employees who have bid.

(b) The third vacancy may be filled from the Sixth Priority of Section 6 of this Article.

(4) The McAlester unit will fill job vacancies by bidders who meet the qualifying requirements for the job, in seniority order, as openings occur.

(5) LOCAL 1519 (The rules which apply to posting and bidding are displayed at the regular posting locations throughout the area unit and are attached hereto as Exhibit M.

If a vacancy occurs in any job, the Company will post such vacancy for five (5) working days at regular posting locations throughout the area unit as applicable. During the five (5) working days that the jobs are posted, employees of the area unit including employees on layoff with recall rights who are qualified may submit bids except that, if you return to work at the area unit after a posting, you may submit a bid within five (5) days after your return to work and such bid will become effective within ten (10) days after it is submitted. On each bid the employee will indicate his name, department number, serial number, current classification and the specific job vacancy de-

sired. The employee will submit the bid to his Supervisor. Employees who are absent or on layoff may submit their bids either directly or through the Union to the Transfer Section. The Supervisor or Transfer Section, as applicable, will sign and date the bid and return a copy to the employee. The original will be forwarded to Personnel for processing. During the succeeding ten (10) working days the Company will determine the most senior employee who bid and is qualified to fill the vacancy in accordance with the following priorities:

(i) Jobs in Labor Grade 12 and lower will be filled on a area unit-wide basis.

(ii) Other jobs will be filled in the following order:

First Priority—Employees in lower classifications in normal line of progression to the classification in which the vacancy arises.

Second Priority—Other employees.

Note: Normal lines of progression are set forth in Exhibit L.

(d) An employee must accept the first vacancy for a job for which he has bid and which meets his specifications as to shift, department and location. If more than one classification for which the employee has bid becomes available to him at the same time, he will select the classification he will accept. When an employee is placed in a classification as a result of a bid, all of his remaining active bids will immediately become void and he will be ineligible to bid during the next bidding period unless he is downgraded or laid off, in which case he will immediately become eligible to bid. If an employee, after he has bid, receives a job with the same or a higher maximum rate than that of a job for which he bid, his bid will be canceled. If an employee who has bid is placed on layoff, his bids will remain active until the end of the quarter. When an employee is reinstated from layoff at a division other than his home division or suspends his recall rights, all of his currently active bids become void. If an employee who has bid goes on formal leave of absence, his bids will be suspended while he is on leave, but will be reactivated for future openings if he returns to work before the end of the quarter. An employee may not bid until he has one (1) year seniority except in his family group (McAlester uses an alpha code group) in which case the provisions of this Section 8(d) apply. (At McAlester employees who have been notified they are excess and employees on layoff will be eligible to bid immediately.)

(e) If a vacancy occurs in a job which the Company did not

post, the Company will post such vacancy for five (5) working days (3 days at McAlester) at the regular posting locations throughout the division. During the five (5) working days (3 days at McAlester) that the jobs are posted employees within the division, and employees on layoff as identified in Section 8(a), may submit bids as provided above. The limit of three (3) job bids per period provided in Section 8(a) will not apply to jobs posted under this Section 8(e). During the succeeding ten (10) working days the Company will determine the senior employee who bid and is qualified to fill the vacancy (in accordance with the priorities set forth in Section 8(c) hereof). The parenthetical phrase does not apply to McAlester.

(f) As employees who are determined not to be qualified are passed over, they will be notified of the reason why they are not promoted or transferred. Problems raised protesting failure of the Company to promote or transfer an employee in accordance with this procedure will be processed in accordance with the provisions of Article V.

(g) The Company representative responsible for the administration of the Posting and Bidding system will keep the Wage/Seniority Coordinator informed during the development of lists of qualified bidders and will inform the Wage/Seniority Coordinator before employees are notified in accordance with Section 8(f) hereof.

(h) If the qualified bidders' lists have been exhausted before the end of the three (3) month period or if no qualified employees bid on vacancies subsequently posted by the Company, further vacancies will be filled in accordance with the priorities set forth in Section 6(a), 6(c) and 6(d) hereof (except that the next bid period list will be used, if available, to augment the exhausted bidders' lists). The parenthetical phrase does not apply to MP&TD.

(i) An employee at work on downgrade who, as a result of a job bid, is promoted to a classification in the same or a higher labor grade as the highest classification to which he had recall rights, will

(1) If he is subsequently returned to the classification from which he was promoted in accordance with the provisions of Section 10(d) hereof, reestablish his upgrade rights to future openings in the highest classification and lower classifications to which he previously had recall rights;

(2) If he is subsequently demoted in accordance with the provisions of Section 10(e) hereof, not reestablish the upgrade rights he had prior to his promotion.

9. PREFERENTIAL REINSTATEMENT

(a) An employee on layoff may make application for preferential reinstatement by appearing in person or by registered or certified mail, return receipt requested, in any division in which he wishes to be reinstated. At the time of application for preferential reinstatement, the employee will designate the lowest labor grade in which he will accept preferential reinstatement at that division. He may change such designation (by notifying the Transfer Section of such division in person or by registered or certified mail, return receipt requested) no more often than once every four (4) weeks he remains on layoff following his application for preferential reinstatement (except as limited by Section 9(c) hereof) and such changes will be effective the Monday after the Company receives notification of such change.

(b) When an employee on layoff or at time of layoff applies for preferential reinstatement he will complete an application form setting forth his qualifications and experience. The information contained on his application for preferential reinstatement will be the basis on which the Wage/Seniority Coordinator and the Transfer Representative will mutually determine the classifications for which the laid-off employee should be considered for preferential reinstatement.

(c) An employee offered preferential reinstatement may elect to remain on layoff. If he declines preferential reinstatement at a division, he may reapply for preferential reinstatement at that division three (3) months after he declined preferential reinstatement.

(d) In accordance with the priorities set forth in Section 6 hereof, employees on layoff who have applied for preferential reinstatement at such division in accordance with Sections 9(a), (b) and (c) hereof will be called in order of their seniority to fill openings in classifications mutually determined by the Wage/Seniority Coordinator and the Transfer Representative in accordance with the provisions of Section 9(a) hereof, provided they have the ability to perform the work. Such employees will not be called to jobs where training is required as long as there are persons available in the labor market who do not require training and in any event will not be called to jobs where training is required unless (1) the job to which they are called is in the same or a higher labor grade as the highest classification to which they hold recall rights, or (2) the highest classifications to which they hold recall rights are no longer held by any employee at his home division.

(e) Los Angeles Area Unit Employees

If a laid-off Los Angeles area unit employee is preferentially reinstated in the Santa Susana or Edwards Field Laboratories area units:

(1) His seniority in such area unit will be measured in accordance with Section 2(c) (1) hereof.

(2) He will retain recall rights at his home division in accordance with the provisions of Section 7 hereof; except that if he refuses recall in accordance with Section 17(c) hereof, he will no longer have any seniority in the Los Angeles area unit.

(3) If he becomes excess before being recalled in accordance with Section 9(e) (2) above, he will elect whether he wishes to exercise his seniority in the Los Angeles area unit or his new area unit.

(f) Local 1519 Employees

If a laid-off employee is reinstated in a division of the Los Angeles Area Unit:

(1) His seniority in the Los Angeles Area Unit will be measured in accordance with Section 2(a)(1) hereof.

(2) He will retain recall rights in accordance with Section 7(c) hereof, except that if he refuses recall in accordance with Section 17(c) hereof, he will no longer have seniority in the Area Unit from which he was laid off.

(3) If he becomes excess before being recalled in accordance with Section 9 above, he will elect whether he wishes to exercise his seniority in the area unit.

(g) An employee of a Los Angeles area division who is reinstated at another Los Angeles area division in accordance with this Section 9 in a classification lower than the highest classification to which he has recall rights, will retain recall rights to his home division and will have upgrade rights to higher classifications to which he has a seniority right at the division at which he is reinstated as if he had been reinstated in accordance with Section 7(a) (2) hereof. He will no longer have rights under Section 7 or 9 hereof at other Los Angeles area divisions.

(h) Disputes arising over the application of this Section 9 to laid-off employees applying for preferential reinstatement at divisions other than their home division not resolved by the Wage/Seniority Coordinator and the Company representative assigned to seniority problems at the division where the dispute arises may be initiated in accordance with the provisions of Article V, Section 9.

TRANSFERS AND LOAN OUTS

10. TRANSFERS WITHIN THE BARGAINING UNIT

(a) The Company has the right to transfer employees within their classifications between departments for the purpose of staffing new departments or new work groups. Other situations which require the transfer of individual employees between departments will be done by selecting the most senior qualified volunteer and lacking a volunteer the least senior employee in the department from which the transfer is being made will be transferred. Transfers between facilities within the same department will be considered the same as transfers between departments.

(1) *MP&TD Unit*

The MP&TD Unit has the right to transfer employees within their classifications between departments within a division. Other situations which require the transfer of individual employees between divisions will be done on a volunteer basis and lacking a volunteer the least senior employee in the division from which the transfer is being made will be transferred.

(2) *McAlester Unit*

The McAlester Unit has the right to transfer employees within their classifications for the purpose of staffing new departments or new work groups. The Company agrees, however, that seniority shall be given consideration when selecting employees for such transfers.

(b) No employee shall be transferred out of his classification without his permission, except as otherwise provided in this Agreement. It shall be the policy of the Company not to effect transfers into an area unit covered by this Agreement, other than in accordance with Section 11 hereof, when employees are on a layoff from the classifications affected in the division involved.

(c) When no reduction in the working force is necessary, but where an excess of employees in a classification occurs, the transfer of the excess employees shall be handled in accordance with the provisions of Section 4 hereof.

(1) *McAlester*

It is the policy of the Company not to transfer employees between classifications within thirty (30) days preceding a layoff for the purpose of creating a resulting advantage or disadvantage to certain employees at times of reduction in force. At the time of a reduction in force the Bargaining Chairperson and a Company representative shall at the request of either party

meet to review transfers (other than promotions, transfers under the job bidding procedure, demotions for cause of seniority movements) into classifications affected during the thirty (30) days prior to such reduction in force. If it can be shown that the policy set forth above has been violated, the Company will return any employee so transferred to his former classification. Problems under this section will be initiated in accordance with the provisions of Article V, Section 18.

(d) Where an employee has been promoted or transferred into another job and does not perform the job in a satisfactory and efficient manner, he shall be returned to his former classification within a period of ninety (90) days.

(1) *MP&TD*

When an employee has been promoted or transferred into another job and does not perform the job in a satisfactory and efficient manner, he shall be returned to his former classification within a period of one hundred and twenty (120) days, and shall not establish a previously held right to the classification from which returned.

(e) The Company may remove any employee without regard to seniority who is unable to perform his job in a satisfactory and efficient manner. Except as provided in Section 10(d) above, such employee will be placed in a classification to which he has a right in accordance with the provisions of Section 4 hereof and which he has the ability to perform. When such changes are effective, the employee's seniority shall be applied in the classification to which he is assigned.

(f) Local 1519

The Company may remove any employee without regard to seniority who is unable to perform his job in a satisfactory and efficient manner. Except as provided in Section 4(d) above, such employee will be moved to the last classification previously held in which he performed successfully and which he has the ability to perform. When such reclassifications are effective, the employee's seniority shall be applied in the classification to which he is assigned as a result of the removal.

(g) McAlester

The Company may demote any employee without regard to seniority who is unable to perform his job in a satisfactory and efficient manner. Except as provided in Section 10(d) above, such employee will be demoted to a classification in the next lower labor grade in his family group within his department which he has the ability to perform. When such demotions are effective, the employee's seniority shall be applied

in the classification to which he is assigned as a result of the demotion.

(h) Voluntary Removals

(1) An employee may voluntarily remove himself from his classification and exercise his seniority to remain at work as if he were excess in his classification. However, such employee must have enough seniority to remain at work in a classification to which he has a seniority right and such employee cannot voluntarily place himself on layoff (at McAlester only it may not result in the layoff of any employee).

(2) When an employee exercises his right to voluntarily remove himself, he loses all seniority rights to the classification from which he is voluntarily removing himself. If he is at work on downgrade in such classification, he will retain upgrade rights to higher classifications but will no longer have a right to the classification from which he removed himself unless he is subsequently reinstated in his higher classification and again becomes excess.

(3) Initiation of voluntary removal by an employee will preclude him from bidding for the job from which he voluntarily removed himself for the duration of the quarterly bid period in which the removal occurs plus the next full quarterly bid period, except at Local 1519 and the MP&TD unit wherein the employee must wait four (4) months.

(4) Before action is taken on a request for voluntary removal, the Wage/Seniority Coordinator will be notified of the impending action.

(i) Shift Transfers

(1) Requests for shift transfer shall be filed in writing on forms supplied by the Company. Employees with an active request for shift transfer will be transferred in order of their seniority to the shift of their choice to fill vacancies within their classifications within their departments (except that where such vacancies are to be filled by promotion or hire, they will be filled on the shift designated by the Company, and the employees filling the vacancies will not be subject to displacement under Section 10(i)(3) hereof for three (3) months.) The parenthetical phrase does not apply to Local 1519 or McAlester.

(2) If an employee has an active request for shift transfer on file with the Company and an employee with less seniority exercises his seniority in accordance with Section 4 hereof to displace an employee in his classification and department on the shift of his choice, such employee will be transferred and the less senior employee will replace him.

The transfer shall take place on the next seniority move date, provided the request is received at least two (2) weeks prior to the SMD. Exceptions shall include situations such as those in which the employee to be displaced is probationary, new on the job, or performing critical work. Disputes regarding the critical nature of the work will be referred to the Labor Relations Manager and the Chairperson of the Bargaining Committee. In no event shall the transfer be delayed more than 90 days without agreement by the parties.

(3) When an employee has had a request for shift transfer on file with the Company for no longer than three (3) months without being transferred to the shift of his choice, he will be transferred to displace the least senior employee in his classification in his department on the shift of his choice provided he has more seniority than such least senior employee. If at the time of an employee's eligibility for transfer under this Section 10(i)(3) there is no less senior employee in his classification in his department on the shift of his choice, the employee's request for shift transfer will become void (except that where there is a less senior employee who filled a vacancy by promotion or hire in accordance with Section 10(i)(1) hereof, the employee's request for shift transfer will remain valid until such less senior employee is subject to displacement.) The parenthetical phrase does not apply to Local 1519 or McAlester.

(4) When an employee has been transferred to the shift of his choice as a result of a request for shift transfer, he will remain on the shift of his choice for at least six (6) months (three (3) months at McAlester) unless he is moved to another shift as a result of other provisions of this Article. Such employee may not file a request for shift transfer for six (6) months (three (3) months at McAlester) following his transfer to the shift of his choice.

(5) MP&TD—Notwithstanding the provisions of Section 10(i)(1), (2), (3) or (4) above, should the Company find it necessary to transfer an employee to another shift because of his particular skills, such assignment shall be voluntary. Lacking a qualified volunteer, the least senior qualified employee shall be transferred. An employee forced to transfer shifts shall not be required to remain on the shift to which he has been transferred for a period in excess of ninety (90) days, unless he is the least senior employee in his classification on the shift. The ninety (90) day period may be extended mutual agreement only.

(j) Department Transfers

An employee may apply on forms supplied by the Company for transfer in his own classification to another de-

partment in his division. Such applications for transfer will be honored in seniority order in accordance with the priorities set forth in Section 6 hereof. When an employee has been transferred to the department of his choice as a result of a request for departmental transfer, he will remain in the department of his choice for at least six (6) months unless he is moved to another department as a result of other provisions of this Article. Such employee may not file a request for departmental transfer for six (6) months following his transfer to the department of his choice. (This paragraph (j) does not apply at McAlester.)

(k) Los Angeles Area Divisions

An employee of a Los Angeles area division may apply on forms supplied by the Company for transfer in his own classification to another division in the Los Angeles area. Such applications for transfer will be honored in seniority order in accordance with the priorities set forth in Section 6 hereof.

11. TRANSFERS OUT OF THE BARGAINING UNIT

(a) Except as provided in Sections 11(b) and 11(c) below, an employee transferred out of the bargaining unit after October 6, 1967, (MP&TD-after June 13, 1976) shall continue to accumulate no more than a maximum of one year of seniority while out of the bargaining unit regardless of the number of separate periods he may spend outside the bargaining unit. Employees who transferred out of the bargaining unit prior to October 6, 1967 will retain seniority which was accumulated up to October 6, 1968. Employees who, after June 30, 1999, are transferred out of the Bargaining Unit, will accumulate no more than one year of additional seniority, and upon reaching an additional year of seniority, will begin a process of year-for-year seniority regression on each anniversary date of the transfer out of the Bargaining Unit.

(b) An employee will not retain and accumulate seniority if he transfers into a bargaining unit represented by another union whose collective bargaining agreement does not provide that employees transferring from its bargaining unit into the bargaining unit covered by this Agreement will retain and accumulate seniority in such other bargaining unit.

(c) Seniority shall continue to accumulate for a seniority employee who is transferred out of the bargaining unit to an hourly or weekly production or maintenance type job outside of the area units defined in Article I or to another bargaining unit within the Company represented by the Union and such seniority may be exercised upon his return.

(d) A seniority employee transferred out of the bargaining unit who is thereafter excess in his job outside the bargaining unit shall be offered a transfer back to the bargaining unit at the division at which he was most recently transferred out of the bargaining unit, to the last classification he held prior to leaving the bargaining unit except he cannot return to a lead classification unless he held such classification since November 17, 1974. If he is transferred back to the bargaining unit, he shall be retained or laid off in accordance with his seniority.

(e) A seniority employee transferred out of the bargaining unit who thereafter returns to the bargaining unit, other than in accordance with Section 11(d) above, shall have seniority from his date of reentry into the bargaining unit.

(f) An employee promoted or transferred out of a job classification or a predecessor classification now within the bargaining unit prior to certification of the Union at the area unit shall not have seniority in the bargaining unit.

(1) MP&TD

An employee of the Company promoted or transferred out of a job classification or predecessor classification now within the bargaining unit, at a time prior to the effective date of this Agreement shall, upon his return to the bargaining unit, exercise his seniority in the same manner and to the same jobs as employees covered by Section 11(a) and (d) above. The Company shall supply the Wage/Seniority Coordinator with the information and make available appropriate Company records that are the basis for its decision of the employee's right to return to the bargaining unit. Any disputes over this matter will be subject to the provisions of Article V.

(g) An employee returning to a bargaining unit classification as a downgrade, will reestablish upgrade rights to future vacancies.

(h) McAlester

(1) Except as provided in Section 11(h)(2) below, seniority shall continue to accumulate for a period of one year for employees transferred out of the Bargaining Unit after June 25, 1977. Employees who transferred out of the Bargaining Unit prior to June 25, 1977 will not accumulate seniority after the effective date of this Agreement but will retain seniority that has been accumulated. An employee transferred out of the Bargaining Unit after June 25, 1978 may accumulate a maximum of one year while out of the Bargaining Unit under the provisions of this Section 11(h) regardless of the number of separate periods he may spend outside the Bargaining Unit.

(2) Seniority shall continue to accumulate for a seniority employee who is transferred out of the Bargaining Unit to an hourly or weekly production or maintenance type job outside of the area unit defined in Article I and such seniority may be exercised upon his return.

(3) A seniority employee transferred out of the Bargaining Unit who retains seniority in the Bargaining Unit in accordance with Section 11(h) above and who is excess in his job outside the Bargaining Unit shall be offered a transfer to the Bargaining Unit to the last job he held prior to leaving the Bargaining Unit. If he is transferred back to the Bargaining Unit, he shall be retained or laid off in accordance with his seniority.

12. LIMITATIONS ON LOAN OUTS

(a) Employees may temporarily be given new assignments not normal to their classifications where they will perform the duties of classifications from which employees are on downgrade or layoff with a superior seniority right of upgrade or recall. Except as provided in Section 12(c) below, such assignments will not exceed a maximum period of five (5) working days for any employee involved and will not be made to avoid the upgrade or recall of employees to fill openings.

(b) When employees are loaned to work in another department in another classification for a period of more than one full shift under the provisions of Section 12(a) above, the Company will notify the Wage/Seniority Coordinator of the names, classifications, departments and dates involved as soon as possible.

(c) The five (5) working day limitation on loan outs set forth in Section 12(a) above does not apply where employees are loaned because of leaves of absence, vacations and increases or decreases in the work load which are of short duration but will exceed five (5) days. In such situations, whether the loan is within the same department or is to another department, the Chairperson of the Bargaining Committee and the Director of Labor Relations of the division involved will discuss the circumstances and mutually determine the period of loan out required to cover the specific situation involved. The period originally established under this Section 12(c) may be extended by mutual agreement if the circumstances change and such extension is warranted. The provisions of this section will not be applied so as to avoid the upgrade or recall of employees on downgrade or layoff to fill long-term openings or to avoid the downgrade or layoff of employees who are other than temporarily excess.

(d) MP&TD

(1) Employees may be temporarily given new assignments, within their own division, not normal to their classifications where they will perform the duties of classifications from which employees are on downgrade or layoff with a superior seniority right of upgrade or recall. Such assignments will not exceed a maximum period of thirty (30) working days for each of the employees involved and will not be made for successive periods into the same classification to avoid the upgrade or recall of employees to fill openings.

The Personnel Representative will notify the Wage/Seniority Coordinator in advance, if possible, or in any event at the time the loan out occurs, of the name and classifications involved and its anticipated duration, when the Company identifies an action as a loan out.

(2) The thirty (30) working day limitation on loan outs set forth above does not apply where it is necessary for the Company to loan employees for periods of short duration but will exceed thirty (30) days. In such situations, the Union and the Company will discuss the circumstances and mutually determine the period of loan out required to cover the specific situation involved. The provisions of this section will not be applied so as to avoid the recall, upgrade, layoff, or downgrade of any employee.

(3) Where loans are between divisions they will be done on a volunteer basis and lacking a volunteer, the least senior qualified employee in the division from which the loan is being made, will be loaned.

13. NOTIFICATIONS—UNION

(a) The Company will notify the Wage/Seniority Coordinator of the division involved of anticipated layoffs, employees scheduled for recall and other seniority related moves on a current basis. Such notification will include a copy of the interview form for each employee interviewed in accordance with Section 14(a) hereof, designation or redesignation forms received in accordance with Sections 14(c), (d) and (e) hereof, applications for preferential reinstatement received in accordance with Section 9(a) hereof and suspensions of recall rights and cancellations of suspensions of recall rights in accordance with Section 7(e)(7) hereof. (In addition to the current notification provided for above, the Company will provide the Wage/Seniority Coordinator, in writing, with copies to the Chairperson of the Bargaining Committee and the President of the Local Union a report

of the anticipated scheduled seniority movements provided for in Section 5 hereof whenever a net reduction in personnel is anticipated.)

(b) The Company will prepare seniority lists every three (3) months (November, February, May and August of each year) on a classification basis within each division. One copy will be posted by the Company in a conspicuous location in each division and one copy will be given to the Wage/Seniority Coordinator and the Chairperson of the Bargaining Committee. The Company will at the same time prepare and give to the President of the Local Union and the Wage/Seniority Coordinator and the Chairperson of the Bargaining Committee one copy of a seniority list prepared on a seniority basis of employees within each area unit. In addition, the Company will each month prepare seniority lists on a classification basis within each area unit and supply copies to the Union in a quantity mutually agreed to between the parties. Such seniority lists shall contain job code numbers, job titles, seniority dates, shifts, identification numbers and the names of employees. The schedule for the preparation and posting of seniority lists within a division may be changed by mutual agreement between the Personnel Director and the Chairperson of the Bargaining Committee.

(c) Once each week the Company will supply the Wage/Seniority Coordinator and the Chairperson of the Bargaining Committee of each division and the President of the Local Union a list of employees who

(1) Started—with appropriate coding to indicate new hires, rehires, reinstatements and interdivisional transfers in.

(2) Separated—with appropriate coding to indicate quits, layoffs, retirees, discharges, deaths and interdivisional transfers out.

(3) Went on leave of absence, including industrial medical leave, or returned from leave of absence during the preceding week.

(4) Have transferred into or out of the bargaining unit. These lists will include job code numbers, seniority dates, shifts, identification numbers, effective dates and identifying codes.

14. NOTIFICATIONS—EMPLOYEES

(a) When an employee is to be interviewed concerning options provided in Section 4 hereof, he will, where possible, be given written notification of such interview on or before the shift preceding the shift during which he will be interviewed. An employee who was not at work on the day he would have been

notified will be given written notice as soon as practical after the start of the shift when he returns to work and will be allowed at least two (2) hours before he is interviewed. An employee who has been provided notice pursuant to the above shall make his *election from among available options at such interview.* However, before the interview the employee given the two (2) hour notice will, upon request, be permitted to have a brief discussion with the Wage/Seniority Coordinator and also, upon request, will be permitted to leave his job to make a personal phone call. An employee at work on his shift on the preceding workday and to whom such notification was not given shall, if he requests, have until the beginning of the shift following his interview to indicate his election. One copy of the interview option form used by the Company will be given to the employee.

(b) When an employee is to be laid off without option he will, where possible, be given twenty-four (24) hours oral notification prior to his layoff.

(c) At the time an employee is laid off he will provide the Company with his correct mailing address and he shall be provided with a written statement of his obligations while on layoff and a form to notify the Transfer Section if he changes his mailing address while on layoff. An employee being laid off will also designate the lowest labor grade to which he will accept recall at the division from which he is being laid off.

(d) In addition, an eligible employee of a Los Angeles area division who is being laid off will be asked to designate other Los Angeles area divisions to which he wishes to be recalled in accordance with the provisions of Section 7(a)(2) hereof, if any, and to designate the lowest labor grade to which he will accept recall at each such division. Such designations will become effective the first working day following the employee's layoff.

(e) If, after he has been on layoff for a period of two (2) weeks, (four (4) weeks at McAlester), an employee wishes to make a change in the designations he made at time of layoff under Section 14(c) or (d) above, he may do so by presenting himself in person at the Transfer Section of the division from which he was laid off. Such changes in designation may not be made more often than once every two (2) weeks (four (4) weeks at McAlester) after layoff and must be presented to the Transfer Section by noon Wednesday to become effective the following Monday. (At McAlester changes are effective the Monday after the employee so notified the Company of such change.)

(f) If a more senior employee's designation, in accordance with Section 14(d) hereof, or change in designation, in accor-

dance with Section 14(e) hereof, becomes effective after a less senior employee has been processed after recall and scheduled to start work, the more senior employee will not have a prior right to the opening for which the less senior employee was recalled but will be recalled in accordance with his seniority and his designation for future openings.

(g) If a more senior employee's designation, in accordance with Section 14(d) hereof, or change in designation in accordance with Section 14(e) hereof, becomes effective after a less senior employee has been recalled but before he has been processed, the more senior employee will exercise his seniority for recall to the opening for which the less senior employee was recalled. Under these circumstances, the recall of the less senior employee will be canceled unless another opening occurs to which he is eligible for recall.

15. APPLICATION OF SENIORITY-UNION REPRESENTATIVES

(a) For the sole purpose of maintaining Union representation at the time of reduction in force, employees holding Union positions shall head the seniority list in the following order within their classification and their representation area as hereinafter provided:

(1) In Local 887 and Local 952, the President shall exercise seniority protection on an area-unit wide basis. In Local 1558 the President shall exercise seniority protection on a bargaining unit wide basis.

(2) In Local 1519 the President shall exercise seniority protection on an area-unit wide basis and will be assigned to the first shift. First shift exceptions for good and sufficient reasons will be made after discussion between the President of the local union and the Division Manager of Labor Relations or their designated representatives.

(3) Members of the Bargaining Committee and Coordinators shall exercise their seniority protection on a division-wide basis. Committeepersons or their acting replacements shall exercise their seniority protection in the zone in which they work. McAlester Committeepersons shall exercise their seniority protection in the area in which they work.

(4) In McAlester the Bargaining Chairperson shall exercise seniority protection on a bargaining unit wide basis.

(b) When it becomes necessary to remove any one of the Union representatives listed in Section 15(a) (1), (2), (3) or (4) above from his classification in his respective representation

area, and provided representation is required in such area, such employee shall be placed on the job occupied by the employee with the least seniority in another classification involving the least reduction in rate which he has the ability to perform. If no job is found which such employee has the ability to perform, the Union will be notified, and it shall replace such employee as representative by another employee who is still at work.

(c) Before an employee who is at work because of Union seniority may successfully bid for a job, mutual agreement is required between the Chairperson of the Bargaining Committee and the Director of Labor Relations of the division involved, or their designated representatives, except at McAlester.

(d) If a Union Representative who is on downgrade in his representation area refuses upgrade to a job to which he has seniority rights outside his representation area, he will not lose upgrade rights within his representation area by such refusal but will be upgraded in line with his seniority to the next vacancy within his representation area to which he has recall rights.

(e) If a Union representative loses his Union representative status, he will, by the time of the next seniority movement be returned to his proper place on the seniority list and exercise his seniority accordingly. If such representative is on downgrade, in order to remain in his representation area, he will exercise his seniority to move to the classification to which his seniority would have entitled him had he not elected to remain in his representation area.

(f) Written notification of the names of the Union representatives listed in Section 15(a) above shall be furnished to the Director of Labor Relations of the division involved (or the Personnel Manager at McAlester) forty-eight (48) hours before the seniority protection provided in this Section 15 shall become effective.

(g) Changes in the above-described seniority protection may be made by mutual agreement between the Corporate Director, Labor Relations and the President of the Local Union or their designated representatives.

16. STABILIZATION OF THE WORK FORCE-EXCLUDING LOCAL 1519 AND McALESTER

For the purpose of providing stability in work operations during periods of reduction in the work force the Company may, within the limits specified below classify certain employees as stabilizing employees. Employees so classified will not be subject to the provisions of Sections 4 and 10(i) of this Article. The

stabilizing employee classification is not subject to the provisions of Section 8 of this Article.

(a) No employee shall be transferred out of his classification into the stabilizing employee classification without his permission.

(b) No employee shall be transferred into this classification unless he has at least five (5) years of seniority and is paid a base rate which is equal to or greater than the minimum for Labor Grade 10.

(1) MP&TD

No employee shall be transferred into this classification unless he has at least three (3) years of seniority.

(c) If there is a lead in the group who is available and qualified to perform an infrequent function that would otherwise justify a stabilizing employee, the lead will be assigned the function and an employee will not be classified as a stabilizing employee.

(d) The Corporate Director, Labor Relations shall notify the Union, in writing, of the name, department number and present classification of each employee scheduled to be transferred into this classification. In addition, he shall provide the Union with a description of the current job assignment of each such employee and the reason for his being placed in the stabilizing employee classification.

(e) The effective date of transfer into this classification shall be the third Friday following notification to the Union.

(f) No employee classified as a stabilizing employee shall be transferred between departments except that such transfers may be made in instances where the basic work assignment of the employee is moved to a different department.

(g) The number of employees classified as stabilizing employees shall not exceed one hundred and fifty (150) for the bargaining unit, no more than thirty-seven (37) of whom shall be at any one division in the Los Angeles area unit or twenty-four (24) at the Tulsa area unit.

(1) MP&TD

The number of employees classified as stabilizing employees shall not exceed twenty-four (24) for the bargaining unit; nor more than nine (9) each for North American Aircraft and Space Systems Division; nor more than six (6) total for the other divisions.

(h) No employee shall be retained as a stabilizing employee if the reason for his being a stabilizing employee as set forth in accordance with Section 16(d) above no longer exists.

(i) The Corporate Director, Labor Relations will notify the Union of the name, department number and classification of each employee removed from the stabilizing employee classification. Such employee shall be returned to his former classification and exercise his seniority accordingly by the time of the next seniority movement.

(j) The most senior employee at work on downgrade because an employee was transferred to the stabilizing employee classification will be paid at the rate of the classification to which he would otherwise have been entitled. (MP&TD Unit is on a one-for-one basis.)

(k) Before an employee who is at work out of line of seniority because of this Section 16 may successfully bid for a job, mutual agreement is required by the Chairperson of the Bargaining Committee and the Director of Labor Relations of the division involved or their designated representatives.

(l) MP&TD

Employees may be recalled out of line of seniority to a stabilizing classification only by mutual agreement by the Director, Corporate Labor Relations and the President of the Local Union or their designated representatives.

17. BREAKING OF SENIORITY

Seniority shall be broken and the employee terminated for the reasons listed below. However, seniority shall not be broken and the employee shall not be terminated as provided in Section 17(c), (d) and (f) below if the employee is at work at another division; instead, such recall employee will lose his recall rights to the division making the recall.

(a) If the employee quits, except that if he was laid off from another division and retains recall rights to such division, such recall rights shall not be canceled. (MP&TD-shall be suspended for fourteen (14) days except by mutual agreement.)

(b) If the employee is discharged for a justifiable reason.

(c) If the employee refuses reinstatement in the highest classification to which he has recall rights under Section 7(a) or 7(b) hereof at the division from which he was laid off.

(d) If the employee with recall rights fails to report to the Transfer Section for a work assignment (or if he is being properly recalled to a classification lower than the highest classification to which he has recall rights and fails to notify the Transfer Section of his decision to remain on layoff) within three (3) working days after receiving notice by registered or certified mail, return receipt requested, or confirmed telegram (personal

delivery), to report to the Transfer Section. However, if the employee contacts the Transfer Section within the three (3) working days provided above and states acceptance of recall, he shall, upon request, be granted reasonable additional time to report to the Transfer Section for a work assignment.

(1) McAlester

If the employee with recall rights fails to report to Personnel for work assignment (or if he is being properly recalled in a classification lower than the highest classification to which he has recall rights and fails to notify Personnel of his decision to remain on layoff) in accordance with the following schedule:

(i) Within forty-eight (48) hours after he has accepted recall in a joint telephone conversation with representatives of the Company and Union. (If the employee refuses such telephone recall his refusal will be confirmed by registered or certified mail, return receipt requested.)

(ii) Within three (3) working days after receiving notice by registered or certified mail, return receipt requested, or confirmed telegram (personal delivery), to report to Personnel.

If the employee contacts personnel within the period provided in Section 17(d) hereof and states acceptance of recall he shall upon request be granted reasonable additional time to report to Personnel for a work assignment.

(e) If any employee fails to keep the Transfer Section of Personnel notified of his proper address and by such failure the Transfer Section of Personnel is unable to contact the employee by registered or certified mail, return receipt requested, or confirmed telegram (personal delivery). When an employee on layoff notifies the Transfer Section of Personnel of a change of address, the Transfer Section of Personnel will verify to the employee in writing receipt of such notification and will provide him with a form to notify the Transfer Section of Personnel of any subsequent change of address.

(f) If the Company does not receive a reply in writing from any employee within eight (8) days after written notice of recall is placed in the mail, registered or certified, return receipt requested, or sent by confirmed telegram (personal delivery) to the latest address of record with the Company. If thereafter, within the period established in Section 17(g) below, any such employee is able to establish that his failure to reply sooner was due to no fault on his part, his seniority shall be reinstated (or recall rights reestablished) and he shall thereafter be considered for recall as openings occur.

(g) If the employee is laid off for a period longer than the years of seniority he had accumulated at the time he was laid off (a partial year shall count as a full year) except that such period shall not be less than two (2) years or more than five (5) years. (The provisions of this Section 17(g) shall not apply to an employee on layoff as long as he is the most senior employee on layoff from a classification where a less senior employee is retained in accordance with Section 16 hereof or to an employee who is on layoff as a result of restrictions which have been placed upon such employee as a result of an industrial illness or injury.) The parenthetical phrase does not apply to McAlester.

(h) If the employee retires or is retired. However, full seniority shall be reestablished for former employees who were disability pensioners pursuant to the provisions of the retirement plan referred to in Article XXIII and who have recovered to the extent they are no longer eligible for disability benefits under such plan.

(i) If the employee fails to report for work within five (5) working days (three (3) working days at McAlester) after the expiration of his formal leave, including the date he was due to return, unless he presents satisfactory proof that it was not possible for him to have returned to work or obtained an extension before the end of the five (5) day period or three (3) day period at McAlester. (An employee who has been on a formal medical leave of absence for a period of sixty (60) days or more will be sent a notice by registered or certified mail, return receipt requested, or confirmed telegram (personal delivery) by the Company at least three (3) working days before his seniority is broken and he is terminated in accordance with this section.)

(j) If the employee fails to report to work as scheduled following a vacation, unless an extension of his vacation is approved or he presents satisfactory proof that it was not possible for him to have returned to work. The employee may request an extension of time in case of emergency by contacting the Personnel Records Section of the Personnel Department or his Supervisor before the date he is due to return. In requesting an extension, the employee must include the reason for his request and, if possible, the address where he can be contacted, if necessary, regarding the disposition of his request. The Company will, if possible, promptly notify the employee of the approval or disapproval of the request for an extension.

(k) If the employee has been on formal medical leave of absence for a maximum period provided in Article XII, Section 5(b).

18. GENERAL PROVISIONS

(a) An employee, before exercising his seniority in accordance with the provisions of this Article, must have the necessary skills and experience required to perform the work involved; however, after being placed on the job such employee will be permitted a reasonable period of familiarization with normal guidance. Except as provided in Sections 9 and 18(c) hereof, an employee will not be given training to qualify for a job to which he might otherwise be entitled in accordance with the provisions of this Article.

(b) If an employee is exercising his seniority to remain at work in accordance with the provisions of Section 4(b) (c), (d) or (f) hereof and the Company questions his ability to perform the work of the least senior employee in a classification to which he otherwise has a seniority right or if he is unable to perform the work of such least senior employee because of physical restrictions, he will be given an opportunity to displace the least senior employee in the same classification and division, whose job he can perform, provided he has more seniority than such employee.

(c) If, after applying the provisions of Section 18(b) above, the Company questions the ability of an employee who is exercising his seniority to remain at work in accordance with the provisions of Section 4 hereof to perform the work of a classification to which he otherwise has a seniority right, the following provisions will be invoked:

(1) The employee will be shown the nature of the work involved and if he agrees that he cannot perform the work, the provisions of Section 4(g)1 shall apply.

(2) If, after complying with Section 18(c)(1) above, the employee indicates that he believes he does have the ability to perform the work, he will be transferred to the classification to which he has a seniority right and provided normal guidance, instruction and familiarization, in the application of the skills and experience he already possesses for a reasonable trial period not to exceed the period between normal seniority movements. Such guidance, instruction and familiarization will be provided by a lead rather than a co-worker if there is a lead in the group who is available and qualified.

(3) If the employee demonstrates the ability to perform or a reasonable expectation that he will soon acquire such ability to perform the work involved during the trial period, he will remain in the classification.

(4) If, during the trial period the Company determines

that the employee cannot perform the work involved and at the time of the next seniority movement he would

(i) be laid off without option, he may be laid off when determination is made;

(ii) have sufficient seniority to remain at work, he will be loaned to another assignment until the next seniority movement.

(5) If Section 18(c)(4) above is invoked and another less senior employee could have exercised a seniority right to the classification except for the application of Section 18(c)(2) above, such less senior employee will be upgraded or recalled and processed in accordance with this Section 18(c) if the Company questions his ability to perform the work of the classification.

(6) The provisions of Section 18(c)(2) and (4) above may be invoked if, within five (5) working days after his transfer to a classification to which he has a seniority right, the Company questions an employee's ability to perform the work of such classification.

(d) An employee who lacks a certification necessary to remain at work in his highest classification will be afforded the normal amount of time necessary to obtain such certification. The provisions of Section 18(b) above shall apply to an employee exercising his seniority to remain at work in accordance with the provisions of Section 4(b), 4(c), 4(d), 4(e) and 4(f) hereof, who lacks a required certification. If because of his lack of a required certification, there is no job which he is able to perform in a classification to which he has a right under the provisions of Section 4(b), 4(c), 4(d), 4(e) and (f) hereof, he will be afforded the allotted time to obtain the required certification in accordance with his seniority and the table set forth below:

Employee Seniority	**Maximum Certification Hours Allowed**
Less than 84 days	0 hours
84 days to 1 year	16 hours
1 to 3 years	32 hours
3 to 5 years	48 hours
5 to 10 years	64 hours
10 years and over	80 hours

Time allotted to the certification of employees in weldor classifications at the Tulsa division to obtain welding certifications will be in accordance with local agreement between the

Company and Union at each location (excluding MP&TD).

(e) In the event an employee is determined by the Company physician to be incapable of performing the work of his job classification for a period in excess of thirty (30) days, he will be reclassified or recalled to a job which he has the ability to perform and to which he may be entitled under the provisions of Sections 4, 7 and 18(b) hereof (or by mutual agreement between the Director of Labor Relations and the Wage/Seniority Coordinator of the division involved, he will be given an opportunity to fill a vacancy which he has the ability to perform without danger of aggravating any existing physical or mental disability and without danger of protracting the period of his disability in a classification from which other employees are on downgrade or layoff). If the employee is thereafter determined by the Company physician to be capable of performing the work of his former classification, he shall be returned to such classification provided his seniority is sufficient to entitle him to it. The parenthetical phrase does not apply to McAlester.

(f) An employee who has been laid off from and retains a right of recall to one of the divisions covered by this Agreement will, if he is accepted for employment by any other division, be a reinstatement at the new division and will not thereafter, for any purposes under this Agreement (other than with respect to any existing right of recall to his former divisions), be considered to be on layoff from such former division. Seniority for such reinstated employee at the new division shall be in accordance with Section 2(c) or 2(d) of this Article as modified by other sections hereof. Service with the Company shall be uninterrupted.

(g) Under unusual circumstances and after full discussion of the problem, exceptions to the provisions of this Article may be made by mutual agreement by the Personnel Director of the division involved and the President of the Local Union or their designated representatives.

19. SELECTED SKILLS PROGRAM SENIORITY—EXCLUDING LOCAL 1519, MP&TD AND McALESTER

(a) Selected Skills classifications included in the Selected Skills (SS) Program, their Related Lower Level (RLL) classifications and the effective date of the inclusion of such classifications, are identified in Article XXVI.

(b) A lead classification based on an SS classification will be a separate SS classification and a lead classification based on an RLL classification will be a separate RLL classification to the same SS classification.

(c) An employee who was classified in an SS classification or was on layoff or downgrade with recall rights to such classification, as of the date such classification entered the SS Program, will have his full UAW seniority in such SS classification.

(d) An employee who, under the provisions of this Article, has a right to return to an SS classification and who returns by exercising such right, will have his full UAW seniority in such SS classification unless he had date-of-entry seniority in such SS classification, in which case his seniority date upon his return will be based on his date-of-entry seniority in such classification with the same limitation as provided in Section 11 hereof.

(e) An employee who was classified in an RLL classification or was on layoff or downgrade from or had return rights to such classification as of the date such classification was established as an RLL classification, will, if he is subsequently transferred to the SS classification to which the RLL classification is related, have seniority equivalent to the amount of time that he was classified in the RLL classification, not including time that he was on layoff or classified other than in such classification.

(f) An employee not classified in an SS classification or RLL classification on the date such classification was established as an SS or RLL classification, or on layoff or downgrade from or with a return right to such classification on such date, who is subsequently transferred into an SS classification, will have seniority only from his date-of-entry into an SS classification. (RLL classifications are not in the SS Program but are identified only for the purposes of Sections 19(e), (l) and (n) hereof and reclassification to an RLL classification subsequent to the date such classification was established as an RLL classification will not add to the date-of-entry seniority of an employee if he is thereafter transferred to an SS classification.)

(g) Date-of-entry seniority will apply to employees transferring between SS classifications except that certain pairs or groups of SS classifications may be established by mutual agreement of the parties and employees transferring between such paired or grouped classifications will not have their seniority date changed as a result of such transfer. An employee transferring to a lead classification based on an SS classification in which he holds seniority will have the same seniority in such lead classification as he holds in the SS classification on which it is based.

(h) An employee who holds seniority in an SS classification will retain and accumulate his seniority in such SS classification while he remains in, or retains right of recall or return to

such SS classification up to a maximum of five (5) years from his SS date-of-entry. At the expiration of this five (5) year period, the employee will be converted to full UAW bargaining unit seniority.

(i) An employee who previously held an SS classification and who was at work in an SS classification, or retained rights of recall or return to an SS classification on the date such classification was established as an SS classification, will have his full UAW seniority in such previously held SS classification with the same limitation as provided in Section 19 (h) above.

(j) An apprentice who is placed on a course leading to an SS classification will, when he has completed the apprenticeship training program, have seniority in his SS classification equivalent to the time he actively spent in the apprenticeship program.

(k) An employee in the SS Program will have and accumulate seniority in the area unit in which he is working whether he transferred into the SS Program or was hired into the SS Program.

(l) A seniority employee who is excess in an SS classification will be given the option of layoff or, if he is in an SS classification paired or grouped in accordance with Section 19(g) above and he has previously held a classification with which his SS classification is paired or grouped, return to such classification, provided he has the ability to perform the work involved. An employee who is excess in the SS Program will be given the option of:

(1) Return to the last classification he held prior to his entry into the SS Program (lead classification only if held since November 17, 1974), or

(2) Downgrade to the RLL classification to his current SS classification if he had UAW seniority prior to the date his SS classification entered the SS program, or

(3) Layoff with recall rights in accordance with Section 7 hereof.

If the employee elects 19(1)(1) or (2) above, the classification to which he is transferred will establish his primary group and intermediate pool for further seniority movement under Sections 4 and 7 hereof. (At the Tulsa division the employee will be offered layoff or transfer to the classification identified in Section 19(1)(2) above or Section 4(c)(4) hereof, which will result in the least reduction in pay.)

(m) An employee who exercised his seniority in accordance with Section 19(1) hereof and transferred to, or was downgraded and subsequently promoted to a job in the same or a

higher labor grade as his SS classification outside the SS Program, will retain recall rights to the SS classification from which he exercised his rights.

(n) SS classifications will be posted in accordance with the provisions of Section 8 hereof and the provisions of that section will apply.

(o) Paired or grouped classifications under Section 19 are applicable to Los Angeles area divisions only. At the Tulsa division, employees will have previously held rights to SS classifications in accordance with Sections 4(h)(4) and 7(b)(4) hereof.

(p) An employee in a SS classification exercising his seniority in accordance with the provisions of Section 10(i) hereof shall be considered for shift transfer based upon his SS seniority date.

20. LEAD SENIORITY-LOS ANGELES AND TULSA EXCLUDING MP&TD AND McALESTER

(a) A lead's classification will be based on the highest level of the highest occupation (as identified by job code series), that is indicative of the primary function of the group he is leading. Where there are two (2) or more such occupations in the same lead group, the lead's classification will be based on the occupation within the group in which there are the largest number of employees. However, the classification of current leads will not be changed as a result of the application in this Section 20(a). If, in filling a lead vacancy in accordance with Section 20(f) or (g) below, it is determined that two (2) or more lead classifications would be equally appropriate for the group, all appropriate lead classifications will be given equal consideration in filling the vacancy.

(b) Once a lead's classification has been established in accordance with Section 20(a) above, he will not be considered misclassified as long as there are any employees in his group in the occupation on which his lead classification is based.

(c) When two (2) or more lead groups within a department are combined, the lead with the greatest seniority will normally be retained to lead the remaining group provided he has the ability to perform the work.

(d) When an excess of leads exists in a classification in a department or agreed group of departments, the Company will excess the least senior lead in the classification in the department or mutually agreed group of departments unless such lead has been classified as a stabilizing employee in accordance with the

provisions of Section 16 hereof. The excess lead will exercise his seniority

(1) To the classification on which his lead classification is based, or

(2) To the classification which is the basis for his lead rate if he has previously held such classification or by mutual agreement between the parties. (At the Tulsa division an excess lead will be offered return to a lead classification in the department or mutually agreed group of departments which he has previously held for at least sixty (60) days since November 17, 1974, if this will result in a lesser reduction in pay than provided in Section 20(d)(1) and (2) above.)

(e) An employee downgraded or laid off from a lead classification since November 17, 1974, will retain recall or upgrade rights to such classification at the division where he was downgraded or laid off, with the limitation provided in Section 17(g) hereof if he is on layoff.

(f) If a vacancy occurs in a lead classification from which employees are on downgrade or layoff, such vacancy will be filled in accordance with the following:

First Priority—Employees who were downgraded or laid off from the classification in the department or mutually agreed group of departments where the opening occurs will be recalled or upgraded in order of seniority.

Second Priority—Employees who were downgraded or laid off from the classification in the division where the opening occurs will be recalled or upgraded in order of seniority.

(g) If a vacancy occurs in a lead classification from which no employees are on downgrade or layoff at the division involved, the Company will post such vacancy for three (3) days at the regular posting locations throughout the division. The Company will select the successful bidder from among the five (5) most senior qualified bidders based on the following priorities:

(1) First Priority will be among employees of the department or mutually agreed group of departments in which the vacancy exists and in the occupation on which the lead classification is based.

(2) Second Priority will be from among other employees at work at the division classified in the occupation on which the lead classification is based.

(3) Third Priority will be other employees at work at

the division. Bid lists developed as a result of a posting under this Section 20(g) will be in effect for three (3) months following the posting. If the list of qualified bidders is exhausted before the end of the three (3) month period, the Company will re-post the classification if additional vacancies occur.

(h) The Company may temporarily classify an employee as "acting" lead. This provision will apply only in those instances where there is no vacancy but a lead is needed on a short-term basis (not to exceed ninety (90) days), such as filling in for a lead who is on vacation, on leave of absence or temporarily assigned outside of the area unit. At the completion of the assignment, the employee temporarily classified as lead will return to his former classification. The parties agree that an employee's performance while classified as an "acting" lead will not be referenced in written grievances or dispositions nor will it be used by either party in the arbitration procedure.

(1) If no one is at work in the department or mutually agreed group of departments on downgrade from the lead classification which will be filled on an "acting" basis, the "acting" lead will normally be selected from the more senior employees in the lead group which will be led. The selection may be made from the department or mutually agreed group of departments if the Company and Union have agreed to this broader basis for selection at the division involved.

(2) If the "acting" lead will be moving from group to group to cover a series of lead vacation periods, the "acting" lead will be selected from within the department or mutually agreed group of departments containing the lead groups.

(3) If employees are at work in the department or mutually agreed group of departments on downgrade from the lead classification to be filled on an "acting" basis, "acting" leads will be selected in accordance with Section 20(h)(1) or (2) above unless the parties reach mutual agreement that the most senior employee in the department or mutually agreed group of departments on downgrade from the lead classification will be temporarily classified as an "acting" lead.

(i) LOCAL 1519

(1) A lead's classification will be based on the highest occupation that is indicative of the primary function of the group he is leading. Where there are two (2) or more such occupations in the same lead group, the lead's classification will be based on the occupation within the group in which there are the largest number of employees. However, the classification of current leads will not be changed as a result of the application of this

Section 20(a). If, in filling a lead vacancy in accordance with Section 20, it is determined that two (2) or more lead classifications would be equally appropriate for the group, all appropriate lead classifications will be given equal consideration in filling the vacancy.

(2) Once a lead's classification has been established in accordance with Section 20 above, he will not be considered misclassified as long as there are any employees in his group in the occupation on which his lead classification is based.

(3) When excess of leads exists in a classification in an area unit, the Company will excess the least senior leads in the classification provided the more senior leads in the classification have the ability to perform the work remaining. The excess lead will have the option of layoff or exercising his seniority:

(i) To the classification on which his lead classification is based, or

(ii) To a lead classification which he has previously held in which he performed successfully since November 17, 1974, or

(iii) In accordance with Section 4 hereof if this will result in a lesser reduction in pay than provided in Section 20(3)(i) and (ii) above.

(4) An employee downgraded or laid off from a lead classification since November 17, 1974, will retain recall or upgrade rights to such classification in the area unit where he was downgraded or laid off, with the limitation provided in Section 17(g) hereof if he is on layoff.

(5) If a vacancy occurs in a lead classification from which employees are on downgrade or layoff, such vacancy will be filled by the recall or upgrade of employees who were downgraded or laid off from the classification in the area unit where the opening occurs, in order of seniority.

(6) If a vacancy occurs in a lead classification from which no employees are on downgrade or layoff at the area unit involved, the Company will post such vacancy for three (3) days at the regular posting locations throughout the area unit. The Company will fill the vacancy from among the two (2) most senior qualified bidders, with the first priority being given to employees in the occupation on which the lead classification is based. Bid lists developed as a result of a posting under this Section 20 will be in effect for three (3) months following the posting. If the list of qualified bidders is exhausted before the end of the three (3) month period, the Company will report the classification if additional vacancies occur.

(7) The Company may temporarily classify an employee as "acting" lead. The selection will be made from among the more senior employees in the group. This provision will apply only in those instances where there is no vacancy but a lead is needed on a short-term basis (not to exceed ninety (90) days), such as filling in for a lead who is on vacation, on leave of absence or temporarily assigned outside of the area unit. At the completion of the assignment, the employee temporarily classified as lead will return to his former classification. The parties agree that an employee's performance while classified as an "acting" lead will not be referenced in written grievances or dispositions nor will it be used by either party in the arbitration procedure.

(j) The position of E.I. Team Leader is considered a "status" and as such there will be no special seniority consideration for those selected. For an Employee Involvement Team to be eligible to select (and retain) an E.I. Team Leader, there must be a minimum of five (5) and a maximum of twenty (20) full-time members on the team, including the E.I. Team Leader.

21. MP&TD—AUGMENTATION OF THE WORK FORCE

(a) Short Term Augmentation

(1) Should it become necessary to augment the work force in a particular classification in the Manufacturing Planning and Tool Design Unit, the Company shall notify the Local Union President and the Chairman of the Bargaining Committee of the division involved. Such notification shall include:

(i) The necessity for the augmentation of the work force.

(ii) The Division and specific area to which the temporary workers are to be assigned.

(iii) The number of anticipated workers that will be needed and the period of time (not to exceed four (4) weeks) for which they will be needed.

(2) Following the notification in (1) above, the parties shall jointly determine:

(i) That there are no employees on downgrade who are working in the Manufacturing Planning and Tool Design Unit at the division involved, who have the ability to perform the work for which the Company requires an augmented force.

(ii) The names of any employees with recall rights who were laid off from the division involved, who have previously indicated (on a form supplied by the Company) that they are desirous of being recalled for short periods of time four

(4) weeks or less).

(iii) Such employees shall be recalled in seniority order to jobs to which they would otherwise have a seniority right before any augmented work force employee is utilized. The refusal of a short period recall for any reason shall in no way jeopardize or result in the cancellation of an employee's seniority.

(3) The Company shall not use these job augmentation provisions in the same classification for successive periods for the purpose of avoiding the provisions of Article XI, Section 6.

(b) Long Term Augmentation

(1) The work force may also be augmented by mutual agreement for periods longer than four (4) weeks but less than twelve (12) full weeks providing no employees are on downgrade or layoff:

(i) By following the procedure outlined in Section 21(a)(1)(i), (ii), and (iii) above.

(ii) By extending a previously agreed to Short Term Augmentation.

(2) Should any dispute arise as to the intent or application of these provisions, the Union shall have full recourse to the grievance procedure up to and including arbitration.

ARTICLE XII

LEAVES OF ABSENCE

(Personal, Union and Medical)

1. PERSONAL—INFORMAL LEAVES OF ABSENCE

(a) An informal leave of absence is one for a period of less than eight (8) calendar days.

(b) An informal leave of absence without pay for good and sufficient reason shall be granted by applying to and receiving written approval from management. Management will respond to the request in a timely manner.

2. PERSONAL—FORMAL LEAVES OF ABSENCE

(a) A formal leave of absence is one for a period of eight (8) calendar days or more.

(b) A formal leave of absence without pay for good and sufficient reason shall be granted for a period not to exceed two (2) months, except as provided in Section 2(d) or (e) below, upon written application to and receipt of written approval from

the Director of Labor Relations of the division involved. Management will not deny a request for a personal leave of absence based solely on the fact that an employee has accrued vacation.

(c) A formal leave of absence may be extended upon written application to and receipt of written approval from the Director of Labor Relations of the division involved.

(d) A formal leave of absence, without pay, shall be granted to employees who are either:

(1) Elected to public office at a direct primary, municipal, special district or general election; or

(2) Appointed by the appropriate elected official of the Federal, State, County or City government to a non-civil service government position for which applications are not taken or requested and competitive examinations are not a basis of selection; during the period their absence, on a full-time basis, is required by the duties of such position for an extended and uninterrupted period.

(e) A formal leave of absence, without pay, shall be granted to employees for training and service in the Peace Corps or Vista for the period required of such employee by the agency involved, plus an additional ninety (90) days after completion of such service to return to work.

3. UNION FORMAL LEAVES OF ABSENCE

An employee's election or appointment to conduct Union business shall be considered good and sufficient reason for obtaining a formal leave of absence. Such employee shall be given, upon written request from the Regional Director of the International Union or from the President of the Local Union to the Director of Labor Relations of the division involved, a formal leave of absence not to exceed a period of one year, which shall be extended yearly thereafter upon request.

4. MEDICAL FORMAL LEAVES OF ABSENCE—
INDUSTRIAL ILLNESS OR INDUSTRIAL INJURY

(a) No employee shall be dismissed because of or on account of an industrial illness or industrial injury.

(b) If an employee is only temporarily disabled, such period not exceeding thirty (30) days, and is capable of performing some other duties which will not endanger his complete recovery, the Company will, pending recovery, place him at work he can perform at his former rate of pay if and when such work is available.

5. MEDICAL FORMAL LEAVES OF ABSENCE—NON-INDUSTRIAL ILLNESS OR NONINDUSTRIAL INJURY

(a) An employee who must be absent for an extended period due to a nonindustrial illness or injury shall be granted upon written request a leave of absence not to exceed a period of six (6) months. However, if such employee has been notified that he is excess and subject to layoff under the provisions of Article XI, Section 4, such leave will be granted only in an emergency situation which develops after he has been notified he is excess.

(b) Extension of leave of absence for illness or injury shall, for good cause, be granted upon written request to the Director of Labor Relations of the division involved for a period or periods not to exceed the employee's years of seniority accumulated at the time of the original medical formal leave of absence (a partial year shall count as a full year) or two (2) years, whichever is greater, but in no event more than five (5) years. Such written request from the employee must be accompanied by a written statement from the employee's personal physician citing the reasons for requesting the extension.

6. FAMILY CARE LEAVE

An employee will be granted a family care leave in accordance with applicable Federal and State law upon written request to his Supervisor or Department Head.

GENERAL PROVISIONS

7. An employee who is granted a formal leave of absence will be required to check out through the tool crib and return his identification card or at the McAlester location follow the plant clearance procedures.

8. Employees with seniority will accumulate seniority during such leaves of absence as are outlined above.

9. Any employee who accepts gainful occupation while on leave of absence may be terminated at the discretion of the Company, subject to the following exceptions:

(a) Employees whose leave of absence has been approved in accordance with Section 3 above.

(b) Employees who request leave of absence in accordance with Section 2 above, for the purpose of accepting specified

gainful occupation and whose request is approved for such purpose. (The foregoing shall neither create nor imply any obligation to grant any such request.)

(c) Employees on leave of absence in accordance with Sections 4 or 5 above whom the Company is continuing on leave of absence after request in person has been made to return to work.

10. Any employee returning from a leave of absence because of illness or injury shall at the time of such return be reexamined by the Company's authorized physician to determine whether the employee has recovered sufficiently to do his job.

11. Each returned employee shall be returned to his former job classification with no reduction in pay provided he is entitled to said job in accordance with the provisions governing seniority and provided further that said employee is capable of performing the work of his former job. In the event that said employee's former job has been eliminated, the provisions governing seniority in Article XI shall automatically apply to said employee.

12. Extension of leaves of absence shall be requested prior to the expiration of the leave of absence, unless the employee presents satisfactory proof that it was not possible for him to have done so.

13. An employee who is absent frequently because of illness or injury to the extent that his normal efficiency on his job is below standard shall be placed on a medical leave of absence until he has recovered sufficiently to perform his job at normal efficiency.

ARTICLE XIII

SAFETY

1. The Company recognizes its obligation to provide a safe and healthful working environment for employees. The Company agrees to abide by and maintain in its plants and facilities standards of sanitation, safety and health in accordance with the Federal, State, County and City laws and regulations.

2. The Company recognizes a Union Health and Safety Representative for each Area Business Unit. The Union Health and Safety Representative is assigned on a part-time basis, reports to the Bargaining Unit Chairperson and receives direction and assignments based on feedback from the UAW membership. The International Union, upon the recommendation of the Local Union, appoints Health and Safety Representatives and alternates. The Union Health and Safety Representative will function as needed to carry out his or her roles and responsibilities outlined in this article.

3. The UAW Health and Safety Representative will work closely with the facility Health and Safety staff. This representative shall be paid at his/her regular rate of pay for such time as may be necessary to carry out health and safety duties. The Alternate Health and Safety Representative will function in the absence of the Health and Safety Representative and will be included in annual training. This representative will serve as a focal point for the UAW on all matters of health and safety - and will as a minimum:

(a) Meet not less than monthly with the Safety and Environmental Health organization to discuss the overall health and safety program, in addition to the normal day to day working relationship.

(b) Participate in regulatory audits, appeals and walk-throughs, including those conducted by the International Union upon proper notification.

(c) Be promptly informed of Safety and Environmental Health plant surveys and accident investigations and will be allowed to to participate.

(d) Consult with any worker about health and safety concerns.

(e) Has access to information such as: OSHA 200 Log. OSHA Form 101 or equivalent, accident report forms, industrial hygiene monitoring and chemical exposure data, Material Safety Data Sheets, accident reports, trend data on work related accidents, injuries and illnesses. This information will be provided in a reasonable time period.

(f) Review layout changes that may affect health and safety, machine modifications, and new equipment and machinery to ensure that appropriate health and safety considerations have been addressed.

(g) Conduct regular inspections, documenting deficiencies and following up on corrective action.

(h) Provide input in developing and evaluating programs such as Fall Prevention, Noise Abatement, Ergonomics, Toxic Material Reduction, Preventive Maintenance, Lockout, Powered Industrial Vehicle safety, etc.

(i) Review new standards and regulations and recommend appropriate changes in the work environment and plant procedures.

(j) Monitor compliance with government standards.

(k) Take an active role in reviewing, recommending and presenting local safety education and information programs and employee job-related safety training (e.g., hazard communication, lockout, confined space, new employee orientation, apprentice safety, etc.)

(l) Investigate worker concerns, accidents, injuries and near misses and meet with appropriate management for resolution and necessary follow-up.

(m) Meet quarterly with the Site Manager and Bargaining Unit Chairperson regarding the health and safety program.

4. The Company will establish a comprehensive ergonomics program. The program will include:

(a) On-going systematic analysis of injury and illness records (Workers' Compensation claims, OSHA recordables, medical visits, Sickness and Accident records.

(b) Utilization of early warning surveillance tools, such as symptom questionnaires.

(c) Job analysis to identify high risk jobs.

(d) Application of engineering controls to eliminate or reduce risk.

(e) Worker involvement in the identification of hazards and selection of control methods.

(f) Training for engineers, workers and supervision.

(g) Establishment of engineering design criteria.

(h) Active involvement of the medical department in the identification of problems, medical evaluation, treatment, rehabilitation, record keeping and job placement of restricted workers.

5. The parties recognize that knowledge of health and safety hazards, good communication and prompt corrective action are fundamental to the success of this program. Managers and union committeepersons will be trained in health and safety and problem solving methods. Training resources may be provided and/or recommended by the National Safety Working Group. Further, the Company will encourage employees to communi-

cate concerns to their management who have both the authority and responsibility to implement changes.

The Union Health and Safety Representative will notify Line Management and Health and Safety of discrepancies and hazards found. The Representative has authority to immediately recommend to both first Line Management and Health and Safety that operations be shutdown in the event of imminent danger to employees.

Employees will have the right to discuss health and safety issues with their Supervisor and may request the assistance of the Union Health and Safety Representative. If the issue cannot be resolved with the supervisor, the Representative will discuss the issue with Safety and Health Department and, if necessary, the Site Manager. Unresolved complaints or grievances concerning matters covered by this Article may be processed through Article V but shall not be subject to Arbitration. The Health and Safety Representative will participate in the grievance procedure when appropriate.

6. The Company will provide the Union with additional, appropriate Health and Safety information on request. The Company agrees to notify to the union members of the Plant Health and Safety Leadership Committee of incidents such as serious injuries, hazardous chemical spills and fires. This shall include, but not be limited to all OSHA 200 log recordable cases. In addition, on request, these International Union representatives will be permitted to visit Company plants in connection with specific health and safety problems.

7. In support of the Health and Safety activities at each location, and in order to facilitate achievement of the mutual objectives of providing world class safety and health programs for all employees, the parties agree to the formation of a National Safety Working Group. This Working Group will be comprised of four members, two from the Company and two from the Union. The parties will each designate a co-chairperson. The remaining members will be appointed by the respective co-chairpersons.

The role of the National Safety Working Group is to support and serve as a resource for the safety efforts at each location. The operating divisions may call upon the Working Group for advice, consultation, and to review safety training programs. The International Union will receive quarterly reports on injury and illness analysis, including the OSHA 200 log for all facilities

covered by this agreement.

The Working Group may convene at the discretion of the co-chairpersons. The Working Group will hold a meeting at least annually, to be attended by representatives from both the Company and the Union from each business unit. The meeting will include a review of safety and health performance metrics and sharing of ideas/issues pertinent to safety. This meeting may include invited representatives from the International Union. The Company will pay travel and meeting expenses for Safety Representatives and Alternates in connection with the annual meeting.

The Working Group may conduct site reviews to assess program status and site compliance efforts.

Additionally, each operating division site will form a local Safety Committee with at least equal representation from the UAW Bargaining Unit. These local Safety Committees will support divisional site safety programs and initiatives. The local Safety Committee may be called upon to review proposed safety training programs or initiatives.

The UAW representative or designee will serve as co-chair. The Bargaining Unit Chairperson will appoint UAW representation on the committee.

8. The Company will provide all employees:

(a) The right to refuse work which he/she reasonably believes involves a substantial probability that serious physical harm may occur. Upon receiving the employee's complaint, the Health and Safety staff and UAW Health and Safety Representative will investigate and recommend any needed improvements. In the interim, the concerned employee shall be assigned to other available work if required. The employee shall accept such temporary assignment at his/her normal rate of pay. When the work operation is determined by the Health and Safety staff and the Union Health and Safety Representative to be safe, the employee will return to the job. Continuing disputes may be processed through Article V of this Agreement, and/or OSHA.

(b) Prompt access to their medical and related exposure records.

(c) Proper Access to adequate medical and/or nurse services for all shifts, including emergency medical treatment and regular surveillance exams.

(d) Education and training sufficient to familiarize employees with the potential hazards associated with their jobs.

(e) Monthly meetings during which safety awareness and

training will be emphasized and documented. This safety meeting will be in addition to regularly scheduled safety, health and environmental training classes.

(f) Protection from harmful materials be reducing exposure to the lowest feasible level. American Conference of Governmental Industrial Hygienists (ACGIH) Threshold Limit Values (TLVs), National Institute of Occupational Safety and Health (NIOSH) Recommended Exposure Limits (RELs), and other recommendations will be used as guidelines.

(g) A variety of choices when selecting personal protective equipment.

(h) A commitment to implementing hazard control by elimination, substitution, or engineering controls, in lieu of personal protective devices, whenever possible.

9. The Company is committed to the implementation of a Sub-contractor Safety Program. The program includes pre-qualification, periodic site inspections and written statements confirming proper training and enforcement. Sub-contractors that repeatedly violate guidelines will be removed from plant property and ineligible to bid on future projects. In order to be considered for future projects, the sub-contractor will certify in writing that deficiencies have been corrected and will fully comply with all company requirements.

ARTICLE XIV

ILLNESS AND HEALTH

1. When the Company, after medical examination, places restrictions or conditions upon the physical activity in which an employee may engage while at work, it shall deliver a copy of the Company form specifying such conditions and restrictions to such employee.

2. Should the Company's authorized physician decide that an employee is not capable of performing his job because of his current medical condition and should a dispute arise between the Company's physician and the employee's personal physician, as indicated in writing, as to the former's diagnosis or prognosis and/or necessity for or extent of medical restriction(s), the Chairperson of the Bargaining Committee shall present the issue to the Director of Labor Relations, or his designated representative.

3. If the problem is not resolved by the Chairperson of the Bargaining Committee and the Director of Labor Relations, and the physicians do not reach agreement upon the diagnosis and appropriate restrictions through exchange of information and discussion, the parties will meet and when appropriate, have the employee be examined by a mutually agreed upon independent physician or clinic. Such meeting shall occur within ten (10) days of the date of the meeting provided in Section 2 above unless extended by mutual agreement.

4. Prior to the examination, the Company's physician and the employee's personal physician will be requested to provide such independent physician or clinic with applicable x-rays, laboratory test reports and reports of physical examinations, etc. The examination will be conducted in a timely manner whether or not such reports are provided. The parties will hold the findings of such physician or clinic as valid and controlling.

5. Should the parties have difficulty selecting a mutually agreed upon physician, the applicable county medical association shall be asked to suggest a list of five (5) physicians. If the parties cannot reach agreement on which of the five (5) physicians to select, each party may strike the names of two from the list, and the remaining candidate will be utilized.

6. If the diagnosis of the Company's physician, which is the basis of the medical restriction, is determined to be incorrect, the Chairperson of the Bargaining Committee and the Director of Labor Relations will meet to mutually agree upon what, if any, compensation for lost wages is due the employee. Should they fail to meet mutual agreement, a problem may be initiated under the provisions of Article V.

ARTICLE XV

MILITARY SERVICE

1. ACTIVE DUTY IN ARMED FORCES FOR TRAINING AND SERVICE

(a) Any employee, subject to the terms of this Agreement, who enlists in or is inducted or is called into active duty in the Armed Forces of the United States, under the provisions of applicable law, shall, upon the satisfactory completion of said period of active service, be restored by the Company to the position to which he is entitled in accordance with the provisions of applicable law and this Agreement, subject to the provisions of Section (b) and (c) below.

(b) The period in which such employee must make application to the Company for reinstatement, after satisfactory completion of service, shall be as provided in applicable law.

(c) The period of time which an employee may spend in the Armed Forces of the United States and retain his right to reinstatement shall not exceed that provided for in any applicable law entitling him to such reinstatement.

(d) Any employee subject to the terms of this Agreement who terminates his active employment with the Company to enter the Armed Forces of the United States to perform active duty for training and service shall be entitled to prorated vacation and sick leave allowance in accordance with the provisions of Article XVIII, Section 6.

(e) Any employee, subject to the terms of this Agreement, who has completed at least one year of continuous service since his most recent date of hire and who terminates his active employment with the Company to enter the Armed Forces of the United States to perform active duty for training and service shall be entitled to a sum equal to eighty (80) hours of pay at the straight-time rate he was receiving at the time he entered such active duty, provided he entered upon such active duty within sixty (60) days of leaving active employment with the Company.

2. TRAINING DUTY BY TRAINING DUTY RESERVISTS

(a) Employees in any of the reserve services of the United States Armed Forces ordered to perform training duty of short duration as Training Duty Reservists shall be granted leaves of absence for all the time necessary to fulfill their required duties and obligations to such reserve service.

(b) Employees in any of the reserve services of the United States Armed Forces who:

(1) Are required to perform temporary short-term active duty of ninety (90) days or less, including annual active duty for training as a member of the United States Armed Forces Reserve, National Guard, or for Training Duty Enlistment period under the Armed Forces Reserve Act;

(2) Prior to performing such active duty, have completed more than one year of continuous service since their most recent date of hire;

(3) Within sixty (60) days after completion of such service, present a properly executed certification, satisfactory to the Company, of such active duty service shall receive a payment of his straight time pay which would have otherwise been paid by the Company during the first ten (10) working days of such period, including holidays, or portion thereof of each Company fiscal year, that the employee is called to such duty, less military pay earned during the fourteen (14) calendar days starting with the first day of such service.

ARTICLE XVI

WAGES

1. (a) The job titles, job codes, and job rates incorporated in Exhibits D, E, F and G and the job descriptions and Glossary of Terms for all job classifications within the area units are made a part of this Agreement and shall not be changed during the life of this Agreement; provided, however that the Company may place into effect job descriptions and job rates for new or revised jobs in accordance with the provisions of Section 2 of this Article.

(b) The job rates for each classification referred to in Section 1(a) above will become effective June 19,1999 for all employees on the active payroll of the Company and in the bargaining unit on that date. Such rates include increases resulting from the change of labor grades of certain job classifications,

(c)(1) Effective June 19, 1999 a three percent (3%) general wage increase shall be applied to the individual hourly base rate of each bargaining unit employee on the active payroll and the labor grade minimums and maximums.

(2) Effective June 19, 1999 the current COLA float of $0.74 will be folded into the individual hourly base rate of each bargaining unit employee on the active payroll and to the labor grade minimums and maximum, after the 3% GWI is applied.

(3) Effective the last pay period of June 2001 a three percent (3%) general wage increase will be applied to the individual hourly base rate of each bargaining unit employee on the active payroll and the labor grade minimums and maximums

SOUTHERN CALIFORNIA

	Effective 6/19/99		Effective June 2001	
GRADE	MIN	MAX	MIN	MAX
18	$19.77	$23.33	$20.36	$24.03
17	19.48	23.08	20.06	23.77
16	19.07	22.63	19.64	23.31
15	18.81	22.36	19.37	23.03
14	18.41	21.91	18.96	22.57
13	18.27	21.77	18.82	22.42
12	18.16	21.66	18.70	22.31
11	17.53	21.25	18.06	21.89
10	17.25	21.08	17.77	21.71
9	16.94	20.88	17.45	21.51
8	16.51	20.68	17.01	21.30
7	12.68	20.05	13.06	20.65
6	11.01	19.94	11.34	20.54
5	10.64	19.78	10.96	20.37
4	10.22	19.67	10.53	20.26
3	9.79	19.57	10.08	20.16
2	9.31	19.49	9.59	20.07
1	8.84	19.38	9.11	19.96
*S1	9.06	15.16	9.33	15.61
**S2	8.08	14.00	8.08	14.00

*All incumbents of JC 5264 as of 6/22/99 will receive the 3% GWI and the COLA fold-in of $0.74

**Anyone entering JC 5265 L.G. S2 on or after 6/22/99 as a New Hire or Preferential Reinstatement will receive a base rate of no more than $14.00 during the 1999-2003 Master Agreement.

MP&TD

	Effective 6/19/99		Effective June 2001	
GRADE	**MIN**	**MAX**	**MIN**	**MAX**
2-1	$20.06	$25.02	$20.66	$25.77
4-3	14.69	22.43	15.13	23.10

TULSA

	Effective 6/19/99		Effective June 2001	
GRADE	**MIN**	**MAX**	**MIN**	**MAX**
18	$19.77	$23.33	$20.36	$24.03
17	19.48	23.08	20.06	23.77
16	19.07	22.63	19.64	23.31
15	18.81	22.36	19.37	23.03
14	18.41	21.91	18.96	22.57
13	18.27	21.77	18.82	22.42
12	18.16	21.66	18.70	22.31
11	17.53	21.25	18.06	21.89
10	17.25	21.08	17.77	21.71
9	16.94	20.88	17.45	21.51
8	16.51	20.68	17.01	21.30
7	12.68	20.05	13.06	20.65
6	11.01	19.94	11.34	20.54
5	10.64	19.78	10.96	20.37
4	10.22	19.67	10.53	20.26
3	9.79	19.57	10.08	20.16
2	9.31	19.49	9.59	20.07
1	8.84	19.38	9.11	19.96

TULSA NEW HIRE CLASSIFICATIONS

JOB CODE	Effective 6/19/99 MIN	Effective 6/19/99 MAX	Effective June 2001 MIN	Effective June 2001 MAX
702A	$11.13	$23.08	$11.46	$23.77
707A	11.13	23.08	11.46	23.77
4513	10.54	21.25	10.86	21.89
9113	10.54	21.25	10.86	21.89
721A	10.01	21.25	10.31	21.89
7773	10.01	21.25	10.31	21.89
719A	9.47	21.25	9.75	21.89

McALESTER

GRADE	Effective 6/19/99 MIN	Effective 6/19/99 MAX	Effective June 2001 MIN	Effective June 2001 MAX
17	$18.75	$22.52	$19.31	$23.20
16	18.45	22.22	19.00	22.89
15	18.18	21.95	18.73	22.61
14	17.84	21.59	18.38	22.24
13	17.70	21.42	18.23	22.06
12	17.61	21.34	18.14	21.98
11	17.02	20.94	17.53	21.57
10	16.84	20.75	17.35	21.37
9	16.64	20.57	17.14	21.19
8	16.21	20.36	16.70	20.97
7	12.40	19.77	12.77	20.36
6	10.69	19.62	11.01	20.21
5	10.29	19.43	10.60	20.01
3	9.47	19.25	9.75	19.83
2	8.98	19.17	9.25	19.75

McALESTER NEW HIRE CLASSIFICATIONS

JOB CODE	Effective 6/19/99 MIN	Effective 6/19/99 MAX	Effective June 2001 MIN	Effective June 2001 MAX
5400	$10.60	$21.34	$10.92	$21.98
6180	9.50	20.75	9.79	21.37
6160	8.96	20.75	9.23	21.37

(d) Annual Wage Supplements

(1) Definitions:

(i) *Bargaining Unit Compensation*

When used in this Agreement in connection with Annual Wage Supplements, Bargaining Unit Compensation shall be defined as Wages and all other remuneration received while in the bargaining unit, excluding payments under patent contracts, employee suggestion programs, tuition refund payments, travel and/or relocation allowances, grievance payments representing loss of earnings in years prior to the applicable base year, Annual Wage Supplements paid under this paragraph and holiday pay (straight time only).

(ii) *Base Years*

First Base Year-June 19, 1999 to the beginning of the last pay period in June 2000.

Second Base Year-The beginning of the last pay period in June 2001 to the beginning of the last pay period in June 2002.

(2) *Eligibility*

(i) First Base Year

For the first Base Year, any employee who earned bargaining unit compensation during the base year is eligible to receive the Annual Wage Supplement described in paragraph (3) below provided that on the beginning of the last pay period of June 2000 such employee is in the bargaining unit and either (a) on the active payroll or approved leave of absence or (b) terminated during the first Base Year by reason of retirement under the Company Retirement Plan, layoff, military service, or death

(ii) Second Base Year

For the second Base Year, any employee who earned bargaining unit compensation during the second Base

Year is eligible to receive the Annual Wage Supplement described in paragraph (4) below provided that on the beginning of the last pay period in June 2002 such employee is in the bargaining unit and either (a) on the active payroll or approved leave of absence or (b) terminated during the second Base Year by reason of retirement under the Company Retirement Plan, layoff, military service, or death.

(3) Payment of Annual Wage Supplement

On or about August 15, 2000, each eligible employee will be entitled to receive a payment equal to five percent (5%) of his bargaining unit compensation for the first Base Year.

(4) On or about August 15, 2002, each eligible employee will be entitled to receive a payment equal to three percent (3%) of his bargaining unit compensation for the second Base Year.

2. (a) When work operations involving new or substantially changed requirements are established after the effective date of this Agreement and such requirements are not adequately or specifically described in an existing job description, the Company may prepare and develop such new classification, job description, rates of pay and family group placement, place them into effect and notify the Chairperson of the Bargaining Committee of the affected Division(s), the Local Unions, Regional Offices and the National Aerospace Department.

(b) If thirty (30) days after receipt of such notification of the establishment of the job classification, job description, family group placement and rates of pay, the National Aerospace Department has not requested negotiations on the rates of pay or the family group placement, they will become permanent.

(c) If, however, the National Aerospace Department requests that the rates of pay or the family group placement of the new job classification be subject to negotiations, such rates or family group placement will remain in effect but designated as temporary until agreement is reached between the parties. Such negotiations should begin without undue delay at a mutually agreed upon date. While negotiating on the rates of pay or family group placement, the parties may discuss the job descriptions and changes may be made by mutual agreement. If the rates of pay for the job are changed as a result of negotiations, such change will be retroactive to the date of installation by the Company.

(d) In the event that the parties are unable to reach agree-

ment on the rates of pay or family group placement, such dispute may be submitted to Arbitration in accordance with the provisions of Section 2(e) below. However, the job descriptions shall not be subject to Arbitration.

(e) The authority of the Arbitrator shall be limited to a determination of into which of the existing labor grades or family groups the new or revised classification shall be placed. The matter shall be submitted to the Arbitrator by the Union in accordance with the procedures of Article VI, Section 3, within twenty-one (21) days after the Union has notified the Company that the negotiations specified in Section 2(c) above have not successfully resolved the matter.

(f) If the Arbitrator designates rates of pay other than those designated by the Company, such change shall be consistent with existing wage schedules and may be retroactive to the date of installation by the Company.

(g) In the event the Union contends the Company has violated the Agreement (1) on the ground that a new or revised job, established by the Company pursuant to Section 2(a) above, is not necessary because the job requirements are adequately or specifically described in an existing job description or (2) on the ground that new or substantially changed requirements are not adequately or specifically described in an existing job description and the Company has failed to prepare a new or revised job description, the Wage/Seniority Coordinator (Bargaining Chairperson at McAlester) within thirty (30) days of receipt of notification of the establishment of the new job classification, in the case of subsection 2(g)(1) above, or within thirty (30) days after requesting the Company in writing to establish a new or revised job classification, in the case of this subsection 2(g)(2) may raise the problem in accordance with the provisions of Article V, Section 10. The Chairperson of the Bargaining Committee may submit a grievance to the Director of Labor Relations (Personnel Manager at McAlester) of the division involved within the time and in the manner provided in Article V. The grievance shall, at the same time, be referred to the National Aerospace Department of the Union by the Chairperson of the Bargaining Committee and to the Corporate Director, Labor Relations, by the Director of Labor Relations.

(h) Within thirty (30) days from the date of receipt of such grievance by the Director of Labor Relations, unless extended in writing by mutual agreement, the Wage Committee (except at McAlester where the Personnel Manager meets with the Bargaining Chairperson), provided in Section 6 hereof, shall meet

and attempt to resolve the grievance. If no agreement is reached, the Union may appeal the grievance to Arbitration, in accordance with the procedures of Article V, Section 16, within twenty-one (21) days after such meeting of the Wage Committee.

3. (a) Where work assignments involving new operations are not adequately or specifically described in an existing job description and until the Company has established a new job description in accordance with Section 2(a) hereof, such work assignments shall be appraised and accordingly classified as belonging to the most appropriate existing job description, or in the event there is no appropriate existing job description, the Company may install a new job title and rate range, by giving due consideration to the nature of the work as well as the level of difficulty. The Company shall establish a new job description for such new work operations within four (4) months unless such period is extended by mutual agreement of the parties.

(b) The Company shall notify the Chairperson of the Bargaining Committee of the originating division, the Local Union and the National Aerospace Department of the departments in which the new operations, referred to in Section 3(a) above, are being performed and the names and the classifications of the personnel assigned. The four- (4) month period in Section 3(a) above shall commence as of the date of such notification.

(c) In the event additional employees are assigned to the work operations referred to in Section 3(a) above, subsequent to the original staffing by the Company, such openings will be filled in accordance with the provisions of Article XI, Section 8.

4. (a) The Company and the Union agree that all employees shall be properly classified in accordance with the work they are actually performing and the job descriptions. Upon his request, the employee may review the job description for his classification.

All reasonable and practical steps will be taken to provide supervision with job descriptions, to the extent necessary to fulfill this provision, so that such employee requests will not be unnecessarily delayed.

(b) Any change in an employee's classification will be effective not later than the first day of the second pay period following the date the employee signs the change of status notice when such signature is required.

5. Job descriptions are used for the purpose of distinguishing one job classification from another, as clearly and definitively as possible, in order that employees may be properly classified in accordance with the provisions of Sections 4 and 8 hereof. Therefore, to give effect to this, job descriptions will be applied in accordance with the following:

(a) Inasmuch as job descriptions can only be definitive and illustrative of the job requirements as established, the job description shall be interpreted and applied in its entirety as a composite picture of the job requirements. An employee shall not be required to perform all of the work operations described in a job description in order to be eligible for classification there under. An employee shall not be eligible for classification under a job description by reason of performing isolated or singular duties that are incidental to his job but which are described in another job description.

(b) An employee must regularly and consistently perform work operations which are an integral part of and representative of his normal assignments and the requirements of the classification as the latter are determined in accordance with Section 2 and other subsections herein.

(c) An employee normally performs some of the work of higher rated jobs and some of the work of lower rated jobs when required. The normal duties of an employee may include some of the work of related jobs in the same labor grade when required. The normal duties of an employee may include assistance to others.

(d) An employee is required to perform the work operations and duties described in or appraised as being covered by a job description under that degree or amount of guidance or instruction which is considered usual and normal in order to qualify for classification thereunder.

(e) When a work operation or function is described in the same manner in more than one grade of an occupation or in different occupations, such work operation or function shall be considered and classified after a manner defined in paragraphs (a) and (f) and supplemented by other paragraphs of this Section 5. Such work operations and functions, when described in the same manner in more than one grade of an occupation or more than one occupation, are not distinguishing elements or determinants of level of difficulty as between those grades of the occupation or those different occupations but are only stated for descriptive purposes or because they are such an integral and necessary part of the job that their omission would be undesir-

able from the standpoint of completeness.

(f) Job classification titles are assigned for identification purposes only. Occupational summaries in a job description are included solely for the purpose of distinguishing one occupation from another, and neither the job title nor occupational summary shall be considered a basis for classification or application of the job description.

(g) A job description shall not be construed so as to restrict in any manner the rights of the Company to assign work to employees or to grant or concede an employee or group of employees any right to refuse to perform assigned work for the reason that such work is not described specifically in the job description of his job classification or is described in another job description. Further, whenever a job description defines the operation to be performed or the machine to be operated in the singular number, the use of the singular number shall not be interpreted as limiting or restricting the description to call for the performance of a single operation or the operation of a single machine, nor shall the use of the singular number be construed to affirm that the rates of pay are based upon the performance of a single operation or the operation of a single machine.

6. (a) The parties, recognizing the desirability of clear, explicit and accurate job descriptions and their proper application, the necessity for and the mutual benefits resulting from proper classification of employees into new, revised or existing job classifications and the necessity for proper resolution of related disagreements, hereby agree to establish a committee of three (3) members representing each party who shall meet on a quarterly basis, unless extended by mutual agreement, and whose functions shall be:

(1) To review the adequacy and applicability of job descriptions;

(2) To resolve disputes arising under Article XVI, Section 7(b);

(3) To review the parties application of the decision of the National Labor Relations Board Case No. 21-UC-10 and resolve problems resulting therefrom; and

(4) To negotiate new or revised job classifications established in accordance with the provisions of Article XVI, Section 2(a).

(b) If the representatives of the parties referred to in Section 6(a) above are not able to reach mutual agreement with respect to any disagreement or dispute arising under Section

6(a)(1), (2) or (3) above, either may appeal any unresolved issue or issues to the Vice President-Human Resources, for the Company and the Director of the Aerospace Department, for the Union, by notifying them in writing of the unresolved issue or issues appealed within thirty (30) days after the most recent meeting between such representatives.

7. (a) It shall be the sole and exclusive right of the Company to make all work assignments subject to any prohibitions contained in the provisions of this Agreement.

(b) Statement of Intent:

(1) The Company recognizes the Union as the exclusive bargaining representative of those production and maintenance employees referred to in Article I hereof. The Company further recognizes that one of the Union's legitimate functions is to safeguard through the processes of collective bargaining and by other legal means, maximum work opportunities for employees it represents.

(2) The Company agrees that it will not be its policy to assign production or maintenance work operations of a type or scope heretofore normally performed by employees represented by the Union to un-represented employees or to discontinue assignment of such work operations to employees represented by the Union solely because of improved technology or new methods of performing such work operations except

(i) By mutual agreement; or

(ii) Where the nature or type of such new work operations is such that its performance by other employees is directly related to their primary duties and only incidental or collateral to such duties or is more characteristic of such primary duties than it is of duties determinative of their classification normally performed by employees represented by the Union.

(3) The Union recognizes that, in the highly competitive industries in which the Company competes, it is necessary for the Company to design, develop and improve products, prospective products and production methods and processes as a prerequisite to successfully acquiring contracts or orders which provide work opportunities for production and maintenance employees. The Union further recognizes the necessity for having such work operations performed by professional or other excluded employees with the maximum flexibility of operation and freedom from limitations. The Union agrees that it will be its policy to cooperate fully with the Company in the latter's efforts in this respect and to explain this Statement of Intent to

the employees it represents.

(4) Any questions or disputes concerning the substance, application or alleged departure from this Statement of Intent shall be handled by the normal grievance procedure through all the steps prior to arbitration.

(5) If the dispute remains unresolved, it may be appealed to the Director of the National Aerospace Department for the Union and to the Vice President, Human Resources for the Company. Those individuals will meet as soon as schedules permit to attempt to resolve the issues. If they do not resolve the dispute, it may be appealed to mediation. At their meeting, the Union Director of the National Aerospace Department and the Company Vice President, Human Resources will define the question or questions to be mediated. If the issue is not resolved by mediation, the mediator will provide an advisory opinion. Unresolved disputes involving clerical employees only, may be appealed to Arbitration without objection on the part of the Company. Additionally, on or after June 11, 1978, disputes which arise that allege that during the thirty (30) days prior to the date of filing, the Company did in fact discontinue assignment of specific work operations of a type or scope regularly performed by production and maintenance employees represented by the Union and concurrently reassigned the work operations to un represented Company employees, may be appealed to Arbitration without objection on the part of the Company. The Arbitrator will be limited in his authority to fact-finding as to whether or not this aforementioned reassignment did occur and/or was in violation of the spirit and intent of Section 7(b)(2)(ii) of this Article. If the Arbitrator finds that violation did occur, the Vice President, Human Resources and the Director of the National Aerospace Department, shall agree on an appropriate remedy.

8. The parties agree that incumbent employees in those classifications which are eliminated, revised or are no longer appropriate because of the establishment of a new or revised classification as a result of this Agreement or in accordance with Section 2, will be reclassified in accordance with the provisions of Section 5 and this section.

(a) All such employees will be reclassified to such new or revised job classifications within fifteen (15) days of the date of establishment of such job classification. Such reclassification shall be made by the Company on the basis of a job-to-job conversion or on the basis of an individual job audit conducted by

representatives of the Company and the Union of the work actually performed and the job descriptions.

(b) When a revised job classification is established which does not involve new operations, employees in a lower labor grade who have performed related work operations shall be reclassified to such job classification in accordance with the provisions of Article XI, Section 8.

(c) When a new job classification is established involving new operations, employees who have been normally performing the new operations during the thirty (30) day period, or a period mutually agreed to by the parties, prior to the date of the establishment of the new job classification shall be reclassified to such job classification.

(d) Employees who are reclassified to another classification within the rate range thereof in accordance with Section 4(a) of this Article will be placed in the rate range of their new classification at the same point in cents per hour from the maximum as they would have held in their former classification on the effective date of reclassification. Progress to the maximum of the rate range in these instances will be in accordance with the provisions of Section 9(c) of this Article except that progression schedules shall not be interrupted in such cases of reclassification to job classifications within the same labor grade.

(e) No employee reclassified as a result of the provisions of this Section 8 shall thereby suffer a reduction in individual base rate, and such employees whose individual base rate is above the maximum of the rate range for the new or revised job classification shall receive applicable cost-of-living allowances, annual wage supplements and general wage increases.

(f) An employee who has been placed in an over-rate range position due to a change in the rate range of his classification, or the installation of a new or revised classification, will retain such over-rate position as long as he holds his classification without interruption.

(g) An employee who is subsequently promoted or is removed from his classification by the application of seniority and then is returned to his former classification, will regain his over-rate range position provided other employees in his classification and in the division enjoy such over-rate position.

(h) An employee in an over-rate position who is demoted from his classification for cause and subsequently is returned to his classification, will not be restored to his over-rate position.

(i) An employee who returns to a former classification from which he was promoted will be placed in the over-rate

position he would have held had he remained in his classification provided other employees in that classification and in the division enjoy such over-rate position.

9. (a) An employee reclassified to a higher rated job classification, other than in accordance with the provisions of Article XVI, Section 8, shall receive an increase in the amount necessary to attain the minimum of the new rate range or at least thirty cents (30¢) per hour, whichever is greater. However, in no event shall any such increase result in an employee being placed at a rate in excess of the maximum of the rate range.

(b) An employee who is on layoff or at work on downgrade and who is recalled or as a result of a job bid, receives a transfer to a classification in the same or lower labor grade as the highest classification to which he has recall rights, will be placed at the maximum of the rate range of such classification or at the rate established by the relative position he held in his highest classification, whichever is lower.

(c) Employees shall be hired or transferred into a job classification at a rate within the rate range for the job classification. Every employee who is retained by the Company for a period of twenty-six (26) full weeks in a particular job classification at a rate under the maximum and who meets the knowledge and skill requirement mutually established by the Company and the Union shall have his wages increased in accordance with the following: Employees in Labor Grades 1 through 7 will have their wages increased at the rate of thirty cents ($0.30) per hour at the end of each successive twenty-six (26) full weeks of employment in that job classification until paid the maximum of the rate range. Employees in Labor Grades 8 through 11 will have their wages increased at the rate of forty cents ($0.40) per hour at the end of each successive twenty-six (26) full weeks in that job classification until reaching the maximum of the rate range. Employees in Labor Grades 12 and higher and grades 4 through 1 in the MP&TD unit will have their wages increased at the rate of fifty cents ($0.50) per hour at the end of each successive twenty-six (26) full weeks in that job classification until reaching the maximum of the rate range. However, in those cases where an employee is receiving fifty-five cents (55¢) an hour, or less than the maximum of the rate range for his job classification, his last twenty-six (26) week automatic progression increase will be to the maximum of the appropriate rate range. Time spent on leave of absence in excess of twenty-one (21) days in job classifications in labor grades eleven

(11) through eighteen (18) and fourteen (14) days by all other employees shall be excluded in computing the twenty-six (26) full week period of employment. The 26-week automatic progression cycle will not be interrupted when an employee is placed on open transfer and reclassified to an equal or lower labor grade as a result of a workforce reduction and the exercising of the employee's seniority to remain at work. Nothing in this Agreement shall be construed to prevent the Company from advancing employees within their rate ranges more rapidly on the basis of merit or improvement in workmanship.

When an employee, who is on open transfer as above, is being reclassified to a classification having a lower rate range maximum, and the employee's rate is below the maximum of the new lower classification, the employee will be reclassified with no reduction in rate and automatic progression will not be interrupted. However, if such across-the-board rate placement is within fifteen cents (15 cents) or less from the maximum, the employee will be given such fifteen cents (15 cents) or lesser amount to the maximum of the rate range upon reclassification to the new lower classification.

An employee who is placed on layoff or downgrade, due to being placed on open transfer associated with a reduction of workforce, will retain the number of weeks accumulated toward such employee's next automatic progression increase and, upon being recalled from that downgrade or layoff to the same classification held immediately prior to that downgrade or layoff, will be credited with such retained weeks toward the next twenty-six (26) week automatic progression.

(d) Employees in newly combined classifications and who are at the maximum of their hourly base rate immediately prior to the effective date of this agreement will begin automatic progression effective July 31, 1999.

(e) Employees in classifications which are subject to wage inequity adjustments and who are at the maximum of the hourly base rate immediately prior to the effective date of this agreement will begin automatic progression effective June 26, 1999.

10. (a) The rate for leads (except at McAlester) shall be fifty cents (50¢) per hour above the maximum rate of the highest occupation (as identified by job codes series) led.

(b) E.I. Team Leaders will be paid at a rate of fifty cents

(50¢) per hour bonus above the maximum of the rate of the highest classification held by full-time members of their team. Planners and Tool Designers will not be considered as members of Production and Maintenance teams for the purpose of determining the Team Leader's rate of pay. Employees who lose the E.I. Team Leader status will be returned to the same relative position in the rate range of their classification at the time of their election, plus allowances for missed automatic progression steps.

11. The wages of each employee shall be subject to adjustment and readjustment in accordance with changes in the Cost-of-Living Allowance as defined and set forth in this section.

(a) The Cost-of-Living Allowance will be based upon the Revised Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), All Items, (1967=100) published by the Bureau of Labor Statistics, US Department of Labor and hereafter referred to as the BLS Consumer Price Index.

(b) Effective the second pay period of October 1999,, the amount of Cost-of-Living adjustment shall be computed as follows: one cent (1¢) per hour for each 0.3 point increase or decrease in the average of the BLS Consumer Price Index for June, July and August, 1999 over or under the average of the BLS Consumer Price Index for March, April and May, 1999.

(c) Additional adjustments, if any, in the Cost-of-Living Allowance shall be made quarterly through April, 2003, in accordance with the following schedule, except as modified in this section 11:

Effective the second pay period of	Based on Average of Consumer Price Index for
October, 1999	June, July, Aug. 1999
January 2000	Sept., Oct., Nov., 1999
April 2000	Dec., 1999, Jan., Feb., 2000
July 2000	Mar., Apr., May, 2000
October 2000	June, July, Aug., 2000
January 2001	Sept., Oct., Nov., 2000
April 2001	Dec., 2000, Jan., Feb., 2001
July 2001	Mar., Apr., May, 2001
October 2001	June, July, Aug., 2001

January 2002	Sept., Oct., Nov., 2001
April 2002	Dec., 2001, Jan., Feb., 2002
July 2002	Mar., Apr., May, 2002
October 2002	June, July, Aug., 2002
January 2003	Sept., Oct., Nov., 2002
April 2003	Dec., 2002, Jan., Feb., 2003

(d) The amount of the Cost-of-Living Allowance, which shall be in effect for any quarterly period as provided in the foregoing Sections 11(b), and (c) shall be in accordance with the following table:

BLS Consumer Price Index Three-Month Average	Cost-of-Living Adjustment
483.5 or less	NONE
483.6 – 483.8	1¢ per hour
483.9 – 484.1	2¢ per hour
484.2 – 484.4	3¢ per hour
484.5 – 484.7	4¢ per hour
484.8 – 485.0	5¢ per hour
485.1 – 485.3	6¢ per hour
485.4 – 485.6	7¢ per hour
485.7 – 485.9	8¢ per hour
486.0 – 486.2	9¢ per hour
486.3 – 486.5	10¢ per hour
486.6 – 486.8	11¢ per hour
486.9 – 487.1	12¢ per hour
487.2 – 487.4	13¢ per hour
487.5 – 487.7	14¢ per hour
487.8 – 488.0	15¢ per hour

and so forth, with one cent (1¢) adjustment for each 0.3 point change in the average Index for the appropriate three (3) months as indicated in Section 11(c) above.

(e) Any employee hired on or after July 7, 1984 shall not receive any COLA until the Saturday following completion of

twelve (12) full months of employment after entry into the bargaining unit represented by the Union at which time such employee shall commence receiving the full amount of COLA float in effect at that time. Twelve (12) full months shall mean twelve (12) calendar months or fifty-two (52) weeks on the active Bargaining Unit payroll subsequent to date of most recent hire. Time spent on formal leaves of absence or temporary layoff, under the provisions of Article XI, Section 3, during that twelve-(12) month period shall not postpone or delay receipt of COLA by the employee(s). Such employee will also then be eligible to receive any future quarterly Cost-of-Living Adjustments effective after that date in accordance with this article.

(f) The amount of any Cost-of-Living Allowance in effect at the time shall be included in computing overtime pay, vacation and sick leave pay, bereavement pay, holiday pay, call-in pay and jury duty pay.

(g) In the event the Bureau of Labor Statistics does not issue the appropriate Consumer Price Indexes on or before the effective date of the adjustments set forth in Section 11(b) or (c) above, any adjustment in the Cost-of-Living Allowance required by such appropriate Indexes shall be effective at the beginning of the first pay period after receipt of the Indexes.

(h) No adjustments, retroactive or otherwise, shall be made due to any revision, which may later be made in the published figures for the BLS Consumer Price Index for any base month.

(i) The parties to this Agreement agree that the continuance of the Cost-of-Living Allowance is dependent upon the availability of the official monthly BLS Consumer Price Index in its (CPI-W) form as of April, 1990, and calculated on the same basis as the Index for December, 1989 and January and February, 1990. The parties further recognize that the BLS index as defined in section 11(a) has its housing component based on home ownership, and that, effective July, 1985, this index will be published only with a housing component based on "rental equivalency."

12. (a) The Company will furnish on a monthly basis to the Union, for each area unit separately as of the week ending closest to the fifteenth (15th) of each month, the following information:

(1) Number of employees
(2) Average weekly hours
(3) Average weekly earnings
(4) Average hourly gross earnings

(5) Average hourly straight-time earnings

(b) The Company will furnish annually to the Union, for each area unit separately, as of the week ending closest to the fifteenth (15th) of July, the following information:

(1) Number of employees in each classification and weighted average of each classification

(2) Population and weighted average by labor grade

(3) Population of leads by labor grade

(4) Weighted average base rate

13. An employee downgraded pursuant to the provisions of Article XI, Section 4 will have his rate of pay reduced to the maximum of his new rate range or by ten cents (10¢) per hour whichever is less. This rate, if it is higher than the maximum rate of his new classification will continue in effect, provided the employee remains at work in the classification to which he was downgraded, for four (4) weeks following the effective date of the downgrade at which time the rate will be reduced to the maximum rate of his classification. Subsequent downgrades pursuant to Article XI, Section 4 will establish a new four-(4) week period of rate retention pursuant to this section.

ARTICLE XVII

HOURS AND SPECIAL PAY PROVISIONS

1. NORMAL SHIFT HOURS

(a) The normal workday for the 1st and 2nd shifts shall be eight (8) hours and the normal work week shall be forty (40) hours and shall be scheduled from Monday through Friday.

(b) The regular starting times of the three shifts will be as follows:

1st shift	7:00 a.m. through 8:00 a.m.
2nd shift	3:00 p.m. through 4:00 p.m. (Edwards Field Laboratory area unit) 3:24 p.m. through 4:30 p.m. (Santa Susana Field Laboratory area unit) 3:30 p.m. through 4:30 p.m. (all other divisions)

3rd shift 11:42 p.m. through 12:42 a.m.
(Santa Susana Field Laboratory area unit)
12:00 midnight through 1:00 a.m.
all other divisions)

The Company may make changes in the starting times of shifts within the limits specified above provided that the Union is notified of such change one week in advance. Changes outside of the time above may be made only by mutual agreement between the Company and the Union.

2. SPECIAL HOURS AND EXTRA WORK

(a) Extra work in periods of overtime operations shall be equalized among the employees in the group engaged in similar work as far as practical. In accordance with the foregoing, supervision will establish and may reestablish overtime groups in the manner they deem appropriate to the work operation. When established or reestablished, the composition of the group will be reduced to writing; the employees involved and the appropriate Union representative will be notified. Supervision will, upon request, discuss the reason for the establishment of such overtime group with the appropriate Union representative.

(b) Employees required to work special hours or special shifts shall, whenever possible, be given twenty-four (24) hours notice in advance of the special or overtime work. In the event an employee has a justifiable reason for refusing assignment of such special or overtime hours he shall make his refusal and the reason known to his Supervisor at the time the Supervisor schedules the work and, in such instances, will not be disciplined. If an employee is not given such twenty-four (24) hour notice, when it was possible for the Company to do so, the working of such overtime shall be voluntary.

(c) The employee overtime record for each overtime group will be openly displayed in the department (in the area rather than in the department at Edwards and Santa Susana Field Laboratories) in such a manner that the employees involved may check their standing.

(d) Overtime hours will be entered on the employee's overtime record on the basis of paid hours; overtime hours charged, but not worked, will be entered on the same basis as if worked; an hour worked at time and one-half will be recorded as one and one-half (1-1/2) hours and an hour worked at double time will be recorded as two (2) hours. Instructions regarding the

maintenance and administration of the overtime record (Form 130-J-10) have been agreed to by the parties and is attached hereto as Exhibit O. The provisions of such instructions shall be applicable to employees represented by the Union for the term of this Agreement and in accordance with the provisions thereof.

(e) Overtime averaging for groups and shifts will be accomplished in the following manner:

(1) When there is more than one overtime group on the same shift and department and classification(s), the average overtime hours of each such group shall be established and an average of the averages of all such overtime groups will be established. Such average will be used as the average written overtime hours for each of the overtime groups involved in establishing such an average.

(2) Average overtime hours established for each comparable group (or groups) on each shift of a department will be recorded for each employee on the appropriate Form 130-J-10.

(3) When there is no comparable overtime group on a shift in a department, the average hours established for that shift will be the highest average of the other shifts on the effective date of this procedure.

(f) When it becomes necessary to augment an overtime group with employees outside the group (except for McAlester), the following procedure will govern the selection of such employees:

First—Employees from another overtime group in the same department, classification and shift and who are among those low on overtime within their own group, will be asked to work.

Second—In the event there are no employees available in the same classification and shift in the department in which the need arises, the selection shall be from some other department within the same classification and shift and shall be from among employees who are low on overtime within the group from which the employees are selected.

Third—In the event there are no employees available as described above, the selection shall be made from other classifications within the originating department on the same shift and shall be from among employees who are low on overtime within the group from which the employees are selected.

Fourth—In the event the above outlined sources are exhausted, the Company shall select from among other available employees.

In all cases, the selection will be predicated on the em-

ployee's ability to perform the work. Departmental moves, which are the responsibility of the maintenance departments, often require additional employees. Groups moving bargaining unit departments may be supplemented by bargaining unit employees in the department or departments being moved and the selection shall be from among employees who are low on overtime. The movement of non-bargaining unit departments may be supplemented from other bargaining unit employees who are low on overtime.

(g) In those instances when it becomes necessary for employees to be assigned overtime during any of the negotiated holidays or the weekends occurring in conjunction with such Monday or Friday holidays, supervision will solicit volunteers with the ability to perform the work from the overtime group, classification, and shift involved. Lacking a sufficient number of volunteers to meet the overtime requirements, supervision will assign overtime in accordance with the provisions of Article XVII, Section 2, drawing from the overtime group involved. Still lacking sufficient employees, additionally required overtime will be assigned under provisions of Section 2(f) of Article XVII.

(h) It is understood by the parties that assigning overtime work as stated above does not constitute a violation regarding equalizing overtime as provided in Article XVII, 2(a).

(i) The scheduling of overtime for holidays and connected weekends by the use of volunteers will not apply to seven (7) day operations and/or rotating shifts.

(j) McAlester

(1) When it becomes necessary to augment an overtime group with employees outside the group, the following procedure will govern the selection of such employees:

First—Employees from another overtime group in the same department and classification and who are among those low on overtime within their own group, will be asked to work.

Second—In the event that the above source is exhausted, the Company shall select from among other available employees who are among those low in overtime in selected classifications.

In all cases, the selection will be predicated on the employee's ability to perform the work.

Departmental moves, which are the responsibility of the maintenance department may require additional employees. Groups moving bargaining unit departments may be supplemented by bargaining unit employees in the department or de-

partments being moved and the selection shall be from among employees who are low on overtime. The movement of nonbargaining unit departments may be supplemented from other bargaining unit employees who are low on overtime.

3. SHIFT DIFFERENTIAL

(a) Employees who work the second shift shall be paid fifty cents (50¢) per hour bonus.

(b) Employees who work the third shift shall be paid fourteen cents (14¢) per hour bonus.

(c) Employees working six and one-half (6-1/2) hours on the third shift will receive eight (8) hours of pay. Overtime compensation of third shift employees regularly assigned to six and one-half (6 1/2) hour shifts shall be computed in accordance with the following formula:

$$\frac{1\ 1/2 \times 8 \text{ (hourly base rate + cost-of-living allowance + 14¢)}}{6\ 1/2}$$

(d) The overtime compensation of third shift employees regularly assigned to eight (8) hour shifts shall be computed in accordance with the following formula:

$$\frac{1\ 1/2 \times \text{earned rate}}{8}$$

The earned rate is computed as follows:

8 (hourly base rate + cost-of-living allowance + 14¢) + (1 -1/2 X hourly base rate)

4. PREMIUM PAY

(a) Time and one-half will be paid for time worked over forty (40) straight-time hours per week.

(b) Time and one-half will be paid for time worked over eight (8) straight-time hours per day.

(c) Time and one-half will be paid for work on shifts starting on Saturday.

(d) Double time will be paid only for work on shifts starting on Sundays (except as provided in Section 4(f) below), double time plus eight (8) hours of holiday pay will be paid for work on shifts starting on the holidays specified in Section 7(a) of this Article.

(e) Should the holiday occur on Sunday, pay for work on that day shall not be more than double time.

(f) Hourly rated employees working on operations which are normally classified as seven (7) day operations will not be paid overtime for Saturday or Sunday work when the Saturday or Sunday is a working day of their scheduled week, unless such hours exceed eight (8) hours per day or shift or forty (40) straight-time hours per week. Such employees are to receive time and one-half for hours worked on shifts starting on their first regular day off and double time for hours worked on shifts starting on their second regular day off or on any of the designated holidays other than Sunday. The Company will continue its present practice with respect to the assignment of a minimum of employees to such shifts, except when additional employees are required as a result of changed circumstances, applicable laws or regulations (Federal, State or Local), insurance requirements or requests from the Department of Defense or any of its agencies.

(g) In calculating premium pay pursuant to this Section 4:

(1) A workday is a calendar day and a workweek is a seven (7) day period beginning with Friday;

(2) An employee beginning a shift on one day and working consecutive hours into the next day will be paid at the same rate as if all such consecutive hours worked were worked on the day such shift began; except that a first or third shift employee at work at midnight on a Friday, Saturday or the day before a holiday will be paid at the appropriate overtime rate for the workday in which he is actually working, beginning at midnight; and a second shift employee at work at midnight on a Friday, Saturday or the day before a holiday will be paid at the rate he was earning prior to midnight until the end of his normal work shift, after which time he will be paid at the appropriate overtime rate for the workday in which he is actually working, beginning with the end of his normal work shift.

(h) Any employee assigned to perform work operations in flight in connection with test or acceptance operations shall receive flight pay for time in flight (wheels off to wheels on) at the rate of ten dollars ($10) for the first hour or fraction thereof and five dollars ($5) for each subsequent one-half hour or fraction thereof.

5. INCOMPLETE DAY'S WORK

(a) Any employee called to work or permitted to come to work without having been properly notified that there will be no

work shall be given at least four (4) hours of work or, if no work is assigned, four (4) hours of pay except that, if work is unavailable as the result of causes beyond the control of the Company, the Company shall not be so obligated.

(b) An employee who is injured in the plant during the first eight (8) hours of his scheduled shift and is sent home because of such injuries shall receive his regular straight-time hourly rate for time actually worked and for the balance of the first eight (8) hours of his scheduled shift. If the injury occurs after eight (8) hours have been worked, the employee will receive time and one-half for those hours worked in excess of eight (8). If the injury occurs on a day on which the employee is entitled to overtime pay, such employee shall be paid for actual hours worked at the proper overtime rate or shall receive at least four (4) hours of pay. The Company will provide transportation to and from the hospital or medical facility as required when an employee is injured on the job.

6. LOST TIME

(a) A penalty of 1/10 of an hour, will be given an employee who punches "IN" six (6) minutes late or less. For tardiness beyond six (6) minutes, the regular procedure of six (6) minute intervals will apply; i.e., up to twelve (12) minutes, minus 2/10 of an hour; up to eighteen (18) minutes, minus 3/10 of an hour; up to twenty-four (24) minutes, 4/10 of an hour; etc. If an employee is not more than eighteen (18) minutes tardy, this time will be deducted from his straight time hours. If he is tardy in excess of eighteen (18) minutes, he shall not receive over time pay until he has worked a full eight (8) hours.

(b) An employee's failure to punch his timecard will be brought to his Supervisor's attention, in which case such employee will be required to prove he was at work during the time in question. When the employee has furnished the necessary proof, his timecard will be approved by his Supervisor.

7. HOLIDAYS

(a) Employees shall be compensated at their straight-time rate for eight (8) hours for the following holidays when not worked; provided that the employee shall receive such pay only if he does not fail to work on such day after receiving reasonable notice to do so. Twenty-four (24) hours of notice by posting on Company bulletin boards shall be considered reasonable notice.

HOLIDAY SCHEDULE

Holidays	Date of Observance	
	1999 Holidays	
Independence Day	Monday	July 5, 1999
Labor Day	Monday	September 6, 1999
Thanksgiving Day	Thursday	November 25, 1999
Friday following Thanksgiving	Friday	November 26, 1999
Year End Holiday	Friday	December 24, 1999
Year End Holiday	Monday	December 27, 1999
Year End Holiday	Tuesday	December 28, 1999
Year End Holiday	Wednesday	December 29, 1999
Year End Holiday	Thursday	December 30, 1999
Year End Holiday	Friday	December 31, 1999
	2000 Holidays	
New Years Day	Monday	January 3, 2000
Memorial Day	Monday	May 29, 2000
Independence Day	Tuesday	July 4, 2000
Labor Day	Monday	September 4, 2000
Thanksgiving Day	Thursday	November 23, 2000
Friday following Thanksgiving	Friday	November 24, 2000
Year End Holiday	Friday	December 22, 2000
Year End Holiday	Monday	December 25, 2000
Year End Holiday	Tuesday	December 26, 2000
Year End Holiday	Wednesday	December 27, 2000
Year End Holiday	Thursday	December 28, 2000
Year End Holiday	Friday	December 29 2000
	2001 Holidays	
New Years Day	Monday	January 1, 2001
Memorial Day	Monday	May 28, 2001
Independence Day	Wednesday	July 4, 2001
Labor Day	Monday	September 3, 2001
Thanksgiving Day	Thursday	November 22, 2001
Friday after Thanksgiving Day	Friday	November 23, 2001
Year End Holiday	Monday	December 24, 2001
Year End Holiday	Tuesday	December 25, 2001

Holidays		Date of Observance
Year End Holiday	Wednesday	December 26, 2001
Year End Holiday	Thursday	December 27, 2001
Year End Holiday	Friday	December 28, 2001
Year End Holiday	Monday	December 31, 2001

2002 Holidays

New Years Day	Tuesday	January 1, 2002
Memorial Day	Monday	May 27,2002
Independence Day	Thursday,	July 4, 2002
Labor Day	Monday	September 2, 2002
Thanksgiving Day	Thursday	November 28,2002
Friday after Thanksgiving	Friday	November 29, 2002
Year End Holiday	Tuesday	December 24, 2002
Year End Holiday	Wednesday	December 25, 2002
Year End Holiday	Thursday	December 26, 2002
Year End Holiday	Friday	December 27, 2002
Year End Holiday	Monday	December 30, 2002
Year End Holiday	Tuesday	December 31, 2002

2003 Holidays

New Years Day	Wednesday	January 1, 2003

(b) If any of the above holidays occurs during the period of a formal or informal leave of absence of an employee, such employee will not be compensated. However, when any of the above holidays falls within an employee's approved vacation period or while he is on a temporary layoff in accordance with Article XI, Section 3 and he is absent from work during his regularly scheduled work week because of such vacation or temporary layoff, he shall be paid for such holiday.

(c) The employee must work or be on approved vacation the last scheduled work day preceding or the first scheduled work day following the holiday to be compensated for the holiday. Laid off employees are not eligible for any holiday pay after the date of the layoff, (excluding temporary layoff provisions).

(d) If any of the above enumerated holidays falls on a Saturday, the previous day, and not the Saturday, will be observed and paid for as the holiday. If any of the above enumerated holidays falls on a Sunday, the next day, and not the Sunday,

will be observed and paid for as the holiday.

(e) The eligibility rules for holiday pay, set forth in Sections 7(a) and 7(c) above, may be waived if it is determined that *there were compelling personal reasons preventing the employee* from working on the holiday or on his qualifying scheduled working day, as the case may be.

8. PAYDAYS

The Company will pay employees bi-weekly on Company time.

9. REST PERIODS

The Company shall provide two (2) ten (10) minute rest periods per shift for each shift mentioned in Section 1(b) hereof. *One rest period shall be scheduled during the first half of each* shift and the other during the last half. Employees at work on overtime will observe the rest periods applicable to the shift on which they are working overtime.

10. SMOKING ON THE JOB

The Company shall allow smoking on the job except in restricted zones. Restricted zones shall be designated by the Company to conform to the requirements of good safety practices and quality control requirements. Should the Company designate an entire building(s) restricted zone(s), the Company and the Union will jointly agree to designate smoking areas outside such buildings.

11. EXCUSED ABSENCES FOR UNION BUSINESS

(a) When situations arise which necessitate the release of employees from work for partial days or for placing employees on special leave of absence for a full day for the purpose of conducting Union business, the Union will, whenever possible, notify the Director of Labor Relations of the division involved before such absence and he shall approve such absence. In those cases where it is not possible for the Union to submit written notice prior to the absence, the Union will notify the Director of Labor Relations of the division involved orally prior to the absence and confirm the oral request in writing within forty-eight (48) hours.

(b) The total number of absences which will be approved by the Director of Labor Relations of the division involved in accordance with requests submitted under Section 11(a) above, will not exceed one hundred thirty (130) per week at Autonetics

and Missile System Division, twenty (20) per week at Edwards Field Laboratory, five (5) per week at the Corporate Offices, one hundred (100) per week at North American Aircraft Division, ten (10) per week at Palmdale-North American Aircraft, ten (10) per week at Palmdale-Space Systems Division, fifty (50) per week at Rocketdyne, twenty (20) per week at Santa Susana Field Laboratory, fifty (50) per week at Space Systems Division, and thirty (30) per week at Tulsa and fifteen (15) per week at McAlester.

12. JURY EXAMINATION

A first shift employee who must report for jury examination on a regularly scheduled workday will receive a jury duty allowance in an amount equal to the length of his necessary absence from work times his regular straight-time rate of pay to a maximum of four (4) hours of pay and be excused from work for a maximum of four (4) hours. Jury Service fees paid by the court will not be deducted from employee's wages.

13. JURY SERVICE

In applying the provisions of this Section 13, the term jury service shall be interpreted as also applying to a coroner's jury and coroner's inquest service.

(a) Jury service on a regularly scheduled workday for a first shift employee shall be considered an excused absence and such employee shall receive jury duty allowance as follows:

(1) If excused from jury service on any day in reasonable time to report for at least three (3) hours of work before the end of his shift, he shall be paid an amount equivalent to the number of unworked hours of his regular shift at his straight-time rate and he shall report for work as soon as reasonably possible.

(2) If not excused from jury service in time to perform at least three (3) hours of work during his regular shift hours, the employee shall receive an amount equivalent to eight (8) hours of pay at his straight-time rate.

(b) Jury service on a regularly scheduled workday for a second shift employee shall be considered an excused absence and such employee shall receive jury duty allowance as follows:

(1) If excused from jury service by 1 p.m. on any such day he shall receive an amount equivalent to four (4) hours of pay at his straight-time rate and shall work the first half of his regular shift.

(2) If not excused from jury duty by 1 p.m. any day he

shall receive an amount equivalent to eight (8) hours of pay at his straight-time rate.

(c) Jury duty on a regularly scheduled workday for a third shift employee shall be considered an excused absence and such employee shall receive jury duty allowance in an amount equivalent to his straight-time hours times his straight-time rate.

(d) Payment of jury duty allowance pursuant to Sections 13(a),(b) and (c) above, shall be limited to twenty-five (25) days (or accumulation of part days) in any two (2) year period unless otherwise authorized by Labor Relations.

(e) The provisions of Section 12 and this Section 13 shall not apply in cases of jury examination or jury duty on the sixth or seventh day of an employee's regular assigned workweek, nor during vacation periods or while on leave of absence nor to employees who have volunteered for jury service.

(f) Employees required to perform jury service on the day before or the day following a holiday will be excused from the requirement of Section 7(c) of this Article if such employees have reported for work for the proper portion of their shifts after dismissal from jury service, after serving only part of the day, in compliance with the provisions of Section 13(a)(1), 13(b)(1) or 13(c), as the case may be.

(g) In the event an employee is summoned for night court jury service, the Chairperson of the Bargaining Committee and the Director of Labor Relations, or their designated representatives, will meet to examine and discuss the specific practices of the Court involved. The parties may mutually agree to provide such employee with jury duty allowance, and, if so, will mutually agree to a specific procedure for the employee to follow, and will provide the employee with a copy of such procedure.

14. (a) To be eligible for jury duty allowance pursuant to Section 12 and Sections 13(a), (b) and (c) hereof, an employee must:

(1) Notify his Supervisor within forty-eight (48) hours after receiving a notice to report for jury examination or jury duty.

(2) Cooperate with the Company requesting an excuse from or delay of jury examination or jury service, in those cases where the Company determines that the employee's absence will have serious adverse effects on the operation of his department (area at Edwards and Santa Susana Field Laboratories).

(3) Obtain copies of, and follow, jury duty instructions from payroll prior to jury service.

(4) Have completed his probationary period.

(b) If an employee is required to report for work, in accordance with the provisions of Section 13(a)(1), 13(b)(1) or 13(c) above, on a day he has performed jury service or reported for jury examination, and he does not report for work in accordance therewith, his absence will be unexcused and he shall receive jury allowance in an amount equivalent to the actual number of hours of jury service on that day, or time spent in jury examination, at his straight-time rate of pay.

15. BEREAVEMENT PAY

An employee who is absent from work because of a death in his immediate family will be paid upon written application an allowance equivalent to eight (8) straight-time hours of pay for any three (3) consecutive days of absence on regularly scheduled working days within twenty (20) days from the date of the death provided he attends the funeral or memorial service. The immediate family of an employee includes only spouse, parent, stepparent, parent of current spouse, stepparent of current spouse, child, stillborn infant, grandchild, stepchild, brother, stepbrother, half brother, sister, stepsister, half sister, and grandparents of employee and current spouse, and great grandparents of employee and current spouse.

In those instances where, because a member of the employee's above defined immediate family dies while in the active service of the U.S. Armed Forces and the funeral is delayed, the three-day absence from work may also be delayed until such time as the funeral is held. In the event there are no funeral services held (whether or not in the armed Forces) due to disposal of the remains outside of North America, the remains being physically destroyed, or the remains donated to an accredited hospital or medical center, the funeral attendance provision shall be waived.

For the purposes of applying the terms of this Section 15, it is agreed that "funeral" will include bona-fide memorial services associated with cremation.

ARTICLE XVIII

VACATION AND SICK LEAVE ALLOWANCE

1. DEFINITIONS

(a) Continuous Service

Continuous service shall include those periods of service since his most recent date of hire for which an employee

is paid by the Company for performing work for the Company and periods spent on temporary layoff under the provisions of Article XI, Section 3. Time spent on formal leaves of absence up to sixty (60) days in the anniversary year in which the leave begins and up to sixty (60) days in the anniversary year in which the leave ends (with a maximum of sixty (60) days in any one anniversary year) shall also be counted.

(b) Company Service

Company service is an employee's total years of credited employment at the Boeing Company plus the duration of employment recognized by any predecessor or subsidiary company.

(c) Anniversary Date

An employee's anniversary date shall be the employee's anniversary date on Company records as of October 10, 1965, or for each employee hired after that date, his anniversary date shall be based on his most recent hire date with the Company.

(d) Appropriate Rate

(1) The appropriate rate for an employee's vacation and sick leave allowance will be the employee's hourly base rate plus cost-of-living allowance, if any, in effect on his anniversary date plus the appropriate shift differential as provided in Article XVII, Section 3(a) or 3(b) except in those instances where an employee has been downgraded because of reduction of force or medical restriction since his last anniversary date, in which case, the appropriate vacation and sick leave allowance will be either the highest base rate plus cost-of-living allowance received by the employee in the highest bargaining unit job from which he had been downgraded since his last anniversary date or his current base rate plus cost-of-living allowance, whichever is higher. If the employee is on the second or third shift at the time of the anniversary date, the appropriate second or third shift bonus will be added to whichever working rate is selected as the basis for computation of vacation and sick leave allowance.

(2) The appropriate rate for computation of vacation and sick leave allowance for employees of the Rocketdyne division assigned to rotating shifts at the Santa Susana Field Laboratory area unit shall be an average hourly rate computed over a four (4) week period based on the appropriate rate as established in Section 1(d)(1) above. The average rate will be established on the basis of forty-eight (48) hours of straight-time work on the first shift, fifty-six (56) hours of straight-time work on the second shift (Section 3(a) of Article XVII) and fifty-six (56) hours of straight-time work on the eight (8) hour third shift (Sections

3(b) and (d) of Article XVII) divided by one hundred and sixty (160).

2. VACATION ALLOWANCE

(a) Employees will receive a vacation allowance on their anniversary date in amounts based on their years of Company service on such anniversary date, in accordance with the following:

Years of Company Service	*Vacation Allowance*
Less than ten (10)	80 hours
Ten (10) but less than twenty (20)	120 hours
Twenty (20) or more	160 hours

(b) Vacation allowances shall be computed in amounts equivalent to the specified number of hours of pay at the employee's appropriate rate and such amounts shall be paid provided such employee has completed a year of continuous service as defined in Section 1(a) hereof on such anniversary date. If an employee has received a prorated allowance since his last anniversary or hire date or has not completed a full year of continuous service as defined in Section 1(a) hereof on his anniversary date, his vacation allowance will be computed in accordance with Section 6 hereof since his last anniversary or hire date or from his date of reinstatement following receipt of a prorated allowance.

3. VACATION LEAVES

(a) Employees will become eligible for vacation leaves upon reaching their anniversary dates on the basis of one full calendar week for each forty (40) hours of vacation allowance they receive in accordance with Section 2 above.

(b) Vacation leaves will be scheduled and completed in accordance with the following:

(1) Vacations will be scheduled only after completion of one full year of continuous service. Subsequent vacations may be scheduled only upon completion of each successive full year of continuous service. No vacation will be granted prior to the eligibility date.

(2) Employees will request vacation leaves from their Supervisor in writing on forms supplied by the Company. The Supervisor will respond in a timely manner. The Supervisor will arrange vacations in accordance with the requests of the employ-

ees and the interests of the work requirements in the department and notify each employee of his vacation schedule in writing. A master vacation schedule will be maintained in the department and will be available for employees to review. Once an employee's vacation is scheduled it may not thereafter be canceled or changed unless the Company has given the employee notice equivalent to the length of his scheduled vacation prior to the date for his vacation to begin or unless the employee and the Company mutually agree to such cancelation or change.

(3) Vacation leaves may be scheduled to begin on any day, Monday through Friday. Vacation may be scheduled and approved in minimum of one (1) hour increments. Such vacation will not normally be approved on days for which the employee has been scheduled for more than eight (8) hours. Time spent on vacation or sick leave shall not be considered time worked in the calculation of any premium pay.

Each employee will be given written notice of his approved vacation period prior to its commencement.

(4) Right to vacation leaves not taken within one year after the most recent anniversary date shall terminate and be waived provided that an employee may defer all or part of his vacation leave for no longer than one year and accumulate up to a maximum of eight (8) weeks' vacation leave in any anniversary year. In addition to the accumulation provided above, when such an employee's scheduled vacation has been canceled and not rescheduled during the same anniversary year, he may defer a maximum of an additional two (2) weeks of such canceled vacation to be taken during the next anniversary year, provided the maximum accrual does not exceed eight (8) weeks of vacation leave. All vacation time which an employee has accumulated may be scheduled and taken as one vacation leave subject to the provisions of Sections 3(b)(1), (2) and (3) above.

(c) If an employee, while on vacation leave, has a death in his immediate family (as defined in Article XVII, Section 15), and such employee notifies his supervisor of such death, prior to the expiration of his vacation leave, the appropriate portion of his vacation leave will be canceled in order that such employee may be paid bereavement pay in accordance with Article XVII, Section 15.

4. SICK LEAVE ALLOWANCE

Employees on their anniversary date will receive a sick leave allowance of forty (40) hours' pay at the employee's appropriate rate, provided such employee has completed a year of

continuous service as defined in Section 1(a) hereof on such anniversary date. If an employee has received a prorated allowance since his last anniversary or hire date or has not completed a full year of continuous service as defined in Section 1(a) hereof, on his anniversary date, his sick leave allowance will be computed in accordance with Section 6 hereof since his last anniversary or hire date or from his date of reinstatement following receipt of a prorated allowance.

5. PAYMENT OF VACATION AND SICK LEAVE ALLOWANCE

(a) Payment of vacation and sick leave allowance to employees who do not choose to receive the pay when the vacation and sick leave is actually taken shall be made as soon as practical after the employee's anniversary date.

(b) An employee who reaches an anniversary date during the time he is on leave of absence will receive payment as soon as practical after his anniversary date in accordance with the provisions of Section 2 and 4 hereof.

(c) Employees may choose to receive their vacation and sick leave pay when actually taken, in minimum one (1) hour increments, by notifying Payroll in writing a minimum of 30. days prior to their anniversary date. Employees who elect this option and do not use their entire vacation and sick leave allowance during the year, will be paid for any unused vacation and sick leave as soon as practical after their next anniversary date.

6. PRORATION OF VACATION AND SICK LEAVE ALLOWANCE

(a) Vacation and sick leave allowance will be prorated at the employee's appropriate rate if the employee:

(1) Reaches his anniversary date with less than a full year of continuous service since his last anniversary date or hire date

(2) Reaches his anniversary date after having received a prorated vacation and sick leave allowance since his last anniversary date or hire date

(3) Dies

(4) Is laid off in accordance with the provisions of Article XI, Section 4 (except as provided in Section 6(d) below)

(5) Is terminated because of inability to meet Company medical standards

(6) Terminates to enter into active duty with the Armed Forces in accordance with the provisions of Article XV

(7) Retires under the early, normal or disability provisions of the retirement plan referred to in Article XXIII

(b) Payment of such prorated vacation and sick leave allowance shall be at the appropriate rate for each month of service, computed to the nearest month, since his last anniversary date or date of reinstatement following receipt of a prorated allowance, in accordance with the following:

Years of Company Service	Vacation and Sick Leave Allowance
Less than ten (10)	10.0 hours
Ten (10) but less than twenty (20)	13.3 hours
Twenty (20) or more	16.6 hours

The "nearest month" shall be determined in accordance with the following table:

CONTINUOUS SERVICE DAYS CONVERTED TO *MONTHS*

(Includes days on formal leave of absence as provided in Section 1(a) hereof.)

Continuous Service Days	*Months*	*Continuous Service Days*	*Months*
1 to 13	0	197 to 227	7
14 to 44	1	228 to 257	8
45 to 74	2	258 to 288	9
75 to 105	3	289 to 318	10
106 to 135	4	319 to 349	11
136 to 166	5	350 to 365	12
167 to 196	6		

(c) Prorated vacation and sick leave allowance paid in accordance with Section 6(a)(1) or (2) above will be based on the employee's years of uninterrupted service at his current anniversary date. Prorated vacation and sick leave allowance paid in accordance with Section 6(a) (3), (4), (5), (6) or (7) above will be based on the employee's years of uninterrupted service at his next anniversary date.

(d) Employees laid off during their probationary period shall not be entitled to proration of vacation and sick leave allowance. However, after completion of the probationary period, this period shall be included in determining continuous service.

ARTICLE XIX

NOTICES

1. Notices permitted or required under this Agreement, which are applicable to only one division of the Company, shall be sufficiently served when received by the Director of Labor Relations of the appropriate division of the Company (or his designated representative), or by the appropriate Local Union President or Regional Director (or their designated representative), as the case may be, from the other. Such notices shall be sent by confirmed telegraph (personal delivery), or by registered or certified mail, postage prepaid, return receipt requested. Notices may also be personally delivered for the Company by the Director of Labor Relations (or his designated representative) and for the Union by the Chairperson of the Bargaining Committee (or his designated representative). Such delivery shall be made to the office of the Local Union or the office of the Director of Labor Relations, as the case may be. Notices so delivered shall be in duplicate and both copies shall have time and date of delivery noted for receipt purposes. One copy will be returned to the party making the delivery. Each party shall keep the other party currently posted in writing of all such appropriate addresses.

2. Notices permitted or required under this Agreement, which are applicable to more than one but less than all divisions of the Company, shall be sufficiently served when received by the Space and Communications Director, Labor Relations (or his designated representative) of The Boeing Company, 2201 Seal Beach Boulevard, Seal Beach, California 90740-8250, or by the appropriate Local Union President or Regional Director (or their designated representative), as the case may be, from the other. Such notices shall be sent by confirmed telegraph (hand delivery), or by registered or certified mail, postage prepaid, return receipt requested. Notices may also be personally delivered for the Company by the Space and Communications Director, Labor Relations (or his designated representative) and for the Union by

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the appropriate Local Union President or Regional Director (or their designated representative). Such delivery shall be made to the office of the Local Union or the office of the Space and Communications Director, Labor Relations, as the case may be. Notices so delivered shall be in duplicate and both copies shall have time and date of delivery noted for receipt purposes. One copy will be returned to the party making the delivery.

3. Notices permitted or required under this Agreement or requests for meetings, which are generally applicable to all divisions of the Company, shall be sufficiently served when received by the Vice President-Human Resources of The Boeing Company, 2201 Seal Beach Boulevard, Seal Beach, California 90740-8250, or by the Director of the National Aerospace Department, UAW, 8000 East Jefferson Avenue, Detroit, Michigan 48214, (or their designated representatives), from the other. Such notices or requests for meetings shall be mailed postage prepaid, return receipt requested, by certified or registered mail.

4. Failure on the part of an employee to keep the Transfer Section of Personnel informed of his correct address relieves the Company of the responsibility of any notification to such employee required by this Agreement.

5. The Company agrees that, with respect to its policies covering payment for travel time, travel allowance and per diems for the time in travel status, Educational Reimbursement, and Education Leave, it shall supply the Union with copies of its written policies and subsequent revisions. If an individual employee claims he was reimbursed in an amount less than the amount provided for in such written policies, such claim shall be processed in accordance with the provisions of Article V, Section 14.

ARTICLE XX

BULLETIN BOARDS

1. The Company will install and maintain in each zone, a glass-enclosed locked bulletin board painted white, at locations mutually agreed upon by the parties. Keys for these boards will be furnished to the duly designated Union Officer. Such boards may be used by the Union for posting notices approved by the Union and the Director of Labor Relations of the division involved, and restricted to:

(a) Notices of Union recreational and social affairs

(b) Notices of Union elections

(c) Notices of Union appointments and results of Union elections

(d) Notices of Union meetings

(e) Such other notices as may be mutually agreed to

2. Time spent away from their regular jobs by these designated Union representatives in posting the bulletins provided for in this Article will be paid for by the Company.

3. Any change in the number or the location of such bulletin boards shall be decided by the Director of Labor Relations of the division involved and the duly designated Union Officer referred to above.

4. There shall be no other distribution or posting by employees of notices, pamphlets, advertising or political matter or any kind of literature upon Company property other than as herein provided.

ARTICLE XXI

QUALIFICATIONS AND ENFORCEMENT

1. QUALIFICATIONS

(a) Each of the parties hereto warrants that it is under no disability of any kind that will prevent it from completely carrying out and performing each and all of the provisions of this Agreement, and further that it will not take any action of any kind that will prevent or impede it in the complete performance of each and every provision hereof.

(b) This Agreement contains all of the covenants, stipulations and provisions agreed upon by the parties hereto, and no representative of either party has authority to make, and none of the parties shall be bound by, any statement, representation or agreement reached prior to the signing of this Agreement or made during these negotiations not set forth herein.

(c) Any future agreements made by the parties shall be reduced to writing and signed by authorized representatives of the parties.

(d) If either party to this Agreement claims it is relieved of its obligations hereunder as a result of an alleged breach of agreement by the other party, it shall notify the other party of such claim and alleged breach and allow ten (10) days to such other party for discussion, redress or correction prior to asserting that it has rescinded the contract.

2. WAIVER

The waiver of any breach of any of the provisions or terms of this Agreement by either party does not constitute a precedent for any future waiver or enforcement of such breach.

3. SPECIFIC PERFORMANCE

(a) Either party hereto shall be entitled to require specific performance of the provisions of this Agreement.

(b) It is distinctly understood and agreed that all previous agreements, whether oral or written, by and between the Company and the Union are superseded by this Agreement.

ARTICLE XXII

INSURANCE AND DENTAL PLANS

A Memorandum of Understanding pertaining to revisions in the group insurance and dental plans has been agreed to by the parties. The provisions of such revised group insurance plans (providing for group life and accidental death and dismemberment insurance, survivor income benefits, weekly sickness and accident benefits for eligible employees; hospital-surgical-medical expense benefits and other health care benefits for eligible employees, retired employees, and surviving spouses of retired employees, and eligible dependents of each group) and dental plans for eligible employees shall be applicable to employees represented by the Union for the term of this Agreement

in accordance with the detailed provisions of such revised group insurance and dental plans.

New employees, during the Orientation Program, will be informed of the health care options available with emphasis on the differences between the available options. The company will provide a Benefits Representative to assist new employees in this process.

ARTICLE XXIII

RETIREMENT PLAN

A retirement plan, and an agreement with respect to its administration have been agreed to by the parties. The provisions of such retirement plan and retirement plan agreement shall be applicable to employees represented by the Union for the term of such agreement and in accordance with the provisions thereof.

ARTICLE XXIV

VOLUNTARY INVESTMENT PROGRAM (VIP)

A Voluntary Investment Program (401K) and Agreement with respect to its administration have been agreed to by the parties. The provisions of such Program and Agreement shall be applicable to employees represented by the Union for the term of such Agreement and in accordance with the provisions thereof.

ARTICLE XXV

SUBCONTRACTING

The Company agrees that it will not subcontract maintenance work operations to be performed on Company premises when such subcontract covers continuing work operations to be performed for longer than two (2) months and when the work operations involved have normally been performed by employees in the bargaining unit, unless a sufficient number of employees are not available to perform such work operations within the time required.

ARTICLE XXVI

SELECTED SKILLS PROGRAM (EXCLUDES LOCAL 1519, MP&TD AND McALESTER)

1. A Selected Skills Program, together with a Selected Joint Apprentice Committee Agreement providing, as set forth herein, an apprenticeship training program and amendments to Article XVI, Wages and Article XVII, Hours and Special Pay Provisions in their application to such Program and Agreement may be implemented by mutual agreement of the parties.

2. The following classifications are among those Selected Skills classifications being considered for apprenticeship. For purposes of Selected Skills treatment, only certain lower level classifications (if any) related to each of the Selected Skills classifications will be identified for the crediting of time toward becoming a journeyman as noted below:

3. JOURNEYMAN STATUS

An employee will be a journeyman when he has worked a total of eight (8) years in one of the Selected Skills classifications. An employee will be given credit toward journeyman status for time worked in the appropriate identified related classification whenever he is properly classified in the Selected Skills classification.

4. APPRENTICE PROGRAMS

(a) When the Company and the Union mutually agree there is a need for apprentice-type shop training in identified Selected Skills classification(s), the Company will develop apprenticeship training programs to meet those needs. The total training period will be determined by the skills required and will be reviewed by the Joint Apprenticeship Committee.

(b) The Company agrees to pay the full tuition-registration charges in connection with the related training of an apprentice that is on course.

5. RATIO OF APPRENTICES TO JOURNEYMEN

(a) The number of new apprentices who may be placed on course shall be determined on the basis of the number of journeymen actively at work in the Selected Skills classification to which the apprentice will be assigned, except that the electronic classifications may be combined, where necessary, by action of

the Joint Apprentice Committee. The ratio of apprentices on course to journeymen may be up to one apprentice to ten (10) journeymen unless such ratio is changed by mutual agreement.

(b) The Company may retain a maximum of one apprentice in each classification in each division until all of the employees not actively working in the Selected Skills classification are recalled to the classification in the division. Once all such employees holding recall rights at the division have been recalled, then the ratio of apprentices placed on course may be increased. In the event of layoff of journeymen after this occurs, the ratio of one apprentice to ten (10) journeymen in the division will apply.

6. APPRENTICESHIP ELIGIBILITY REQUIREMENTS

In order to be eligible for consideration for apprenticeship, all applicants must be seniority employees and must meet eligibility requirements. Eligibility requirements of applicants including experience, education, types of tests and qualifying grades will be determined by the Joint Apprentice Committee. An apprentice applicant point evaluation system will be developed and utilized by the Company for selection of applicants for this program. Final approval of the applicant will be the responsibility of the Joint Apprentice Committee. Applicants from outside the Company may be considered for apprenticeship if there is a lack of eligible seniority employees.

ARTICLE XXVII

EMPLOYEE INVOLVEMENT

During the negotiations, the United Aerospace Workers' and The Boeing Company discussed the ever-increasing challenges in the global marketplace and examined prior experience with employee involvement efforts. There is mutual recognition by both parties that the challenges in the marketplace will continue requiring fundamental changes in the workplace and that we need to jointly take steps to significantly increase and expand implementation of effective employee involvement efforts.

This is firmly based on the belief that the success of Boeing businesses in the challenging global marketplace is fully dependent on its employees. Also, that all employees want to be involved in decisions that affect them, care about their jobs, what customers expect, care about each other, take pride in

themselves and in their contributions and want to fully utilize their skills and abilities and share in the success of their efforts.

PURPOSE

- The purpose of implementing effective employee involvement in the businesses is to work together to create a *customer-focused workplace so that our customers are* continuously delivered the highest quality and best value product and services while serving the interest of employees by protecting job security and employee wages.

It is mutually agreed that the opportunity of achieving a highly effective employee involvement and a customer-focused workplace is enhanced when the union and the businesses jointly work to:

- Involve employees individually and/or through teams in the identification and solution of quality and production problems for customers.
- Create a work environment that promotes teamwork, mutual trust and respect, equality, honest and open communications, job satisfaction, job security, innovation, growth, rewards and recognition.
- Seek methods and processes that involve employees in improving the way work is performed so that more skills and abilities are effectively utilized without breaking contractual agreements. In this manner, improvements can be made in operating effectiveness for customers and result in more job satisfaction.
- Develop self-directed teams who have clearly defined goals and tasks with more authority and responsibility.
- Explore approaches which will help increase team stability while protecting existing employee rights.
- Educate employees to better understand customer needs and company goals.
- Plan and implement individual and group employee training, retraining and development opportunities to enhance the dignity and on-the-job skills and abilities of employees which can lead to greater job security and personal development.
- Successfully implement Employee involvement approaches so that decisions are made at the lowest practical level thus speeding up decision-making processes re-

quired by customers also resulting in reducing redundant activities and allowing greater time for employees to focus on ways to improve work processes.

- Use improved work processes not for the purpose of reducing employment, but to grow the businesses and, therefore, enhance job security.

JOB COMBINATIONS/ELIMINATIONS

There is also mutual agreement that each business has accepted the challenge to meet their commitment to employee involvement by putting together their needs for job combinations/eliminations that meet their current situation and work requirements.

In addition, both parties recognize the fact that there will be opportunities in the future for applying employee involvement concepts to best utilize these opportunities along with the resulting job classification changes.

JOINT EXECUTIVE COMMITTEE

The parties agree that the appropriate facilitating mechanism to guide the successful implementation of employee involvement and for other agreed upon joint activities is a joint executive committee.

It is agreed the co-directors of a joint executive committee will be:

- The Director of the UAW National Aerospace Department
- Boeing's Space and Communications Vice President of Human Resources

Each will appoint an equal number of persons from their respective organizations as members of the Executive Committee.

The Executive Committee will actively direct and support joint employee involvement efforts, the joint Employee Involvement Training Organization (EITO) established in the 1990 agreement and other joint committees and activities as may be mutually agreed to by the Union and the Company.

The duties and responsibilities of the Executive Committee

will include, but not be limited to, the following:

- Monitoring and overseeing all existing and new employee involvement efforts and agreed upon joint programs.
- Setting policies and providing guidelines.
- Support and encourage employee involvement efforts through education, training and the issuing of materials with guidelines and suggestions for successful local implementation.

NATIONAL COMMITTEE

The Boeing Space and Communications Vice President of Human Resources and the Director of the UAW National Aerospace Department will appoint an equal number of representatives from their organizations to serve on a joint National Committee. They will appoint persons from among those holding the following positions:

- UAW Regional Director (or designee)
- Local Union Presidents
- Site Operations Executives
- Group or Site Directors of Human Resources

Additional persons may also be appointed with the mutual approval of the co-directors of the Joint Executive Committee.

The duties and responsibilities of the National Committee will include, but not be limited to, the following:

- Actively support and provide general direction and guidance to the joint Employee Involvement Training Organization (EITO).
- Keep UAW leadership and Company management informed of joint union/management activities and the progress of the Local Joint Committees which are described below and their objectives.
- Review progress and status of existing and new employee involvement efforts, joint training programs and all other joint committees and activities.
- Support and encourage new employee involvement and other joint efforts.
- Share appropriate business and joint activity information.
- Suggest ways to continuously improve employee involvement efforts and other joint activities.

- Meet at least quarterly.

LOCAL JOINT COMMITTEE

During negotiations, the parties discussed the need to focus the responsibility for all local employee involvement and other agreed upon joint activities in the businesses on those individuals who have primary responsibility for their success and to enhance their effectiveness through joint planning and implementation, improved information sharing, priority and goal setting and resource allocation.

Accordingly, the parties agree that the appropriate local facilitating mechanism for all local employee involvement efforts and mutually agreed upon joint activities is the Local Joint Committee consisting of the:

- Local Union Bargaining Committee Chairperson and/or Local Union President and members of the Bargaining Committee
- Site Manager or Operations Head
- Site Human Resources or Labor Relations Head
- Site Union and Company EI Facilitators and other designees jointly agreed upon by the Site Manager and Local Union Bargaining Committee Chairperson.

The Director of the UAW National Aerospace Department, the Regional Director and Local Union Presidents and/or their representatives, should be fully involved regarding joint activities including actions of the Local Joint Committee.

The duties and responsibilities of the Local Joint Committee include the following:

- The successful implementation of employee involvement and mutually agreed upon joint efforts.
- Monitor and evaluate the performance and results of employee involvement efforts and other agreed upon joint activities and provide positive recognition and/or corrective direction as required
- Regularly exchange information on the business and communicate appropriate information to all employees.
- Agree on any consultants utilized to assist in employee involvement efforts, subject to the National Committee's approval.

- Keep UAW and Company leadership including the Joint Executive Committee and the National Committee informed of the status and progress of employee involvement efforts and other joint activities.
- Review and jointly approve/disapprove (within respective authority limits) any requests in the name of employee involvement which would require an exception to local practice or policy. (See "National Agreement Changes and/or Waivers" below.)
  Present to the National Committee any jointly agreed upon request involving an employee involvement process change that would require a modification of the contract Such modifications are also subject to the review and approval of the Joint Executive Committee prior to implementation.
- The Local Joint Committee's purpose is to support and improve the employee involvement activities at their location and is not an alternative mechanism to adjust grievances.

EMPLOYEE INVOLVEMENT FACILITATORS

UAW and Company appointed EI Facilitators at each location will work together as partners and champions to ensure the day-to-day implementation and success of employee involvement activities. They are responsible for assisting EI teams from formation throughout their evolution and development. The objective of the EI Facilitators is to provide the expertise, help, resources and understanding to enable Teams, EI Team Leaders and Team Members reach their full potential.

UAW EI Facilitators are appointed by the Local Union President.

TEAM LEADERS

EI Team Leaders facilitate the activities of the team in addition to performing the actual work of their job classification. The EI Team Leader will be the focal point for team communications, will provide assistance to team members by giving guidance, direction and instruction, and will ensure that the focus of the team is directed toward continuous process improvement, including goal setting, quality cost, delivery, safety and morale. EI Team Leaders also perform as a full member of the team.

Where there are integrated bargaining unit and salary teams a union team leader will be elected by the union team members. Also, in all bargaining unit teams the union team leader will be elected by the union team members by plurality vote.

NATIONAL AGREEMENT CHANGES AND/OR WAIVERS

It is agreed that it may be beneficial for local unions and local management to consider alternative work schedules, the way tasks are performed, the way teams are formed and other changes at particular business locations. It is further agreed that in order to facilitate and encourage each innovation, it may be necessary to change and/or waive certain provisions of the Master Agreement at such business locations. It is understood that any such change or waiver would be requested by the Local Joint Committee to the National Committee and will not be effective unless approved in writing both by the Company and the Region or National Aerospace Department. Any such changes would be effective only at the business location(s) specifically designated.

EMPLOYEE TRAINING, EDUCATION AND DEVELOPMENT

There is clear, mutual recognition that success in the competitive global marketplace is dependent in large measure upon the continuous training, education, development and learning of its employees. This was recognized in the 1990 UAW-Rockwell (now Boeing) Aerospace Workers' Contract Agreement which created a joint UAW-Rockwell (now Boeing) Employee Involvement Training Organization. It was established to provide employees a diverse range of opportunities for technical and high performance union/management, team-based training

The parties pledge to provide the resources necessary to assure that employees receive training and development opportunities in order to produce a highly motivated, capable workforce that continuously improves its own and Boeing's ability to succeed in an increasing competitive global marketplace.

PRINCIPAL OBJECTIVES AND RESPONSIBILITIES OF THE JOINT TRAINING ORGANIZATION

Outlined below are the principal objectives and responsibilities of the organization. These descriptions are intended to be

illustrative and not necessarily all-inclusive. They may be revised, added to or otherwise modified as the Executive Committee may mutually agree.

- Provide individual and group training, retraining and developmental opportunities to upgrade/sharpen present job skills and abilities of employees which can lead to greater job security, personal development, improved performance and effective employee involvement efforts.
- See ways for arranging, and in some cases providing, for training, retraining and development assistance for employees displaced by new technologies, new production techniques and shifts in customer product preference.
- Provide local business training support for implementing employee involvement efforts.
- Provide opportunities for the training and the exchange of ideas and innovations with respect to employee development and training needs within the framework of job requirements and union/management relations.
- Support local business initiatives dedicated to the expansion of developmental activities for employees which would include continuous improvement in quality, training, high performance union/management team-based training and basic literacy training.

SUMMARY

While change is difficult, we jointly understand that in the current, highly competitive, constantly changing global marketplace in which we are engaged, we must continue to change to create a workplace so that our customers are continuously delivered the highest quality and best value product and services while serving the interest of employees by protecting job security and employee wages. We cannot afford to let obstacles stand in our way of successfully implementing employee involvement efforts which assist us in this endeavor.

Employee involvement is our jointly designed effort to transform our respective roles, satisfy our customers better than any competitor, and ensure our mutual success. The parties recognize that this continuing historic endeavor depends upon the ability of employees and the Company to grow and prosper.

The provisions of this article apply only to those teams mutually agreed to by the union and management.

ARTICLE XXVIII

PROPRIETARY WORK

During the course of the 1990 and subsequent labor negotiations, the parties discussed, in great detail, the many issues and opportunities associated with jointly addressing work which requires unique security clearance and/or special access herein referred to as "proprietary." The agreements and understandings reached reflect the mutual efforts and commitment of the parties to develop methods of staffing and operating proprietary programs responsive to customer and employee needs, and to enhance the Company's competitive position at locations covered by the Master Agreement. The agreements set forth herein are based on the open exchange of ideas and information available for discussion, and a spirit of joint issue resolution during the negotiation meetings.

1. DEFINITIONS

(a) *Proprietary Work*—That work which, by its unique nature and strict "need-to-know" criteria, requires, for exposure to and/or participation in, an access, that is addition to or in lieu of a security clearance.

(b) *Area Unit*—As defined in Article I of the Master Agreement.

(c) *Billets*—A fixed number of openings, mandated by customers, that limit the number of individuals who will be permitted access to:

(1) Any particular proprietary activity, and/or

(2) Limit the number of individuals that can have access to a proprietary activity at any given time.

Access to some proprietary activities is further restricted by customers who mandate that once an individual has filled a billet and has been accessed to an activity, such billet may not be later used in the event such individual is deaccessed from that activity. Thus, there may be a specific number of billets for any given activity identified to a specific individual, which remains with that individual, and cannot be transferred to another individual regardless of any attrition which may occur throughout the duration of that activity.

(d) *Qualifying Requirements for Proprietary Work*—Employment eligibility for Proprietary Work requires that an employee must have the ability to perform the work and hold the

appropriate security clearance and/or special access to the proprietary work.

(e) *Candidate Pool*—A group of employees who have agreed to participate in proprietary work.

(f) *Immediate Vacancy*—Job openings which were unanticipated and must be filled prior to the time required to clear employees for the Candidate Pool.

(g) *Anticipated Vacancy*—Job openings which, based on known schedules and funding, can reasonably be forecast by classification far enough in advance for interested employees to obtain a security clearance and be placed in a Candidate Pool.

2. CANDIDATE POOL

(a) In order that employees have the choice of participating or not participating in proprietary work, the Company will offer *employees, in seniority order, who are properly classified to* perform the work, or should the work be of a nature that there are no employees that are properly classified, the Company and the Union will mutually agree upon the classification(s), first in the Division where the vacancies exist and then in that Division's area unit, the opportunity to fill anticipated vacancies for proprietary work. Subsequently, by mutual agreement, employees in the proper classification(s), or agreed upon classification(s), in other area units will be offered the same opportunity. Barring mutual agreement, on the area unit, the offer will be made to employees in the proper classification(s), or agreed upon classification(s), in all area units in the local Union in seniority order. Should a requirement still exist, employees in the proper classification(s), or agreed upon classification(s), in seniority order from other Locals within the same geographical area, and subsequently from Locals outside the geographical area, will be afforded the same opportunity.

(b) Employees who agree to participate in proprietary work may, at any time, change their choice and decline to participate. Employees who declined to participate may, at any time, change their choice and accept future opportunities when a staffing need exits. (Reference Proprietary Work Option Form).

3. FILLING PROPRIETARY JOB VACANCIES

(a) The priorities of rights of employees, who meet the qualifying requirements of the proprietary work, to fill proprietary job vacancies is set forth below:

First Priority—Shift transfers in accordance with Article XI, Section 10(i) hereof in the proprietary work.

Second Priority—Seniority rights under Article XI, Section 4 and 7 hereof. These only include rights at time of excess, upgrade of employees at work and recall of employees from layoff who meet the qualifying requirements of the proprietary work.

Third Priority—Job bidders under the provisions of Article XI, Section 8 hereof who possess the qualifying requirements of the proprietary work.

Fourth Priority—Preferential reinstatement of employees under the provisions of Article XI, Section 9 hereof who possess the qualifying requirements of the proprietary work.

Fifth Priority (Los Angeles Area Divisions)—Applications for transfer in accordance with Article XI, Section 10(j) and 10(k) hereof in classifications between divisions/departments, and intra- and inter-divisional transfers of employees who meet the qualifying requirements of the proprietary work.

Sixth Priority—Concurrently, promotion of non-bidders, job bidders from the Manufacturing Planning and Tool Design unit, selection of employees in seniority order who meet the qualifying requirements of the proprietary work from the mutually agreed upon area unit or units. Barring mutual agreement, the selection of employees who meet the qualifying requirements of the proprietary work, will be in seniority order from all area units within the local Union. Should a requirement still exist, the selection of employees who meet with the qualifying requirements of the proprietary work in seniority order shall be from other locals within the same geographical area and subsequently from locals outside the geographical area.

(1) When it is necessary for the Company to select an employee from another area unit in accordance with the sixth priority above, the bargaining unit employees will be considered as transferred out of the area unit.

(2) If an employee, prior to volunteering for a proprietary assignment, had an active request for shift transfer or bid on file, the effect of such application and/or bid will be considered in relation to his seniority when he returns from his proprietary work.

Seventh Priority—Hire.

(b) The following priorities of rights of employees who meet the qualifying requirements shall be followed in filling

proprietary job vacancies at locations represented by Local 1519:

First Priority—Shift transfers in classification and department within the proprietary work.

Second Priority—Application for transfer in classification between departments who meet the qualifying requirements of the proprietary work.

Third Priority—Seniority rights of upgrade, downgrade or recall. These only include rights at time of excess, upgrade of employees at work and recall of employees from layoff who meet the qualifying requirements of the proprietary work.

Fourth Priority—Available job for excess employees who meet the qualifying requirements of the proprietary work.

Fifth Priority—Job bidders who possess the qualifying requirements of the proprietary work.

Sixth Priority—Preferential reinstatement of employees who possess the qualifying requirements of the proprietary work.

Seventh Priority—Concurrently, promotion of non-bidders, selection of employees in seniority order who meet the qualifying requirements of the proprietary work from the mutually agreed upon area unit or units. Barring mutual agreement, the selection of employees who meet the qualifying requirements of the proprietary work, will be in seniority order from all area units within the local Union. Should a requirement still exist, the selection of employees who meet the qualifying requirements of the proprietary work in seniority order shall be from other locals within the same geographical area and subsequently from locals outside the geographical area.

(1) When it is necessary for the Company to select an employee from another area unit in accordance with the seventh priority above, the bargaining unit employees will be considered as transferred out of that area unit.

(2) If an employee, prior to volunteering for a proprietary assignment, had an active request for shift transfer or bid on file, the effect of such application and/or bid will be considered in relation to this seniority when he returns from his proprietary work.

Eighth Priority—Hire.

(c) In the event there are insufficient employees who meet

the qualifying requirements for proprietary work as set forth in Sections 3 (a) and (b) above, the selection shall be in accordance with the following procedure:

(1) Employees in the Candidate Pool who possess the qualifying requirements for proprietary work will fill vacancies in seniority order within the pool or, if access is required in addition to the security clearance, such appropriately cleared employees will be submitted for access in seniority order within the pool. Once employees are submitted for access, vacancies will be filled by such employees in order of their approval for access. Employees not approved for access will be informed as soon as practical.

(d) Immediate vacancies, as defined in Section 1(f), shall be filled in accordance with the priorities established in sections 3 (a) and (b). In the event there is an insufficient number of employees available, the selection shall then be made in seniority order from those employees who meet the qualifying requirements for proprietary work in the Division where the vacancy exists and subsequently from agreed upon Divisions.

4. REPRESENTATION

(a) The Bargaining Unit Chairperson at each Division, or their designated representative, will be permitted to submit the necessary security documents for the appropriate security clearance and/or access to proprietary activities at their respective Division. As an alternative, and upon mutual agreement, the President of the Local Union may appoint a representative who will be permitted to submit the necessary security documents for the appropriate security clearance and/or access to proprietary activities at a mutually agreed upon group of Divisions. Representation of Bargaining Unit employees involved with proprietary work at all locations covered by the Master Agreement shall be defined in the applicable provision of Article IV of the Master Agreement.

(b) Nothing in this Article shall prevent the Union or an employee from filing a Problem; however, such Problem shall be processed in accordance with the paragraph below:

The Union and the Company recognize the critical importance of protecting the security of proprietary information, documents and materials. Due to these implications related to national security, the parties agree that when a Bargaining Unit member conducts a problem solving or investigative conference which may involve any proprietary or classified information with his Union representative outside a secure area or in the

presence of any individual who does not possess the appropriate security clearance, access authorization and need-to-know, a member of the Proprietary Security Staff will be present to counsel the employee, Union representative and/or any other participant who does not meet the above defined criteria and to protect all parties to the meeting from inadvertently committing a breach of security. The intent of requiring a representative from Security to be present is to protect all parties from and to make every effort to prevent an accidental unauthorized disclosure of proprietary information. The Security Representative shall maintain complete confidentiality and shall not disclose the information discussed during the meeting unless it involves a breach of security or a violation of the law.

5. GENERAL PROVISIONS

(a) Employees on proprietary work may retain regular bargaining unit classifications or, upon mutual agreement, may be reclassified in a unique proprietary job classification. In those instances where it is appropriate that an employee on proprietary work have his classification changed in order that an employee be properly classified or compensated, a change in classification will be processed. Should the reclassification result in a reduction in compensation, the employee will have the option to exercise his seniority in the last classification held in the area unit prior to the proprietary work. Such reclassification will not constitute a vacancy in the employee's home plant or facility for purposes of job posting and bidding or recall. Such classification will be applicable only for the duration of that proprietary work.

(b) When an employee is downgraded without option to exercise his seniority within the proprietary work, is excessed or loses his access from the proprietary work, or returns from that proprietary work, he will exercise his seniority in the last classification he held in the area unit prior to the proprietary work as if he never left.

(c) An employee may voluntarily remove himself from proprietary work and exercise his seniority in the area unit from which he transferred prior to the proprietary work, as if he never left, except that transfers between locals will be treated in accordance with the existing provisions in the Master Agreement.

(d) Authorized entry into proprietary work is on a limited and strict security need-to-know basis; therefore, an employee without the appropriate security clearance and/or access cannot displace an employee on proprietary work.

(e) Joint Briefing

Proprietary work requires unique qualifying criteria, working conditions and special security requirements necessary to perform work in a proprietary area or location. As a result, the Union and Company will jointly present a comprehensive informational briefing to employees considering an opportunity to work in a proprietary area or location before the employee is asked to accept a proprietary work assignment or position. The briefing will be given jointly by Company and Union representatives and will include:

- Proprietary opportunities
- Definition of proprietary work
- Working conditions
- Qualifying criteria
- Availability to perform proprietary work
- Rights of employees
- Summary

A jointly prepared standardized written statement (Proprietary Work Option Form) will be given to employees for signature acknowledging that they received the above referenced briefing and that they accept or decline the opportunity to participate in proprietary work.

6. PROPRIETARY COMMITTEE

In recognition of the unique and evolving nature of this type of work, the parties recognized the need to create a mechanism to address the new, unforeseen and unanticipated issues which might arise or to reevaluate issues previously addressed. The parties, therefore, agree that a joint standing Proprietary Committee shall remain empowered to address issues relative to the application or implementation of this Article. The Committee shall be comprised of the Bargaining Unit Chairperson, the senior Labor Relations representative at each Division represented in the Master Agreement, the President of each local Union and a representative from Boeing's Corporate Labor Relations Department, the Director of the National Aerospace Department, the Regional Director, the Corporate Vice President-Security, or their designees. Other members may be added as needed to address specific or local interest issues. Co-chairpersons shall be selected by the committee members. The committee shall meet as needed by mutual agreement of the co-chairpersons.

7. Unless otherwise modified herein, the provisions of the Master Agreement shall govern.

ARTICLE XXIX

DURATION

1. This Agreement shall become effective on the Saturday following receipt of written notice by the Company from the Union of ratification by the Union, unless such date of receipt of written notice by the Company is a Saturday in which case that date shall be the effective date, and shall remain in full force and effect to and including the 14th day of May, 2003, and for yearly periods thereafter, with the proviso that should either party desire to modify any portion or any of the terms hereof, it shall notify the other party, in writing, on or before March 21, 2003, or on or before March 21, of any subsequent yearly period.

2. In the event a written notice to modify is given pursuant to Section 1 hereof, the parties shall submit their proposals, in writing, at least ten (10) days prior to the commencement of negotiations. It is understood that neither party will be precluded from submitting new or additional proposals during the course of negotiations.

3. Negotiations upon such modifications of the terms of this Agreement shall begin not later than April 14, 2003, or April 14 of any subsequent yearly period, and shall continue until agreement is reached or this Agreement is terminated as hereinafter provided. During said negotiations, this Agreement shall remain in full force and effect provided that, during such negotiations, on or after May 14, 2003 or May 14 of any subsequent yearly period, either party may terminate said negotiations and this Agreement effective on or after May 24 upon giving ten (10) days' written notice to the other party. Negotiations, and all of the terms of this Agreement, shall continue during the entire period prior to effective date of termination.

4. In the event that any provisions of this Agreement shall become inoperative by reason of any applicable Federal, State, County, Municipal or Military law or regulation, it shall be superseded by such law or regulation only while such law or regulation is in force and the remaining provisions of the Agreement shall not be affected thereby.

5. It is understood that this Agreement contains the agreement

of the parties as to all existing matters subject to collective bargaining during the life of this Agreement. However, nothing contained herein shall be interpreted as precluding the right of the parties to negotiate on matters which develop after entering into this Agreement and which have not heretofore been bargained upon and which are finally determined by proper authorities to be subject to collective bargaining.

6. Either the Union or the Company shall have the right at any time to notify individual employees directly of any provision of this Agreement.

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EXHIBIT B

BOEING
ACCOUNTING CALENDAR FY 2000

(TENTATIVE)

January 2000

Fr	Sa	Su	Mo	Tu	We	Th	Wk
-	1	2	[3]	4	5	6	1
7	8	9	10	11	12	13	2
14	15	16	17	18	19	20	3
21	22	23	24	25	26	27	4

18 Scheduled Working Days
144 Scheduled Working Hours

February 2000

Fr	Sa	Su	Mo	Tu	We	Th	Wk
28	29	30	31	1	2	3	5
4	5	6	7	8	9	10	6
11	12	13	14	15	16	17	7
18	19	20	21	22	23	24	8

20 Scheduled Working Days
160 Scheduled Working Hours

March 2000

Fr	Sa	Su	Mo	Tu	We	Th	Wk
25	26	27	28	29	1	2	9
3	4	5	6	7	8	9	10
10	11	12	13	14	15	16	11
17	18	19	20	21	22	23	12

20 Scheduled Working Days
160 Scheduled Working Hours

April 2000

Fr	Sa	Su	Mo	Tu	We	Th	Wk
24	25	26	27	28	29	30	13
31	1	2	3	4	5	6	14
7	8	9	10	11	12	13	15
14	15	16	17	18	19	20	16
21	22	23	24	25	26	27	17

25 Scheduled Working Days
200 Scheduled Working Hours

May 2000

Fr	Sa	Su	Mo	Tu	We	Th	Wk
28	29	30	1	2	3	4	18
5	6	7	8	9	10	11	19
12	13	14	15	16	17	18	20
19	20	21	22	23	24	25	21
-	-	-	-	-	-	-	-

20 Scheduled Working Days
160 Scheduled Working Hours

June 2000

Fr	Sa	Su	Mo	Tu	We	Th	Wk
26	27	28	29	30	31	1	22
2	3	4	5	6	7	8	23
9	10	11	12	13	14	15	24
16	17	18	19	20	21	22	25
-	-	-	-	-	-	-	-

19 Scheduled Working Days
152 Scheduled Working Hours

July 2000

Fr	Sa	Su	Mo	Tu	We	Th	Wk
23	24	25	26	27	28	29	26
30	1	2	3	[4]	5	6	27
7	8	9	10	11	12	13	28
14	15	16	17	18	19	20	29
21	22	23	24	25	26	27	30

24 Scheduled Working Days
192 Scheduled Working Hours

August 2000

Fr	Sa	Su	Mo	Tu	We	Th	Wk
28	29	30	31	1	2	3	31
4	5	6	7	8	9	10	32
11	12	13	14	15	16	17	33
18	19	20	21	22	23	24	34
-	-	-	-	-	-	-	-

20 Scheduled Working Days
160 Scheduled Working Hours

September 2000

Fr	Sa	Su	Mo	Tu	We	Th	Wk
25	26	27	28	29	30	31	35
1	2	3	[4]	5	6	7	36
8	9	10	11	12	13	14	37
15	16	17	18	19	20	21	38
-	-	-	-	-	-	-	-

19 Scheduled Working Days
152 Scheduled Working Hours

October 2000

Fr	Sa	Su	Mo	Tu	We	Th	Wk
22	23	24	25	26	27	28	39
29	30	1	2	3	4	5	40
6	7	8	9	10	11	12	41
13	14	15	16	17	18	19	42
20	21	22	23	24	25	26	43
-	-	-	-	-	-	-	-

25 Scheduled Working Days
200 Scheduled Working Hours

November 2000

Fr	Sa	Su	Mo	Tu	We	Th	Wk
27	28	29	30	31	1	2	44
3	4	5	6	7	8	9	45
10	11	12	13	14	15	16	46
17	18	19	20	21	22	23	47
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

19 Scheduled Working Days
152 Scheduled Working Hours

December 2000

Fr	Sa	Su	Mo	Tu	We	Th	Wk
24	25	26	27	28	29	30	48
1	2	3	4	5	6	7	49
8	9	10	11	12	13	14	50
15	16	17	18	19	20	21	51
22	23	24	25	26	27	28	52
29	30	31	-	-	-	-	1

19 Scheduled Working Days
152 Scheduled Working Hours

12 Total Holidays | 240 Total Working Days | 1,904 Total Working Hours

BOEING
ACCOUNTING CALENDAR FY 2001

(TENTATIVE)

January 2001

Fr	Sa	Su	Mo	Tu	We	Th	Wk
-	-	-	1	2	3	4	1
5	6	7	8	9	10	11	2
12	13	14	15	16	17	18	3
19	20	21	22	23	24	25	4

18 Scheduled Working Days
144 Scheduled Working Hours

February 2001

Fr	Sa	Su	Mo	Tu	We	Th	Wk
26	27	28	29	30	31	1	5
2	3	4	5	6	7	8	6
9	10	11	12	13	14	15	7
16	17	18	19	20	21	22	8

20 Scheduled Working Days
160 Scheduled Working Hours

March 2001

Fr	Sa	Su	Mo	Tu	We	Th	Wk
23	24	25	26	27	28	1	9
2	3	4	5	6	7	8	10
9	10	11	12	13	14	15	11
16	17	18	19	20	21	22	12

20 Scheduled Working Days
160 Scheduled Working Hours

April 2001

Fr	Sa	Su	Mo	Tu	We	Th	Wk
23	24	25	26	27	28	29	13
30	31	1	2	3	4	5	14
6	7	8	9	10	11	12	15
13	14	15	16	17	18	19	16
20	21	22	23	24	25	26	17

25 Scheduled Working Days
200 Scheduled Working Hours

May 2001

Fr	Sa	Su	Mo	Tu	We	Th	Wk
27	28	29	30	1	2	3	18
4	5	6	7	8	9	10	19
11	12	13	14	15	16	17	20
18	19	20	21	22	23	24	21
-	-	-	-	-	-	-	-

20 Scheduled Working Days
160 Scheduled Working Hours

June 2001

Fr	Sa	Su	Mo	Tu	We	Th	Wk
25	26	27	28	29	30	31	22
1	2	3	4	5	6	7	23
8	9	10	11	12	13	14	24
15	16	17	18	19	20	21	25
-	-	-	-	-	-	-	-

19 Scheduled Working Days
152 Scheduled Working Hours

July 2001

Fr	Sa	Su	Mo	Tu	We	Th	Wk
22	23	24	25	26	27	28	26
29	30	1	2	3	4	5	27
6	7	8	9	10	11	12	28
13	14	15	16	17	18	19	29
20	21	22	23	24	25	26	30

24 Scheduled Working Days
192 Scheduled Working Hours

August 2001

Fr	Sa	Su	Mo	Tu	We	Th	Wk
27	28	29	30	31	1	2	31
3	4	5	6	7	8	9	32
10	11	12	13	14	15	16	33
17	18	19	20	21	22	23	34
-	-	-	-	-	-	-	-

20 Scheduled Working Days
160 Scheduled Working Hours

September 2001

Fr	Sa	Su	Mo	Tu	We	Th	Wk
24	25	26	27	28	29	30	35
31	1	2	3	4	5	6	36
7	8	9	10	11	12	13	37
14	15	16	17	18	19	20	38
21	22	23	24	25	26	27	39

24 Scheduled Working Days
192 Scheduled Working Hours

October 2001

Fr	Sa	Su	Mo	Tu	We	Th	Wk
28	29	30	1	2	3	4	40
5	6	7	8	9	10	11	41
12	13	14	15	16	17	18	42
19	20	21	22	23	24	25	43
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

20 Scheduled Working Days
160 Scheduled Working Hours

November 2001

Fr	Sa	Su	Mo	Tu	We	Th	Wk
26	27	28	29	30	31	1	44
2	3	4	5	6	7	8	45
9	10	11	12	13	14	15	46
16	17	18	19	20	21	22	47
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

19 Scheduled Working Days
152 Scheduled Working Hours

December 2001

Fr	Sa	Su	Mo	Tu	We	Th	Wk
23	24	25	26	27	28	29	48
30	1	2	3	4	5	6	49
7	8	9	10	11	12	13	50
14	15	16	17	18	19	20	51
21	22	23	24	25	26	27	52
28	29	30	31	-	-	-	1

19 Scheduled Working Days
152 Scheduled Working Hours

12 Total Holidays | 248 Total Working Days | 1,984 Total Working Hours

BOEING
ACCOUNTING CALENDAR FY 2002

(TENTATIVE)

January 2002

Fr	Sa	Su	Mo	Tu	We	Th	Wk
-	-	-	-	1	2	3	1
4	5	6	7	8	9	10	2
11	12	13	14	15	16	17	3
18	19	20	21	22	23	24	4
25	26	27	28	29	30	31	5

22 Scheduled Working Days
176 Scheduled Working Hours

February 2002

Fr	Sa	Su	Mo	Tu	We	Th	Wk
1	2	3	4	5	6	7	6
8	9	10	11	12	13	14	7
15	16	17	18	19	20	21	8
22	23	24	25	26	27	28	9
-	-	-	-	-	-	-	-

20 Scheduled Working Days
160 Scheduled Working Hours

March 2002

Fr	Sa	Su	Mo	Tu	We	Th	Wk
1	2	3	4	5	6	7	10
8	9	10	11	12	13	14	11
15	16	17	18	19	20	21	12
22	23	24	25	26	27	28	13
-	-	-	-	-	-	-	-

20 Scheduled Working Days
160 Scheduled Working Hours

April 2002

Fr	Sa	Su	Mo	Tu	We	Th	Wk
29	30	31	1	2	3	4	14
5	6	7	8	9	10	11	15
12	13	14	15	16	17	18	16
19	20	21	22	23	24	25	17
-	-	-	-	-	-	-	-

20 Scheduled Working Days
160 Scheduled Working Hours

May 2002

Fr	Sa	Su	Mo	Tu	We	Th	Wk
26	27	28	29	30	1	2	18
3	4	5	6	7	8	9	19
10	11	12	13	14	15	16	20
17	18	19	20	21	22	23	21
24	25	26	27	28	29	30	22

24 Scheduled Working Days
192 Scheduled Working Hours

June 2002

Fr	Sa	Su	Mo	Tu	We	Th	Wk
31	1	2	3	4	5	6	23
7	8	9	10	11	12	13	24
14	15	16	17	18	19	20	25
21	22	23	24	25	26	27	26
-	-	-	-	-	-	-	-

20 Scheduled Working Days
160 Scheduled Working Hours

July 2002

Fr	Sa	Su	Mo	Tu	We	Th	Wk
28	29	30	1	2	3	4	27
5	6	7	8	9	10	11	28
12	13	14	15	16	17	18	29
19	20	21	22	23	24	25	30
-	-	-	-	-	-	-	-

19 Scheduled Working Days
152 Scheduled Working Hours

August 2002

Fr	Sa	Su	Mo	Tu	We	Th	Wk
26	27	28	29	30	31	1	31
2	3	4	5	6	7	8	32
9	10	11	12	13	14	15	33
16	17	18	19	20	21	22	34
23	24	25	26	27	29	29	35

25 Scheduled Working Days
200 Scheduled Working Hours

September 2002

Fr	Sa	Su	Mo	Tu	We	Th	Wk
30	31	1	2	3	4	5	36
6	7	8	9	10	11	12	37
13	14	15	16	17	18	19	38
20	21	22	23	24	25	26	39
-	-	-	-	-	-	-	-

19 Scheduled Working Days
152 Scheduled Working Hours

October 2002

Fr	Sa	Su	Mo	Tu	We	Th	Wk
27	28	29	30	1	2	3	40
4	5	6	7	8	9	10	41
11	12	13	14	15	16	17	42
18	19	20	21	22	23	24	43
25	26	27	28	29	30	31	44

25 Scheduled Working Days
200 Scheduled Working Hours

November 2002

Fr	Sa	Su	Mo	Tu	We	Th	Wk
1	2	3	4	5	6	7	45
8	9	10	11	12	13	14	46
15	16	17	18	19	20	21	47
22	23	24	25	26	27	28	48
-	-	-	-	-	-	-	-

19 Scheduled Working Days
152 Scheduled Working Hours

December 2002

Fr	Sa	Su	Mo	Tu	We	Th	Wk
29	30	1	2	3	4	5	49
6	7	8	9	10	11	12	50
13	14	15	16	17	18	19	51
20	21	22	23	24	25	26	52
27	28	29	30	31	-	-	1

16 Scheduled Working Days
128 Scheduled Working Hours

12 Total Holidays | 249 Total Working Days | 1,992 Total Working Hours

BOEING
ACCOUNTING CALENDAR FY 2003

(TENTATIVE)

January 2003

Fr	Sa	Su	Mo	Tu	We	Th	Wk
-	-	-	-	-	[1]	2	1
3	4	5	6	7	8	9	2
10	11	12	13	14	15	16	3
17	18	19	20	21	22	23	4
24	25	26	27	28	29	30	5

21 Scheduled Working Days
168 Scheduled Working Hours

February 2003

Fr	Sa	Su	Mo	Tu	We	Th	Wk
31	1	2	3	4	5	6	6
7	8	9	10	11	12	13	7
14	15	16	17	18	19	20	8
21	22	23	24	25	26	27	9
-	-	-	-	-	-	-	-

20 Scheduled Working Days
160 Scheduled Working Hours

March 2003

Fr	Sa	Su	Mo	Tu	We	Th	Wk
28	1	2	3	4	5	6	10
7	8	9	10	11	12	13	11
14	15	16	17	18	19	20	12
21	22	23	24	25	26	27	13
-	-	-	-	-	-	-	-

20 Scheduled Working Days
160 Scheduled Working Hours

April 2003

Fr	Sa	Su	Mo	Tu	We	Th	Wk
28	29	30	31	1	2	3	14
4	5	6	7	8	9	10	15
11	12	13	14	15	16	17	16
18	19	20	21	22	23	24	17
-	-	-	-	-	-	-	-

20 Scheduled Working Days
160 Scheduled Working Hours

May 2003

Fr	Sa	Su	Mo	Tu	We	Th	Wk
25	26	27	28	29	30	1	18
2	3	4	5	6	7	8	19
9	10	11	12	13	14	15	20
16	17	18	19	20	21	22	21
23	24	25	26	27	28	29	22

24 Scheduled Working Days
192 Scheduled Working Hours

June 2003

Fr	Sa	Su	Mo	Tu	We	Th	Wk
30	31	1	2	3	4	5	23
6	7	8	9	10	11	12	24
13	14	15	16	17	18	19	25
20	21	22	23	24	25	26	26
-	-	-	-	-	-	-	-

20 Scheduled Working Days
160 Scheduled Working Hours

July 2003

Fr	Sa	Su	Mo	Tu	We	Th	Wk
27	28	29	30	1	2	3	27
[4]	5	6	7	8	9	10	28
11	12	13	14	15	16	17	29
18	19	20	21	22	23	24	30
25	26	27	28	29	30	31	31

24 Scheduled Working Days
192 Scheduled Working Hours

August 2003

Fr	Sa	Su	Mo	Tu	We	Th	Wk
1	2	3	4	5	6	7	32
8	9	10	11	12	13	14	33
15	16	17	18	19	20	21	34
22	23	24	25	26	27	28	35
-	-	-	-	-	-	-	-

20 Scheduled Working Days
160 Scheduled Working Hours

September 2003

Fr	Sa	Su	Mo	Tu	We	Th	Wk
29	30	31	[1]	2	3	4	36
5	6	7	8	9	10	11	37
12	13	14	15	16	17	18	38
19	20	21	22	23	24	25	39
-	-	-	-	-	-	-	-

16 Scheduled Working Days
128 Scheduled Working Hours

October 2003

Fr	Sa	Su	Mo	Tu	We	Th	Wk
26	27	28	29	30	1	2	40
3	4	5	6	7	8	9	41
10	11	12	13	14	15	16	42
17	18	19	20	21	22	23	43
24	25	26	27	28	29	30	44

25 Scheduled Working Days
200 Scheduled Working Hours

November 2003

Fr	Sa	Su	Mo	Tu	We	Th	Wk
31	1	2	3	4	5	6	45
7	8	9	10	11	12	13	46
14	15	16	17	18	19	20	47
21	22	23	24	25	26	27	48
-	-	-	-	-	-	-	-

19 Scheduled Working Days
152 Scheduled Working Hours

December 2003

Fr	Sa	Su	Mo	Tu	We	Th	Wk
28	29	30	1	2	3	4	49
5	6	7	8	9	10	11	50
12	13	14	15	16	17	18	51
19	20	21	22	23	24	25	52
26	27	28	29	30	31	-	1

17 Scheduled Working Days
136 Scheduled Working Hours

12 Total Holidays | 249 Total Working Days | 1,992 Total Working Hours

EXHIBIT C

JOB BIDDING INFORMATION

A. There are three separate kinds of posting for which some of the bidding rules are different.

1. Regular Quarterly Posting

(a) Jobs in which there may be vacancies in the next three months are posted in the regular quarterly posting. The fact that a job is posted does not mean that there will be vacancies in that job or that all vacancies in the job will be filled by bidders.

(b) Use the light GREEN Bid Form (Form 137-C) to bid for jobs on the regular quarterly posting list.

(c) If you are at work at any time during the five-day posting period, you must submit your bid-during that period.

(d) If you are on layoff with recall rights you may bid for jobs posted during the regular quarterly posting. However, if you are a Los Angeles area unit employee this right is restricted to your home division.

(e) If you are absent all five days when the jobs are posted during the regular quarterly posting period, or are downgraded immediately after the posting period, you may submit your bid(s) during the next ten working days either through (a) your supervisor, (b) the Union, or (c) the Transfer Section of Personnel. Your department office, the Wage/Seniority Coordinator, Bargaining Committee Chairman and the local Union office will have a list of the jobs which were posted. In no case may you submit more than three bids under the quarterly posting procedure. However, this limit does not apply to special or lead postings.

(f) Do not bid for more than three jobs during the regular quarterly posting. If you put in more than three bids all of your bids will be void.

(g) If you receive a job for which you have bid, all of your other bids, except those for lead, will be

canceled, and you cannot bid again until a complete regular quarterly posting period has passed.

2. Special Posting
   (a) Bids for jobs which are specially posted are good until bids submitted during the next regular quarterly posting become effective. The job need not be posted again during the remainder of this bidding quarter.
   (b) If you are on layoff with recall rights, you may bid for jobs which are specially posted. However, if you are a Los Angeles area unit employee, this right is restricted to your home division.
   (c) Use the PINK Special Bid Form (Form 137-C-2) to bid for jobs on the special posting list.
   (d) You may bid only during the five days during which jobs are posted.
   (e) If you receive a job for which you have bid, all of your other bids, except those for lead, will be canceled, and you cannot bid again until a complete regular quarterly posting period has passed.
3. Lead Posting
   (a) A bid for a lead job will remain in effect for three months or until the list of qualified bidders is exhausted, whichever comes first.
   (b) Use the YELLOW Lead Bid Form (Form 137-D) to bid for lead jobs.
   (c) Submit your bid only during the three-day period in which the lead job is posted.

B. The following rules apply to all bidding:
   1. Bid only for jobs for which you believe you are qualified. Do not bid for a job in your own classification
   2. Obtain bid forms from your department office or if you are on layoff, from the Transfer Section
   3. Use a separate form for each job bid.
   4. PRINT your bid in ink.
   5. All of the information required on the bid form must be complete and correct. (Your Social Security number is on the back of your ID card.) The information on the bid form provides the Company with informa-

tion which is the basis for determining your qualifications.

6. You may add an extra page to your bid form if you wish to give the Company more information than there is room for on the bid form
7. Show on the bid form which departments, shifts and locations you will NOT accept, if any. A job for which you bid MUST be accepted if it meets your specifications as to department, shift and location.
8. Give your completed bid form to your supervisor. He will assist you to ensure the form is properly completed and legible. If you are on layoff, submit your bid to the Transfer Section.
9. Bid only for jobs that are posted.
10. You cannot bid if you are on formal leave of absence.
11. You may not bid until you have one (1) year seniority, except in your family group. However, you cannot be placed on a bid job until your probationary period is complete.
12. Do not bid for a classification to which you have seniority recall rights.
13. Job descriptions are available in your department office or if you are on layoff, the Transfer Section.
14. If, after you have bid, you receive a job with the same or a higher maximum rate than that of a job for which you have bid, your bid for that job will be canceled.
15. You cannot cancel a bid once it has been made, except by mutual agreement between the Company and the Union.
16. You will be notified of the status of a job bid only under the following two conditions:
    (a) The bid does not meet contractual provisions, or is in error and cannot be processed.
    (b) You have been determined not to be qualified for an opening in the job you bid for and a less senior employee is placed on the job.
17. Lists of employees transferring to jobs for which they bid will be posted regularly.

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EXHIBIT I

OCCUPATIONS FOR POSTING AND BIDDING

Related lower level classifications, as identified in Article XXVI, are in the first priority for bidding to the related selected skills classification.

Classifications in job code series are occupations for purposes of posting and bidding: i.e., 3573/3574.

Code	*Title*	*LG Max.*
3573	Insp.-Eln. Testing	15
3574	Insp. E/E Assy.	7

EXHIBIT J

A GLOSSARY NEGOTIATED BY THE COMPANY AND UNION FOR PREPARING UNIFORM JOB DESCRIPTIONS AND ALLOWING UNIFORM APPLICATION OF EXISTING 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 job descriptions:

1. ELECTRICAL AND ELECTRONIC PRODUCT ITEMS

CHECK, CONTINUITY
A method of verifying the proper hookup of wires in a component, sub-unit, unit, sub-system or system by using electrical current to test for opens, shorts and unwanted resistance to grounds. May include testing for alternate paths of current flow.

CHECK, FUNCTIONAL
A series of measurements which are made for the purpose of ascertaining whether the unit, sub-system or system under test meets performance requirements as listed in specifications, manuals or blueprints or requires corrective measures.

CHECK, OPERATIONAL
A complete check of an entire completed system and always takes place on a completely assembled product such as a digital computer, test console or a completely married system which represents the entire system of a product. Checks include diagnosing malfunctions and taking corrective action.

COMPONENT
One of the parts in a circuit or assembly which is usually not subject to disassembly such as transistors, diodes, capacitors, resistors, transformers, switches, connectors, I.C.'s (integrated circuits), semiconductor device.

SUB-SYSTEM
A combination of units or sub-units comprising a portion of a system, but which is usually not capable of performing a complete operational function. Example: radar antenna, armament control computer.

SUB-UNIT
A combination of components and wiring mounted on a common base and forming a portion of a unit. Replaceable as a whole but having components which are individually replaceable.

SYSTEM
A combination of two or more units or sub-systems which is capable of performing a complete operational function. Examples: fire control system, inertial navigation system, digital computer.

UNIT
A combination of components, wiring and/or sub-units mounted together which performs a complete function. Examples: power supply, amplifier assembly, transmitter, voltage and phase indicator.

WIRE HARNESS
A group of wires assembled together for subsequent installation. Usually prepared on a jig board which controls the shape, grouping, length and terminal points.

2. GENERAL ITEMS AND WORK OPERATIONS

DEVELOPMENTAL PARTS
Are parts which are intended for use on experimental or developmental products (i.e., one or a few products designated as being actually or potentially subject to major modification or change). These are usually produced singly or in small lots using standard tooling, improvised tooling or newly constructed production tooling. The use thereof in

a job description does not imply a restricted level of difficulty unless such intention is clearly and specifically indicated.

DRAW, DEEP

Means the relation of depth of draw to its other dimensions is such that it is distinguished from moderate or shallow draws by custom.

DRAW, DRAWING

Means the forming of sheet metal or other material by pressing it into a die while at the same time retarding movement of the metal into the die by mechanical holding as with draw rings.

EXPERIMENTAL PARTS

Are parts which are intended for use on experimental or developmental products. These are usually produced singly or in small lots, using standard tooling, improvised tooling, or newly constructed production tooling. The use thereof in a job description does not imply a restricted level of difficulty unless such intention is clearly and specifically indicated.

EXPERIMENTAL WORK, DEVELOPMENTAL WORK (DOES)

Means to experiment with the process or operation (assembly and/or fabrication) in order to develop new or improved methods, or means to build or make new assemblies and installations 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. It does not include work done by a usual or established manner, process or operation on a part even when such part will later be used on an experimental or prototype product.

FABRICATES COMPLETELY

Means to perform all necessary fabrication operations required to produce a finished article ready for use in an assembly.

FABRICATION, FABRICATES

Means work operations on raw materials and partially manufactured parts which increase its or their value and utility.

LAYOUT (N), LAYS OUT (V)

Means the actual marking of location and/or reference points and lines on the material, part, tool or assembly worked on. Layout in itself does not imply a high level of difficulty or skill since it can be a simple work operation such as measuring a length on a piece of lumber and marking a line or point at which it is to be sawed, marking lines on pavement with a chalk line preparatory to painting or scribing around a furnished template laid on flat stock. On the other hand, layout can be a difficult work operation which requires much skill, knowledge and experience to make the necessary computations, part setup, precise measurements and markings, and interpretation of complex blueprints such as on a complex die or casting requiring layout to establish locations for coordinated hold patterns, compound angles and/or irregular contours.

LAYOUT OF PART

Means the marking of points and lines which will determine the exact nature and dimensions of the part after machining or fabrication operations have been performed. Layout of this nature is an integral and necessary step in the fabrication of the part.

LAYOUT, PROGRESSIVE

Is the layout for a machining or other fabrication operation which is continued (or completed) after the fabrication operation has been performed. Progressive layout is often necessary when initial machining operations would remove scribed reference marks for subsequent operations, or is advantageous when the machining operation produces a good reference plane or point for further layout operations.

LAYOUT OF REFERENCE LINES AND POINTS

Means the marking of points and lines to aid or guide the workman in performing a given operation. It often indicates points and lines from which precision measurements will be taken although the points and lines themselves need not have been located exactly. Layout of this nature is of-

ten optional rather than necessary as the purpose can be to reduce the number of measurements, limit gross errors, or to permit working to closer than specified tolerances.

PICKUP WORK, PICKUP

Means the performance out of usual or normal sequence work operations which have been omitted by intention or of necessity (as part shortage or rushed schedule) or by oversight (as failure to drill a hole, make a cutout or install a part). Pickup work does not of itself establish a high or higher level of difficulty since work done out of sequence is very often of the same difficulty or within the same level of difficulty as when done in sequence. Therefore, the level of difficulty intended is to be determined from the composite job description and compared with the actual pickup work in question.

REPAIR

Means to restore a part or assembly to its original state or utility after it has been damaged by accident or by wear. It does not have the same meaning as 'rework'.

REWORK

Means to undo and then do over work previously accomplished (normally by others) in order to correct errors or make it conform to changed specifications. Rework can be simple or difficult according to its nature and variety, therefore, the level of difficulty intended is to be determined from the composite job description (see repair).

SETUP (N), SETS UP (V)

Is a broad term which becomes specific only according to its usage and application to machines and/or operations concerned. It includes the various necessary physical work operations or steps (other than layout) which must be accomplished before actual fabrication can proceed. Setup of a machine might include securing material to machine bed at the proper angle for cutting, selecting, aligning and setting cutting tool, setting speeds and feeds, adjusting coolant flow, or perhaps oiling the machine itself. In most assembly operations, setup (e.g., positioning parts, obtaining parts) is so closely intermingled with fitting and joining together that setup is not customarily designated as such.

This is generally true of operations where machine operation is not the primary job factor.

TEND

Means that an automatic or almost automatic function is taking place which requires little or no direct control by the worker. To 'tend' a machine would include watching its operation after the setup has been made (usually by others), periodically checking work produced, starting and stopping, loading material in machine, removing finished part, making minor adjustments to machine which do not involve extensive knowledge of setup, and notifying proper personnel when machine or part trouble develops.

TRAINING AND EXPERIENCE

Training refers to time to acquire skill through instruction, demonstration and controlled or practice operation. Experience refers to time to acquire skill through actual performance of the work itself or of pertinent elements of closely related work. Training does not include schooling or formal training in reading, writing and simple arithmetic, since this is basic for all aircraft occupations. More advanced formal training which would substitute directly for job techniques normally acquired by actual experience on the job, such as shop algebra, shop geometry, shop trigonometry, blueprint reading, lofting practice and technical trade knowledge can be counted as equivalent training and experience in the case of an individual worker.

3. INFORMATION SOURCES

AS DIRECTED

Means that some determinations connected with the work operation described are usually and normally made by others and are given or made known to the worker directly concerned with the assignment. Use of this term does not mean that the details and determinations involved need be repeated each time an identical or very similar work assignment is made or work operations performed, nor, does it preclude use of independent judgment by the worker.

AS REQUIRED

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 and/or has been used in some instances to mean an occasional or incidental job requirement. The intended meaning is evident from the nature of the job duty described.

ASSEMBLY AND INSTALLATION INSTRUCTIONS
Books, manuals, or individual sheets which denote and illustrate, in sequence, operations required for the assembly and installation of such items as components, harnesses, sub-units and units. Includes such items as break-out illustrations of items being assembled, step-by-step operations and related plug and wire charts.

ASSISTS
Means that the assistance given can be for the accomplishment of work of a higher level of difficulty than that defined in the lower classified worker's job description without affecting the assisting worker's job classification. The worker assisted is held responsible for the satisfactory completion of such work assignment. The assisting worker is not expected to work wholly independently but rather cooperatively and, further, is entitled to and should receive the guidance and instruction considered usual and normal under these circumstances.

BLUEPRINTS, DETAIL
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.

BLUEPRINTS, MAJOR ASSEMBLY AND INSTALLATION
Are blueprints which provide information for the installation and/or assembly of fabricated and accessory parts into the airplane during final assembly, and for the construction of such major assemblies as fuselage, wing, empennage, and engine control stand.

BLUEPRINTS, MINOR ASSEMBLY
Are blueprints which furnish the worker with information for assembling a number of parts; these blueprints frequently also serve to give information for routing the component parts into the assembly department.

JIG LAYOUT SHEET (PAPER TEMPLATE)
Represents the actual size of wire harness and indicates pin locations, routing of wires, terminal points, wire cut-off points, location of plugs, terminals and ties. Template is laid over the board and pins are located by marking through the template.

MANUFACTURING OUTLINE SHEETS
These sheets or cards furnish all or some of the following information: the order or sequence in which operations are to be performed, the tools to be used, the production tooling available and its tooling identification number, machine feeds and speeds and special manufacturing instructions, if any. This refers to operation sequence sheets, process sheets, operational sheets or cards, manufacturing operation cards, and other written information furnished the operator of the same nature and for the same use and purpose.

MOCKUP INSTRUCTIONS
Used in connection with assembly of prototype units. Information is incomplete and reference to additional mockup information is required.

PICTORIAL-TYPE BLUEPRINTS
Engineering drawings which provide a two-dimensional view of an item comparable in clarity and used in lieu of production illustrations.

PRODUCTION ILLUSTRATIONS
Photographs 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. Dimensions might be shown also.

PRODUCTION ILLUSTRATIONS-ELECTRICAL AND ELECTRONICS

Photographs, flat views or perspective drawings of such items as components, wiring harnesses, units and sub-units, parts and/or their assembly which provide clear and distinct images of the actual item for assembly or fabrication purposes. Usually include color designations, identifications, wire routing, hookup locations; dimensions may also be shown.

SCHEMATIC DIAGRAMS-ELECTRONICS

Blueprints of electronic circuits which provide all information relative to circuit design. Circuit function and signal flow are identified by schematic symbols and codes representing the type and value of components. Do not indicate component locations, wire routing or assembly sequences.

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 practices or methods learned or acquired at any one shop.

SHOP PROCEDURE

Means the way custom and management of the particular company require, wish or specify the work to be performed. It includes the departmental and company rules, procedures and policies made known to the employee for his information and expected compliance. It covers or implies having sufficient knowledge of organization, management and physical details of the company to perform satisfactorily the required work in a generally harmonious manner.

SHOP THEORY

Means the comprehensive craft knowledges and special skills associated with the particular trade and related trades without which advanced work of high quality, quantity, and uniformity may not be performed. A thorough knowledge of shop theory is considered necessary to accomplish the more difficult and diversified work of an occupation and includes a real understanding of the capacities as well as limitations of the machines and skills used in the trade. It implies a knowledge of 'why' as well as 'how' a given task should be done. It is acquired by a combination of observation, experience and schooling.

STANDARD IN DESIGN

Means that construction and purpose are common to the company or shop. It implies that a lower level of difficulty is involved than when 'not standard in design' is used.

WHEN REQUIRED

Means that the work operation, function or job duty is usually and normally performed after or as a direct result of an order or request from recognized supervisory personnel and/or means that it is required or necessary only rarely or when exceptional circumstances exist.

WIRE (WIRING) DIAGRAMS

Blueprints of electronic and electrical circuits which provide information relative to the physical arrangement of all wiring. Illustrate point-to-point wire routing and wire groupings. Lists of wires comprising the diagrams may be included.

WIRE LISTS

Listings of wire information which usually include the kind, type, size, length and color of wires, as well as the originating and termination points.

WIRE LIST WORK SHEETS

Provide information for fabrication of wires. Includes wire number, quantity, length, type, lug number, pigtail and tinning requirements.

4. TEST INSTRUMENTS AND CHECKING OPERATIONS

CALIBRATION

Comparison between two instruments or devices, one of which is a company standard of a known accuracy, to detect, correlate and adjust any variation in accuracy of instrument or device being compared.

CHECK, FUNCTIONAL, AEROSPACE VEHICLES

Means to determine or ascertain whether a component, sub-unit, unit or portion of a system performs the function for which it is intended. Examples: landing gear system, surface control system, fuel system, checking lines for leaks, power plant system, transmitting, receiving and inter-communication system. Check includes diagnosing *malfunctions and initiating corrective action.*

CHECK, OPERATIONAL, AEROSPACE VEHICLES

Means making a complete check of an entire completed independent system and always takes place on a completely assembled aerospace vehicle such as an airplane or missile to determine whether the system or systems perform to operating requirements. Examples would include the complete fire control system, inertial navigation system, hydraulic and surface control system, power plant and fuel supply systems. Checks include diagnosing malfunctions and initiating corrective action.

CHECK, VISUAL

Means detecting with the naked eye, or with such aids as mirrors, obvious defects and imperfections. The use thereof implies sufficient knowledge and familiarity on the part of the worker to make the required identification. Such check would uncover incomplete assembly (missing parts or operations), visible surface cracks, badly driven rivets, and similar conditions.

WORKING INSTRUMENTS, TEST EQUIPMENT

All instruments or devices which are calibrated to company standards and are used for making measurements or controlling processes related to a product.

COMPANY STANDARDS

a. Reference Standards: All instruments or devices within the company which are used as primary standards of reference and which are calibrated or checked by direct reference to the National Bureau of Standards.

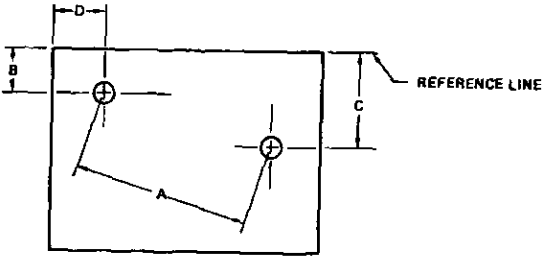
b. Transfer Standards: All instruments or devices used to transfer measurements from reference standards to working standards, or which are used in lieu of reference standards to avoid wear or deterioration.

c. Working Standards: All instruments or devices used to calibrate working instruments and which are in turn calibrated by reference standards or by transfer standards.

5. TOLERANCES AND DIMENSIONS

COORDINATED TOLERANCES, COORDINATED DIMENSIONS

These expressions are used only when exacting tolerances are implied, i.e., exacting tolerances are to be associated always with 'coordinated dimensions', 'coordinated tolerances' unless modified expressly. 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 dimension 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. As an example:



TOLERANCES, CLOSE

Means those tolerances which require the worker's close attention and requires directed effort during setup and/or operation to hold, but which are within the normal capacity of the machine. Also, means those tolerances which require a fairly skillful use of hand tools and/or assembly techniques to hold. This term expresses a level of difficulty required to obtain or hold the tolerance rather than a preciseness of linear, angular or other measurement.

TOLERANCES, EXACTING

Means those tolerances which, to obtain or hold, require extra careful attention and the application of much job knowledge on the part of a skilled workman, whether on machine or hand operations. These tolerances would be difficult, if not impossible, for a semi-skilled or unskilled workman to hold consistently with good output. This term expresses a level of difficulty required to obtain or hold the tolerance rather than a preciseness of linear, angular or other measurement.

TOLERANCES, MODERATE

Means those tolerances which, to obtain or hold, require only ordinary care and skill on the part of the worker. Also, means those tolerances which are wholly or almost wholly held by jigs, tools, molds, dies and other tooling and, no matter how critical or precise, are largely beyond the control of the worker in the normal performance of the job. This term expresses a level of difficulty required to obtain or hold the tolerance rather than a preciseness of linear, angular or other measurement.

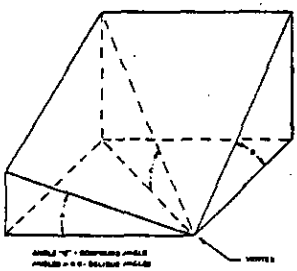
6. TOOLING AND SHAPES

ADAPT TOOLING

Means to modify, alter or change furnished tooling to accommodate a specific need without altering the basic design.

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 an example:



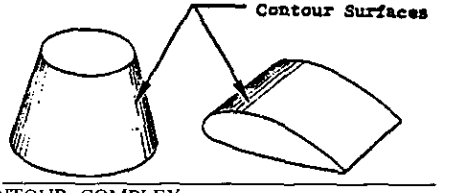
ASSEMBLY JIGS

Are those jigs which facilitate holding and aligning a set of parts for fabrication or assembly operations.

CONTOUR

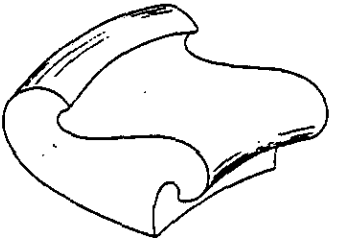
Means a curved surface having a radii of different lengths, all of which lie in parallel planes or the same plane, such planes being perpendicular to the curved surface, or means a curved line having radii of different lengths, all of which are in the same plane. The surface of a cone or section thereon, 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. As an example:



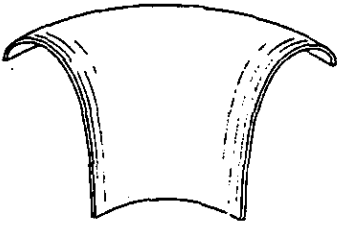
CONTOUR, COMPLEX

Means a curved surface of unusual shape and variability. As an Example:



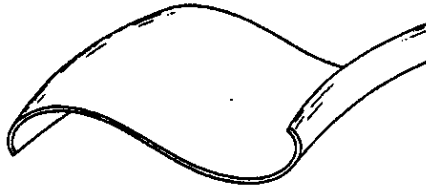
CONTOUR, COMPOUND

Means a curved surface having radii of different lengths which lie in non-parallel planes. Compound contours are typical of stretch press and drop hammer dies. As an example:



CONTOUR, REVERSE

Means a compound contour that reverses its curvature so that it has both concave and convex portions. As an example:



HAND TOOLS

These include hand tools normally used by the workman in the performance of the occupation, such as files, rasps, deburring tools, chisels, saws, hand drills, screw drivers, pliers, wrenches, hammers, mallets and punches.

HAND TOOLS, MACHINISTS'

No definite distinction is implied by prefixing `machinists' to `hand tools'. Use of this or other trade names as carpenters', instrument makers', electricians' and masons' does not imply a strict limitation on hand tools used; e.g., wire cutters (electricians') might be used by a mason laying wire reinforced brick or tin snips (sheet metal workers') by a carpenter to cut a square of sheet metal to cover a knot hole.

HOLDING FIXTURES

Refers to tooling designed to hold the work so that machining, installation, assembly or layout operations are facilitated.

HOLDING FIXTURES, PRODUCTION

Are those designed to hold or align one part or one assembly. Holding jigs are included in this class.

HOLDING FIXTURES, STANDARD

Are those which can be used on a wide variety of parts and which are usually found in all well-equipped shops of similar nature. They are a portion of the Standard Tooling category concerned principally with holding the work.

IMPROVISES AND ADAPTS STANDARD TOOLING

Means to use standard tooling (see definition) in order to secure and align part or otherwise aid or expedite fabrication. It implies that exercise of skill and ingenuity is required and the problems involved are not solved by standard or simple means.

IMPROVISE TEMPORARY TOOLING

See 'improvises tooling'. Means, in addition, that the tooling is intended for temporary use only and is made or adapted from equipment, material and tooling on hand.

IMPROVISES TOOLING

Means that a worker, to accomplish a given task, recognizes the need for and exercises his ingenuity and skill to create a mechanical aid which will permit doing the work with greater exactness, rapidity and/or facility. The fact that tooling is improvised need not affect the classification since it might be simple or complex, necessary or unnecessary, authorized or unauthorized.

TOOLING, PRODUCTION

Is specially designed tooling to facilitate production operations on any number of same or similar parts. This type of tooling is developed to hold regular and irregular shaped parts in proper machining position, and to minimize or eliminate setup and layout. This is a general term usually associated with machining operations on lot or mass production parts and assemblies.

TOOLING, STANDARD

Means those tools or tooling used on the same or different types of machines or operation, principally in making a setup for either layout or machining and occasionally for bench or assembly work and which further are found commonly in nearly all shops and industries performing similar operations. In the machine shop, it would include vee-blocks, parallel bars, angle plates, chucks, collets, ma-

chine vises, a wide variety of clamps, bolts, locks and wedges. In bench or assembly work, it would include surface plates, table vises, and various common attachments used on portable and stationary tools to permit holding the work or increasing the scope of the tool.

7. PLANNING

DESIGNATED PROJECT

An assignment where Management has designated the responsibility for the overall planning and documentation for a product and/or division of planning work.

EXHIBIT K

JOB BIDDING INFORMATION MANUFACTURING PLANNING AND TOOL DESIGN UNIT ONLY

A. There are two (2) separate kinds of posting for which some of the bidding rules are different:

1. *Regular Quarterly Posting*

(a) Jobs in any pay grade in which there may be vacancies in the next three (3) months are posted in the regular quarterly posting. The fact that a job is posted does not mean that there will be vacancies in that job or that all vacancies in the job will be filled by bidders.

(b) Use the light GREEN Bid Form (Form 137-C) to bid for jobs on the regular quarterly posting list.

(c) If you are at work at any time during the five (5) day posting period, you must submit your bid during that period.

(d) If you are absent all five (5) days when the jobs are posted during the regular quarterly posting period, or are downgraded immediately after the posting period, you may submit your bid(s) during the next ten (10) working days either through (a) your Supervisor, (b) the Union, or (c) the Transfer Section of Personnel. Your department office, the Wage/Seniority Coordinator, Bargaining Committee Chairman and the Local Union office will have a list of the jobs which were posted.

(e) If you receive a job for which you have bid, all of your other bids will be canceled, and you cannot bid again until a complete regular quarterly posting period has passed.

2. *Special Posting*

(a) Bids for jobs in any pay grade which are specially posted are good until bids submitted during the next regular quarterly posting become effective. The job need not be posted again during the remainder of this bidding quarter.

(b) Use the PINK Special Bid Form (Form 137-C-2) to bid for jobs on the special posting list.

(c) You may bid only during the five (5) days during which jobs are posted.

(d) If you receive a job for which you have bid, all of your other bids will be canceled and you cannot bid again until a complete regular quarterly posting period has passed.

B. The following rules apply to all bidding: You may bid on jobs within Planning, within Tool Design, between Planning and Tool Design or Tool Design and Planning. You may also bid on jobs in the Production and Maintenance Unit.

1 Bid only for jobs for which you believe you are qualified. Do not bid for a job in your own classification.

2. Obtain Bid Forms from your department office.

3. Use a separate form for each job bid.

4. PRINT your bid in ink.

5. All of the information required on the Bid Form must be complete and correct. (Your Social Security Number is on the back of your ID card.) The information on the Bid Form provides the Company with information which is the basis for determining your qualifications.

6. You may add an extra page to your Bid Form if you wish to give the Company more information than there is room for on the Bid Form.

7. Show on the Bid Form which departments, shifts and locations you will NOT accept, if any. A job for which you bid MUST be accepted if it meets your specifications as to department, shift and location.

8. Give your completed Bid Form to your Supervisor. He will assist you to insure the form is properly completed and legible.

9. Bid only for jobs that are posted.

10. You cannot bid if you are on formal leave of absence.

11. You may not bid until you have one (1) year seniority, except in higher level in your job code series. However, you cannot be placed on a bid job until your probationary period is complete.

12. Do not bid for a classification to which you have seniority recall rights.

13. Job descriptions are available in your department office.

14. If, after you have bid, you receive a job with the same or a higher maximum rate than that of a job for which you have bid, your bid for that job will be canceled.

15. You cannot cancel a bid once it has been made except by mutual agreement between the Company and the Union.

16. You will be notified of the status of a job bid only under the following two (2) conditions:

(a) The bid does not meet contractual provisions or is in error and cannot be processed.

EXHIBIT K

(b) You have been determined not to be qualified for an opening in the job you bid for and a less senior employee is placed on the job.

17. Lists of employees transferring to jobs for which they bid will be posted regularly.

EXHIBIT L

NORMAL LINES OF PROGRESSION—LOCAL 1519

4553	Dispatcher—Motor Transportation
802A	Driver
4693	Final Assembly Checkout Electrician
804A	Electronic Test Mechanic
7443	Mockup Mechanic—Electrical & Electronic
3663	Electrical Installation Mechanic
803A	Electronic Assembler

EXHIBIT M

JOB BIDDING INFORMATION—LOCAL 1519

A. There are two (2) separate kinds of posting for which some of the bidding rules are different:

1. Regular Posting

(a) Bids for jobs which are posted are good for three (3) months following the posting.

(b) If you are on layoff with recall rights, you may bid for jobs which are posted.

(c) Use the PINK Special Bid Form (Form 137-C-2) to bid for jobs on a regular posting.

(d) You may bid only during the five (5) days during which jobs are posted except, if you return to work after a posting, you may submit a bid within five (5) days after you return to work.

(e) If you receive a job for which you have a bid, all of your other bids, except those for leadman, will be canceled, and you cannot bid again within the succeeding ninety (90) day period.

2. *Lead Posting*

(a) A bid for a lead job will remain in effect for three (3) months or until the list of qualified bidders is exhausted, whichever comes first.

(b) Use the YELLOW Lead Bid Form (Form 137-D) to bid for lead jobs.

(c) Submit your bid only during the three (3) day period in which the lead job is posted.

B. The following rules apply to all bidding:

1. Bid only for jobs for which you believe you are qualified. Do not bid for a job in your own classification.

2. Obtain bid forms from your department office or, if you are on layoff, from the Transfer Section.

3. Use a separate form for each job bid.

4. PRINT your bid in ink.

5. All of the information required on the bid form must be complete and correct. (Your Social Security number is on the back of your ID card.) The information on the bid form provides the Company with information which is the basis for determining your qualifications.

6. You may add an extra page to your bid form if you wish to give the Company more information than there is room for on the bid form.

7. Show on the bid form which departments, shifts and locations you will NOT accept, if any. A job for which you bid MUST be accepted if it meets your specifications as to department, shift and location.

8. Give your completed bid form to your supervisor. He will assist you to insure the form is properly completed and legible. If you are on layoff, submit your bid to the Transfer Section.

9. Bid only for jobs that are posted.

10. You cannot bid if you are on formal leave of absence.
11. If you bid and then go on formal leave of absence, your bids will be suspended while you are on leave. They will be reactivated for future openings if you return to work before the end of the ninety (90) day period during which your bids are effective.

12. A probationary employee may bid, but cannot be placed on a bid job until his probationary period is completed.

13. Do not bid for a classification to which you have seniority recall rights.

14. Job descriptions are available in your department office or, if you are on layoff, the Transfer Section.

15. If, after you have bid, you receive a job with the same or a higher maximum rate than that of a job for which you have bid, your bid for that job will be canceled.

16. You cannot cancel a bid once it has been made, except by mutual agreement between Company and Union.

17. You will be notified of the status of a job bid only under the following two (2) conditions:

(a) The bid does not meet contractual provisions, or is in error and cannot be processed.

(b) You have been determined not to be qualified for an opening in the job you bid for and a less senior employee is placed on the job.

18. Lists of employees transferring to jobs for which they bid will be posted regularly.

EXHIBIT N

JOB BIDDING INFORMATION McALESTER PLANT ONLY

A. There are two kinds of posting for which some of the bidding rules are different.

1. *Regular Quarterly Posting*

(a) Jobs in which there **may** be vacancies in the next three months are posted in the regular quarterly posting. The fact that a job is posted does not mean that there will be vacancies in that job or that all vacancies in the job will be filled by bidders.

(b) Use the light **GREEN** Bid Form (Form 137-C) to bid for jobs on the regular quarterly posting list.

(c) If you are at work at any time during the five-day posting period, you must submit your bid during that period.

(d) If you are on layoff with recall rights you may bid for jobs posted during the regular quarterly posting.

(e) If you are absent all five days when the jobs are posted during the regular quarterly posting period, or are downgraded immediately after the posting period, you may submit your bid(s) during the next ten working days to the Personnel Department. Your Personnel Department will have a list of the jobs which were posted. In no case may you submit more than three bids under the quarterly posting procedure. However, this limit does not apply to special postings.

(f) Do not bid for more than three jobs during the regular quarterly posting. If you put in more than three bids **all** of your bids will be void.

(g) If you receive a job for which you have bid, all of your other bids will be canceled, and you cannot bid again until a complete regular quarterly posting period has passed.

2. *Special Posting*

(a) Bids for jobs which are specially posted are good until bids submitted during the next regular quarterly posting become effective. The job need not be posted again during the remainder of this bidding quarter.

(b) If you are on layoff with recall rights, you may bid for jobs which are specially posted.

(c) Use the **PINK** Special Bid Form (Form 137-C-2) to bid for jobs on the special posting list.

(d) You may bid only during the three days during which jobs are posted.

(e) If you receive a job for which you have bid, all of your other bids will be canceled, and you cannot bid again until a complete regular quarterly posting period has passed.

B. The following rules apply to all bidding:

1. Bid only for jobs for which you believe you are qualified. Do not bid for a job in your own classification.

2. Obtain bid forms from your supervisor or the Personnel Department.

3. Use a separate form for each job bid.

4. **PRINT** your bid in ink.

5. All of the information required on the bid form must be complete and correct. (Your Social Security number is on the back of your ID card.) The information on the bid form provides the Company with information which is the basis for determining your qualifications.

6. You may add an extra page to your bid form if you wish to give the Company more information than there is room for on the bid form.

7. Show on the bid form which departments, shifts and locations you will **NOT** accept, if any. A job for which you bid **MUST** be accepted if it meets your specifications as to department and shift.

8. Give your completed bid form to your supervisor. He will assist you to insure the form is properly completed and legible. If you are on layoff, submit your bid to the Personnel Department.

9. Bid only for jobs that are posted.

10. You cannot bid if you are on formal leave of absence.

11. You may not bid until you have one (1) year seniority, except to jobs having your own alpha code designation (Exhibit

Q). (Employees who have been notified they are excess and employees on layoff will be eligible for bid immediately).

However, you cannot be placed on a bid job until your Probationary period is complete.

12. Do not bid for a classification to which you have seniority recall rights.

13. Job descriptions are available in the Personnel Department.

14. If, after you have bid, you receive a job with the same or a higher maximum rate than that of a job for which you have bid, your bid for that job will be canceled.

15. You cannot cancel a bid once it has been made, except by mutual agreement between the Company and the Union.

16. You will be notified of the status of a job bid only under the following two conditions:

(a) The bid does not meet contractual provisions, or is in error and cannot be processed.

(b) You have been determined not to be qualified for an opening in the job you bid for and a less senior employee is placed on the job.

17. Lists of employees transferring to jobs for which they bid will be posted regularly.

EXHIBIT O

EMPLOYEE OVERTIME RECORD

DEPT. _____ SHIFT _____ FROM _____ TO _____ NAME OF OVERTIME GROUP _____

DATE	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
NAME																															
CLASSIFICATION																															
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STARTING AVERAGE OVERTIME HOURS FOR SHIFT (1)																															
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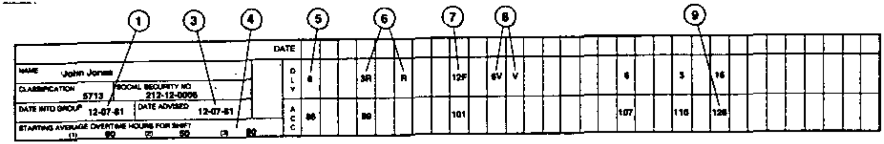
FORM 130-A-10 REV. 2-84 (FRONT)

EXHIBIT O

EMPLOYEE OVERTIME RECORD



DESCRIPTION OF DUTIES OF THIS OVERTIME GROUP: ______________________________

1. Enter date employee joined this overtime group (i.e., new hires, reclassified employees, transferees from another department and returnees from leave or combination of leaves and vacations of 90 days or more or transfer (from another overtime group in same department).

2. When an employee physically moves into an overtime group, the effective date of such transfer shall be the Monday immediately following the Saturday of the first workweek involved in such a transfer.

3. Record date employee was advised he was a member of this overtime group and have employee initial at that time. The appropriate Union representative will also be notified of the addition and will acknowledge such notification.

4. Enter average overtime hours for each shift. When an employee physically (as described in 2 above) joins this overtime group, charge the employee with the average accumulated overtime hours of the group(s) for new hires, reclassified employees, transferees and returnees from leave or combination of leaves and vacations of 90 days or more, as appropriate

5. Enter daily overtime worked. For each hour the employee works at a time and one-half basis charge 1.5 hours. For each hour worked at a double time basis charge 2.0 hours.

6. If employee was offered overtime but refused, enter appropriate charge (on the same basis described in 5. above) for the hours the employee would have worked followed by an "R". Overtime offered by telephone to employee's home which is refused will not be entered on the record; however, an "R" should be entered to reflect the refusal.

7. If employee agreed to work overtime but failed to report, enter appropriate charge (on the same basis as described in 5. above) for hours the employee would have worked followed by an "F".

8. Indicate days on vacation by "V" or days on leave by "L". When an employee is on vacation, leave or combinations thereof, (less than 90 days) he will be given an appropriate overtime charge (described in 5. above) when all employees in the group are scheduled for overtime and employee would have been assigned such overtime had he been available.

9. Enter accumulated total overtime hours. (Hours for all employees in the classification in the department may be reduced by even multiples of 100 so long as no employee's hours are reduced to zero or less.)

10. When an overtime group is established or reestablished, the supervisor and the appropriate Union representative will discuss the group structure and the reasons therefore. Disputes regarding the composition of the overtime group will be referred to the Director of Labor Relations and the Chairman of the Bargaining Committee for their Resolution.

11. When an employee is loaned to another overtime group, to work in his or another department, he will continue to accumulate overtime in his regular overtime group.

12. Article XVII, Section 2 (a) of the UAW Master Agreement describes the intent of the parties and the procedures involved in recording overtime.

SUPERVISOR______________________________
SIGNATURE

UNION REPRESENTATIVE______________________________
SIGNATURE

DATE______________________

THE EMPLOYEE OVERTIME RECORD FOR EACH OVERTIME GROUP WILL BE OPENLY DISPLAYED IN THE DEPARTMENT.

FORM 130-J-10 REV 2-94 (BACK)

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June 25, 1996

Mr. Roy O. Wyse
Secretary—Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Recognition – Successorship – Neutrality

Dear Mr. Wyse:

During negotiations resulting in the 1996 Master Agreement, the parties discussed the issues of recognition, successorship, and neutrality. The Union expressed concern regarding these issues and the potential effect on their bargaining unit.

Both parties recognized the close, mature working relationship between the Company's Aerospace Businesses and the Union that has developed over many years. The parties emphasized their success in resolving past recognition, successorship, neutrality and other issues of concern based on this sound relationship.

The parties agree that should recognition, successorship or neutrality issues arise during the prescribed term of this Agreement, the Aerospace & Defense Vice President, Human Resources and the Secretary-Treasurer and Director, National Aerospace Department of the Union, or their designated representatives, will meet to discuss and mutually resolve the issues.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

AGREED: _____

Roy O. Wyse

June 25, 1996

Mr. Frank C. Souza
President
UAW Local 887
14910 Garfield Avenue
Paramount, CA 90723

Subject: Safety – Bargaining Committeemen's Workload

Dear Mr. Souza:

During 1981 contract negotiations, the parties agreed to revised language in Article XIII—Safety. The Union expressed concern that the added duties and responsibilities covered under Article XII, Section 5, could adversely impact the assigned existing full-time Bargaining Committeemen's workload. The parties, therefore, agreed that if the Union believes that such adverse impact is occurring, the President of UAW Local 887 and the Company's Director of Labor Relations or their designated representative, will meet and mutually agree to resolution of the issue.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

MEMORANDUM OF INTENT ON DRUG POLICY

During the negotiations resulting in the 1990 Aerospace Master Agreement, the parties discussed the issue of a drug free workplace in general and drug testing in particular. Both parties fully support the need to maintain a drug free workplace, to identify employees who are using illegal drugs and to assist those employees to obtain treatment. To that end the parties previously developed the Rockwell (now Boeing)-UAW Joint Substance Abuse Recovery Program which is intended to help employees to find effective counseling and rehabilitation programs. The Company has also put an Anti-Drug Program into effect.

The parties further discussed the impact of the Federal Government's recently promulgated or soon to be promulgated initiatives. These include the Drug-Free Workplace Act of 1988, drug-free workforce regulations from the Department of Defense, the Department of Transportation and other agencies.

It was agreed that should legislation, regulations or court decisions require that the Company's Anti-Drug Program be changed, the parties would meet to review the program and make any necessary or appropriate changes. The Company must comply with the law and the requirements of federal agencies for which it is a contractor.

6/25/90

June 25, 1996

Mr. F. C. Souza, President
UAW Local 887
14910 Garfield Avenue
Paramount, CA 90723

Mr. R. S. Huffman, President
UAW Local 1519
21806 Devonshire
Chatsworth, California 91311

Subject: Loans 1519-887

Gentlemen:

This letter will serve to confirm our understanding that employee loans between bargaining units represented by Local 1519 and Local 887 will be by mutual agreement of the parties.

If this letter accurately reflects your understanding of our agreement on this subject, please sign two copies and return them to me.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

APPROVED: F. C. Souza

APPROVED: R. S. Huffman

June 25, 1996

Mr. Roy O. Wyse
Secretary—Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Janitors—Palmdale

Dear Mr. Wyse:

This letter will reconfirm the understanding reached during negotiations of the 1977–1978 Master Agreement relative to janitorial services at the two Company divisions at the Palmdale Airport, Palmdale, California.

The Company will perform janitorial services with its own employees at the Palmdale—Reusable Space Systems Division and the Palmdale—Boeing High Desert Assembly, Integration and Test Center.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

June 25, 1996

Mr. Roy O. Wyse

Secretary—Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Equalization of Overtime

Dear Mr. Wyse:

In discussions between the parties in regard to Article XVII, Section 2(a):

"Extra work in periods of overtime operations shall be equalized among the employees in the group engaged in similar work as far as practical."

The parties agree that the original intent of this language was very clearly understood to indicate to Management that every reasonable attempt should be made to equalize the overtime within the group.

Ongoing disputes involving equalization of overtime shall be referred directly to the Director of Labor Relations and the Chairman of the Bargaining Committee for resolution.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

June 25, 1996

Mr. Roy O. Wyse
Secretary—Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Child Care

Dear Mr. Wyse:

During the 1990 negotiations the parties discussed the issue of child care. It was recognized that the makeup of today's workforce makes the availability of child care facilities a necessity for many employees.

It was agreed that at the request of either party, the parties could meet to discuss child care issues. The child care needs of employees could be determined and the parties may mutually agree to address those needs.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

June 25, 1996

Mr. Roy O. Wyse
Secretary—Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Training Fund

Dear Mr. Wyse:

During the 1990 negotiations, the Company agreed to fund a jointly-administered training fund to be utilized in a manner consistent with the Union and Company partnership.

Funding will be accomplished by the payment of five (5) cents *per hour for each paid straight-time hour up to 40 hours per* week including holiday pay, jury duty pay, and bereavement pay and excluding all overtime hours.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

June 25, 1996

Mr. Roy O. Wyse
Secretary—Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Department Grouping—Leads

Dear Mr. Wyse:

Article XI, Section 20(d) refers to lead rights "in a department or agreed group of departments." During negotiations for a 1981 Master Agreement, the parties agreed to the following regarding the grouping of departments for the purpose of exercising lead seniority:

1. Representatives of the Company and the Union will meet at each Division, at the request of either party to agree upon departments that will be grouped. Appropriate departmental groupings will be based on the following criteria:
   a. Grouped departments will be involved in the same program/project; and
   b. Grouped departments will be engaged in the same function, i.e., Assembly, Test, Flight Hardware, Ground Support Equipment, Production and Experimental are all separate functions for this purpose.
2. Entire departments will be grouped. Parts of departments will not be grouped with other departments or parts of departments.
3. If the parties are unable to mutually agree on the grouping of departments, the dispute will be subject to the problem solving, grievance and arbitration procedures.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

June 25, 1996

Mr. Roy O. Wyse
Secretary—Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Credit Union Deductions—Tulsa

Dear Mr. Wyse:

This will re-confirm the understanding reached during the 1977-1978 negotiations that the Company will continue to make available Credit Union deductions for employees at the Tulsa plant on the same basis and to the same extent as in the past.

Very truly yours,

G. L.Phelps
Director
Employee & Labor Relations

June 25, 1996

Mr. Roy O. Wyse
Secretary—Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Mr. Mark Cole
President
UAW, Local 952
1414 N. Memorial Drive
Tulsa, OK 74115

Don Shatley
President
UAW, Local 1558
Route 4
P.O. Box 362
McAlester, OK 74501

Subject: Loans – Locals 952 and 1558

Gentlemen:

This letter will serve to confirm our understanding that employee loans between bargaining units represented by Local 952 and Local 1558 will be by mutual agreement of the parties.

Very truly yours,

Approved: _____
Roy O. Wyse
Secretary—Treasurer & Director
UAW National Aerospace Department

G. L. Phelps
Rockwell International

Approved: Loyd Cox
International Representative

E. Ingram
Manager—Personnel
McAlester Plant

Approved: Mark Cole
Local 952

Approved: Don Shatley
Local 1558

June 25, 1996

Mr. Roy O. Wyse
Secretary—Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: CAD-CAM System—Manufacturing Planning & Tool Design Unit

Dear Mr. Wyse:

During the 1981 negotiations pertaining to the Manufacturing Planning and Tool Design Unit, the Company assured the Union that the CAD-CAM System would not be used to obviate the provisions of Article XVI, Section 7(b) of the parties' Agreement.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

June 25, 1996

Mr. Roy O. Wyse
Secretary—Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Returning to Bargaining Unit

Dear Mr. Wyse:

It is understood by the parties that employees who have been transferred out of the bargaining unit will be permitted to be returned to the bargaining unit for any reason, at the option of management. This option will be available for these affected employees for the first twelve month period following their transfer out of the bargaining unit. This option may be exercised only once per employee, except in the case of a contract cancellation. In no event may the option be exercised more than once. The twelve month period is the total amount of time out of the unit (one or two occasions). Subsequent to the twelve month period, the prevailing contract language in Article XI, Section 11(d) will apply.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

June 25, 1996

Mr. Roy O. Wyse
Secretary—Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Benefit Representation

Dear Mr. Wyse:

During the 1984 negotiations, the parties expressed a sincere mutual interest in improving the administration and utilization of planned benefits.

To further accomplish this improvement the parties agree that the Union may select and assign (at the option of the local plant or facility) a bargaining committeeman or wage/seniority coordinator, under existing representation provisions to fulfill this need. An exception will be at SSFL, Local 1519 and at McAlester, Local 1558, where the Union may select and assign this to any in-plant elected representative under existing representation provisions. At Tulsa, Local 952, the Union has appointed the Local Union President to fulfill these duties on a two day per week basis.

The parties agree that accomplishment of these improvements to the administration and utilization of planned benefits requires experienced and trained individuals in employee benefits.

In recognition of this need, the parties further agree to provide orientation and training to those the union may select for this activity.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

MEMORANDUM OF UNDERSTANDING BETWEEN BOEING ROCKETDYNE PROPULSION AND POWER, SANTA SUSANA FIELD LABORATORY (SSFL) AND UAW LOCAL 1519 ON TWELVE HOUR ALTERNATING SHIFT

The following is a list of items agreed to by the parties covering such a special twelve (12) hour alternating shift implementation:

1) The twelve (12) hour alternating shift shall be used only *when necessary to support* 24-hr/day, 7-day/week activities at the Sodium Pump Test Facility, SSFL.

2) Should this memorandum or any part of this memorandum become unenforceable or inapplicable because of some law or legislative statute, all of this memorandum will become null and void.

3) Any future agreement or extension of this memorandum made by the parties shall be reduced to writing and signed by an authorized representative of the parties.

4) The special alternating shift schedule shall be utilized, when appropriate, only for employees of the UAW bargaining unit classified Technician-Propulsion Systems/Liquid Metals Research assigned to the Sodium Pump Test Facility at SSFL.

5) Filling of vacancies on the alternating shift, and transfers from the alternating shift, shall be in accordance with the Master Agreement.

6) The assignment to any shift has no effect upon the rights of an employee to exercise his or her rights under the provision of the collective bargaining agreement unless specifically modified by this memorandum.

7) Based on considerations of safety, program complexity, and operational effectiveness, the parties have established that the minimum crews required for routine operation of complete systems shall include two (2) bargaining unit

employees. Routine operation of the Sodium Pump Test Facility, for scheduled electromagnetic pump tests, requires only one (1) bargaining unit employee per crew because of the relative simplicity of the system and testing program. Crew complements for future programs will be based on similar considerations. On this basis, the use of the eight (8) hour rotating shift will be discontinued unless this agreement becomes invalid because of some law or legislative statute.

8) The normal work day for employees assigned to the alternating shift shall be twelve (12) hours. The normal workweek shall be in accordance with the alternating shift schedule "1" (attached). The regular start times for the day shift and night shift shall be as follows:

Day Shift:	7:00 a.m. through 8:00 a.m.
Night Shift:	7:00 p.m. through 8:00 p.m.

The Company may make changes in the start times of shifts within the limits specified above providing that the Union is notified of such changes one week in advance. Changes outside of the time above may be made only by mutual agreement between the Company and the Union.

9) Extra work in periods of overtime operations shall be in accordance with Article XVII, Section 2 of the parties agreement except as noted. The order of overtime assignment shall be:

First:	Employees in the on duty UAW group.
Second:	Employees in the parallel UAW group on scheduled day off.
Third:	Employees from another UAW overtime group in the same department in the same occupation, assigned to the opposite twelve (12) hour alternating shift.
Fourth:	Employees from another UAW overtime group in the same department in same occupation on another shift, assigned to the opposite twelve (12) hour alternating shift.
Fifth:	Employees from another UAW overtime group in the department on the same shift or rotating shift.

Sixth: Any available UAW bargaining unit employee in the same occupation in any department on the same shift.

Seventh: Any available UAW bargaining unit employee in the same occupation in any department on any shift.

10) Extra work in periods of overtime, i.e., more than twelve (12) hours per day or more than forty (40) hours per week, shall be paid at the appropriate overtime premium rate of time and one-half or double time (except as noted herein).

11) If a holiday occurs on a scheduled workday, as defined in item 14, double time will be paid for all hours worked in addition to the normal eight (8) hours holiday pay. When the holiday occurs on a scheduled workday, the eight (8) hours of straight time holiday pay shall be included when calculating eligibility for premium pay, at time and one-half, over forty (40) straight time hours per week.

12) If a holiday occurs on a scheduled day off, eight (8) hours holiday pay will be paid to such employee under the provisions for holiday pay of the Master Agreement. Holiday hours paid at straight time on a scheduled day off shall not be used to calculate premium pay eligibility for hours worked over forty (40) straight time hours per week.

13) Employees working the twelve (12) hour alternating shift operations will not be paid overtime for Saturday or Sunday work when the Saturday or Sunday is a working day of their scheduled week, unless the hours worked exceed those of a normal work week shift (twelve (12) hours per day) or forty (40) straight time hours per scheduled work week. Such employees are to receive time and one-half for hours worked on shifts starting on their first, third or fifth regular day off and double time for hours worked on shifts starting on their second, fourth or sixth regular day off or on any of their negotiated holidays other than Sunday. The Company will continue its present practice with respect to the assignment of a minimum of employees to such shifts, except when additional employees are required as a result of changed circumstances, applicable laws or regulations (Federal, State or Local), insurance requirements and/or requests from government agencies.

14) In calculating premium and/or holiday pay as noted above, the following will apply:

15) A workday for the twelve (12) hour alternating shift employees, is defined to start at 7:00 p.m. of the previous calendar day. A workweek is a seven (7) day period beginning with the Friday workday as previously defined.

16) Vacation and sick leave pay shall be paid in accordance with the provisions of the Master Agreement. Vacation schedules shall be granted in accordance with the provisions of the Master Agreement.

17) The application of bereavement pay shall be in accordance with the Master Agreement. In applying bereavement leave an employee may be allocated a maximum of three (3) twelve (12) hour shifts absent from work, but in no event will he be compensated for more than twenty-four (24) straight time hours pay.

18) Paychecks will be available for distribution, direct deposit, or employee pickup on or before the Friday following the pay period. To the extent practical, consistent with established Timekeeping and Payroll practices, paychecks will be distributed during the last day of each employee's scheduled workweek.

19) Employees who are assigned to work the twelve (12) hour alternating shift shall be paid a bonus of $1.50 per hour in place of the normal shift differentials. This bonus will be applied uniformly to both day and night shifts.

20) The Company shall maintain an up to date list of all twelve (12) hour alternating shift assigned employees and notify the Chairman of the Bargaining Committee of any changes in a timely manner.

21) Employees affected by the implementation or cessation of the twelve (12) hour alternating shift will be thoroughly briefed seven (7) calendar days prior to such action by management. Each affected employee will be provided with copies of this memorandum and the continuous work schedules.

22) The right to Union Representation shall not be interrupted as the result of this agreement and the implementation of a twelve (12) hour alternating shift.

23) Nothing in this agreement shall hinder or prevent the Union from enforcing or applying the provisions of the Master Agreement or the addendum to the Master Agreement.

For the Company	For the Union:
MIKE JIMERSON	R. S. HUFFMAN
MICHAEL R. MILLER	H. F. RASMUSSEN
CARL G. PECCI	CHARLES E. RAYE
21 June 1999 Date	ERNEST SHELTON

June 25, 1996

Mr. F. C. Souza
President
UAW Local 887
14910 Garfield Avenue
Paramount, CA 90723

Subject: Dues Checkoff – Off-Site

Dear Mr. Souza:

During discussions for the 1981 Aerospace Master Agreement, numerous problems surfaced regarding dues and off-site assignments.

The parties agreed that it is in their best interest to eliminate these problems and will strive to do so, on an ongoing basis, subsequent to the conclusion of the Master Agreement negotiations.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

June 25, 1996

Mr. Roy O. Wyse
Secretary-Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Pay for Union Representatives – Negotiations

Dear Mr. Wyse:

I propose the following:

For the negotiations activity scheduled to commence on or about this date, the Company will compensate union representatives participating in these negotiations as follows:

- Those representatives who are normally considered `full-timers' and normally paid by the Company, i.e., bargaining committeemen, and wage/seniority coordinators, the Company will pay five days per week, eight hours per day, providing they are not replaced by other union representatives at their division during these negotiations.

- For those representatives who are not normally considered `full-timers' but are normally paid by the Company when engaged in productive work on Company premises, i.e., certain Local Union officers, the Company will pay three days per week, eight hours per day.

If the Union agrees with the above, please advise and I will make sure that the divisions are instructed accordingly.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

June 25, 1996

Mr. Roy O. Wyse
Secretary-Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Grievances – Reinstatement of

Dear Mr. Wyse:

During the negotiations of the 1981 Aerospace Master Agreement, the parties acknowledged the desirability of ensuring prompt, fair and final resolution of employee grievances. The parties also recognized that the maintenance of a stable effective and dependable grievance procedure is necessary to implement the foregoing principle to which they both subscribe. Accordingly, the parties view any attempt to reinstate a grievance properly disposed of as contrary to the purpose for which the grievance procedure was established and violative of the fundamental principles of collective bargaining.

However, in those instances where the International Union, UAW, by either its Executive Board, Public Review Board, or Constitutional Convention Appeals Committee has reviewed the disposition of a grievance and found that such disposition was improperly effected by the Union or a Union representative involved, the Director—National Aerospace Department of the International Union may inform the Company's Aerospace and Defense Vice President, Human Resources in writing that such grievance is reinstated in the grievance procedure at the step at which the original disposition of the grievance occurred.

It is agreed, however, that the Company will not be liable for any claims arising out of the grievance that either are already barred under the provisions of the aforementioned Aerospace Master Agreement at the time of the reinstatement of the grievance or that relate to the period between the time of the original disposition and the time of the reinstatement as provided herein. It is further agreed that the reinstatement of any such grievance shall be conditioned upon the prior agreement of the Union and

the employee or employees involved that none of them will Mr. thereafter pursue such claims for damages against the Company in the grievance procedure, or in any court or before any Federal, State, or municipal agency.

Notwithstanding the foregoing, a decision of the arbitrator on any grievance shall continue to be final and binding on the Union and its members, the employee or employees involved and the Company and such grievance shall not be subject to reinstatement.

This letter is not to be construed as modifying in any way either the rights or obligations of the parties under the terms of the aforementioned Aerospace Master Agreement, except as specifically limited herein, and does not affect sections thereof that cancel financial liability or limit the payment or retroactivity of any claim, including claims for back wages, or that provide for the final and binding nature of any decisions by the arbitrator or other grievance resolutions.

It is understood this letter and the parties obligations to reinstate grievances as provided herein can be terminated by either party upon thirty (30) days notice in writing to the other.

It is agreed that none of the above provisions will be applicable to any case settled prior to July 1, 1984.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

June 25, 1996

Mr. Roy O. Wyse
Secretary-Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue

Detroit, Michigan 48214

Dear Mr. Wyse:

During the 1993 negotiations, the Union raised concerns about the Company subcontracting work that UAW-represented employees normally perform.

The Company hereby assures the Union it has no plans to change its policy of performing work with its own employees, provided it has the manpower, skills, equipment and facilities to do so.

Except where time and circumstances prevent it, local management will hold advance discussion with the Chairperson of the Bargaining Committee prior to subcontracting maintenance work on-site, or subcontracting off-site, work that is currently being performed by UAW-represented employees.

When meeting with the Union, management will review its plans or prospects for letting a particular contract. It is the intent of the parties that these discussions will take place during the planning of the work which is subject to subcontracting. Management will also describe the nature, scope and approximate dates of the work to be performed and the reason (e.g., equipment, manpower, etc.) why management is contemplating contracting out the work. Local management is expected to afford the Chairperson of the Bargaining Committee the opportunity to comment on management's plans and give appropriate weight to those comments in light of all attendant circumstances.

The parties recognize that certain engineering prototypes and first article units may continue to be performed at Master Agreement locations for a product which is to be built at other locations.

Mr. R. O. Wyse
June 25, 1996
Page Two

The Company agrees it will not subcontract production work on-site, without the agreement of the Local Union President.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

MEMORANDUM OF UNDERSTANDING

SKILLS DEMONSTRATION EXERCISES

In order to provide a fair, consistent and objective means for an employee to demonstrate whether or not they have the basic knowledge and skill required for entry into a particular job classification, the Union recognizes the Company's right to administer skills demonstration exercises to candidates for certain job vacancies. Such skills demonstration exercises will be jointly reviewed/developed by the Company and the Union.

In order to effect such review and development, the Chairperson *of the Bargaining Committee at the division involved will designate* one (1) bargaining unit employee to participate in such reviews/development. If the employee selected by the Union is not releasable/available, the Company may require another selection. The Director of Labor Relations at the division involved will designate one (1) non-bargaining unit employee to participate in such review(s).

When determined necessary, the employees designated will be afforded reasonable time to jointly meet with/question Company representatives and a selected employee(s) in the classification *involved, at the division involved.*

Disputes involving the content of any demonstration exercise will be referred to the Chairperson of the Bargaining Committee and Director of Labor Relations for resolution. If the dispute regarding the demonstration exercise cannot be resolved, the Company may unilaterally install the demonstration exercise, and the Union will have the right to grieve the content of the demonstration exercise only when a specific denial to place an employee in a job classification occurs.

Skills demonstration exercises may be used, for *classifications in* labor grade 6 and above, in situations where a candidate does not have an established seniority right to a job classification. Such situations will include: posting and bidding; preferential reinstatement; promotion as a non-bidder including intra and interdivision transfers not in classification, and transfers to an "available job" at time of excess. An employee who has been promoted or transferred into another classification in another family

group, who subsequently returns to his former classification within a period of ninety (90) days, will not be required to take a skills demonstration exercise, except at Tulsa, where individuals possessing a "previous held" right will not be required to take a skills demonstration exercise.

Skills demonstration exercises for a particular classification may consist of written examinations, practical exercises, or a combination of both.

The parties agree that preserving the confidentiality and integrity of the demonstration exercises is of the utmost importance; consequently, the Company will not provide copies of any written questions, blueprints or projects to the Union for their retention.

The parties recognize that demonstration exercises should be based on the job description for the classification; however, where work performed by a particular job classification differs from division to division, those differences should be reflected in the content of the demonstration exercises. Demonstration exercises may thus differ from division to division.

Disputes regarding the interdivisional consistency of demonstration exercises may be referred to the Secretary-treasurer & Director of the UAW National Aerospace Department and the Corporate Director of Labor Relations, or their designated representatives, for resolution. These parties may review any and all demonstration exercises, at their discretion.

For the Company:	For the Union:
G. L. Phelps, Director Employee & Labor Relations Dept.	Roy O. Wyse Secretary-Treasurer & Director UAW National Aerospace

June 25, 1996

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is reached to clarify the application of the Loan Out Procedure between Locals 887 and 1519 as it relates to loans of employees to Local 1519 and in *settlement of all grievances filed regarding Loan Outs through* November 11, 1990.

Loan Outs will be mutually agreed upon prior to the implementation of the loan.

The Union will promptly respond to requests for an employee loan to Local 1519.

The Union will not unreasonably withhold agreement for loans of employees to Local 1519.

Requests for loan out will be recorded on a mutually agreed upon form.

The Company agrees that the remedy for violations of this Memorandum of Understanding will be paid to Local 1519 represented employees for the hours worked.

It is agreed that the intent of this Memorandum of Understanding is to clarify the application of the Loan Out Procedure contained in the Master Agreement.

For the Union:	For the Company:
R. S. Huffman	F. Shubert

OFF-SITE ASSIGNMENT OF BARGAINING UNIT EMPLOYEES (ALL AREA UNITS)

1. Occasionally it is necessary for the Company to assign bargaining unit employees to off-site locations within the United States where they perform work which is similar in nature to the work performed within the plants or facilities of the employee's home area unit. When such assignments are made on a short-term basis (for twelve consecutive months or less), bargaining unit employees will not be considered as transferred out of their home area unit and will be continued on dues check off with their dues submitted to the Local representing their home area unit. The twelve consecutive month period will be extended if the employee's off-site assignment is extended on a short-term basis to permit the completion of the work.

2. When such assignments are necessary, the Company will make the assignments to qualified employees. In instances where a qualified employee given the assignment indicates he is unable or unwilling to accept the assignment, the Company will assign the work to the least senior qualified employee. The Company will expect the employee to accept an off-site work assignment when work is assigned on this latter basis, unless there are serious extenuating circumstances which preclude his acceptance of such assignment. (By mutual agreement between the parties, this procedure for making off-site assignments may be modified to provide for the assignment of more senior employees who may wish to accept the assignment. Where a number of employees in a classification in a department are determined by the Company to be qualified for an off-site assignment, the assignment will be given to the most senior of such qualified employees who indicates a willingness to accept the assignment.)

(a) If the off-site assignment is not assigned to the most senior employee in the classification in a department, who has indicated a willingness to accept such assignment, the Division Manager of Labor Relations will advise the Chairperson of the Bargaining Committee of the reasons for the decision.

3. Normal seniority rules applicable to bargaining unit employees at work in the plants or facilities of the area unit do not apply to employees on off-site assignments. If an employee, prior to being placed on an off-site assignment, had an active

request for Shift Transfer or Job Bid on file, the effect of such application and/or bid will be considered in relation to his seniority when he returns from his off-site assignment.

4. *Employees on off-site assignment will normally retain* regular bargaining unit classifications. In those instances where it is appropriate that an employee on off-site assignment have his classification changed in order that the employee be properly *classified and/or compensated, a change in classification will be* processed. Such reclassification will not constitute a vacancy at the employee's home plant or facility for purposes of job posting and bidding or recall. Such change in classification will be ap*plicable only for the duration of the off-site assignment.* When an employee returns from an off-site assignment, he will exercise his seniority in the last classification he held in the area unit prior to transfer to the off-site assignment.

5. An employee on off-site assignment who has a problem may contact the Chairman of the Bargaining Committee at his home plant or facility. The Chairperson of the Bargaining Committee and the Director of Labor Relations at his home plant or facility will resolve any questions regarding the application of time limits to problems raised by employees on off-site assignment.

6. The above provisions will be applied as they were during the terms of the previous Agreements.

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MEMO OF UNDERSTANDING

SANTA SUSANA FIELD LABORATORIES LASER OPTICAL SUPPORT

The parties agreed during 1996 negotiations that the Company shall select employees classified as Job Code 823A, Propulsion Systems Technician to perform specialized laser optical mirror setup and alignment in support of Laser Research Testing at the Rocketdyne Santa Susana Field Laboratories.

It is further agreed that these employees will also continue to perform work normal to their Propulsion Systems Technician classification.

If future Santa Susana Field Laboratories Laser Research Testing Program requirements are such that employees are required in this specialized laser optical work to the extent there is no available time for regular Propulsion Systems Technician assignments, the Company will initiate appropriate new job coverage in accordance with the provisions of Article XVI.

The Company will provide and maintain a current listing of the aforementioned employees selected for this assignment.

June 20, 1990

MEMORANDUM OF AGREEMENT

SANTA SUSANA FIELD LABORATORIES (SSFL)

This Memorandum of Agreement replaces and supersedes previous agreements regarding internal transportation at the Santa Susana Field Laboratories (SSFL).

I. The Company provides a transportation system at SSFL for the movement of people, parts and mail within and throughout the SSFL facility. This system is to be used by all personnel to meet all SSFL transportation requirements, with certain exceptions described below.

The transportation system consists of the following elements:

- Bus service to and from all test areas at shift change. Packages, materials, tools, equipment and mail delivery and pickup to the test areas on an on-call basis.
- An on-call van/taxi service available through calls to the dispatcher at all times on first shift, and to extension 5137 on second shift.
- Heavy equipment and trailer hauling as required.

II. This service shall be the first option to be utilized by all SSFL employees except under the following conditions:

A. When the service is not available on a timely basis, any employee may drive a Company vehicle (with proper authorization) or personal vehicle to transport himself/herself and/or other employees on a common task to his/her/their destination when the travel is incidental to his/her job assignment and not for the sole purpose of providing transportation to employees.

B. A Bargaining Unit employee may also utilize his/her personal vehicle to transport personal tools or a Company vehicle when properly authorized, to transport other employees on a common task and/or materials, parts or equipment which are incidental to his/her assigned job.

C. A Non-bargaining Unit employee may also utilize his/her personal vehicle or a Company vehicle when properly authorized to transport materials, parts or tools which can be carried by hand and which are incidental to the employee's job.

III. Company vehicles may be used:

A. Within an operations area.

B. When uniquely warranted by the nature of the task requirements and authorized by supervision.

C. When the availability of the on-call system is insufficient to meet normal or emergency business requirements.

D. Non-Bargaining Unit employees may use company vehicles for transportation of themselves and other employees on the same mission, but not to transport materials, parts, or equipment except parts, tools or materials which can be carried by hand and which are incidental to the employee's job.

E. Bargaining Unit employees may use Company vehicles to transport other employees, parts or equipment as required by their job assignment.

IV. General

A. It is the intent of the Company to continue to provide existing internal transportation services for the movement of personnel, parts and materials within SSFL, with such services provided by vehicles operated by properly classified employees represented by the UAW, with exceptions covered herein. It is also the intent of the Company to actively encourage its employees to utilize these internal transportation services, in accordance with this agreement.

For the Company	For the Union
Fred Shubert	Ernest Shelton
Carl G. Pecci	R. S. Huffman
	H. F. Rasmussen

MEMORANDUM OF UNDERSTANDING CONCERNING INITIAL TRANSFER OF EMPLOYEES/WORK OPERATIONS FROM UAW-LOCAL 887 TO UAW LOCAL-1519

During the negotiations resulting in the 1990 Santa Susana Field Laboratories (SSFL)/Edwards Field Laboratories (EFL) Addendum Agreement, the parties agreed to reference herein Memorandums of Understanding listed below which concern certain identified employees and work operations transferred from UAW-887 area units to UAW-1519 area units. These "Memorandums" include special peer group seniority provisions for the transferred employees who comprise the initial staffing of the transferred work operations and specific dates that such was effective. The dates concerning effective peer group seniority provisions, et al, are identified below:

- Memorandum of Understanding—Expendable Launch Vehicles (ELV) Final Assembly Operations. Transfer from Rocketdyne, Local-887 to Rocketdyne, Local-1519 effective February 24, 1990.

MEMORANDUM OF UNDERSTANDING

PAY—TERMINATING EMPLOYEES

In accordance with discussions during the 1981 negotiations the Company reaffirmed its practice of continuing to pay terminating employees in accordance with existing State laws and regulations and Company policy.

G. L. Phelps
Director
Employee & Labor Relations

Robert Walker
Administrative Assistant to the
Secretary-Treasurer & Director
UAW National Aerospace
Department

July 25, 1996

APPLICATION OF SENIORITY NLRB DECISION 21-UC-10

1. If it is determined that an employee should be added to the UAW bargaining unit as a result of the 21-UC-10 decision, such employees will be added to the bargaining unit and by mutual agreement between the Company and the Union given date-of-hire seniority. In the absence of mutual agreement between the parties, employees added to the bargaining unit will be given seniority in accordance with the provisions of Article XI of the current Agreement.

2. An employee who, prior to the implementation of the 21-UC-10 decision and subsequent to September 30, 1962, transferred from a 21-UC-10 classification which he had held for at least three consecutive calendar months in the area unit involved, into the UAW bargaining unit with date-of-entry seniority will be given date-of-hire seniority.

3. An employee who, prior to the implementation of the 21-UC-10 decision, worked in a 21-UC-10 classification for at least three consecutive calendar months in the area unit involved and was transferred to a non-bargaining unit classification on the salary, advanced technical or weekly payroll which was not included in the 21-UC-10 decision will, if he becomes excess on such payroll, have a right to the last 21-UC-10 classification he held with date-of-hire seniority adjusted in accordance with the provisions of Article XI, Section 11. Before an employee is returned to a 21-UC-10 classification in accordance with this provision, Company and Union representatives at the division involved will review the employee's work history to jointly establish his right to return to a 21-UC-10 classification in accordance with Article XI, Section 11. If the parties do not mutually agree as to the employee's right to return to a 21-UC-10 classification, the Company will take the action it deems appropriate and such action will be subject to the problem solving, grievance and arbitration procedures.

June 25, 1996

Mr. Roy O. Wyse
Secretary-Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Seniority Units

Dear Mr. Wyse:

During the 1993 negotiations of the Master Agreement, the parties discussed the seniority rights of certain UAW-represented employees who have been transferred to other Divisions as a result of business reorganizations. The circumstances for each situation are different and the following confirms our understanding of the seniority rights of those employees affected:

1. Certain Receiving and In-Plant Trucking employees at Seal Beach were transferred from the Space Systems Division (Downey/Seal Beach) to the Information Systems Center (ISC). The parties agree that the affected employees will continue to be considered part of the Space Systems Division (Downey/Seal Beach seniority unit) and will continue to exercise all seniority rights in that unit.

2. Certain employees in at the Space Systems Division (Downey/Seal Beach) were transferred to Corporate Office (Seal Beach). The parties agree that the affected employees will continue to be considered part of Space Systems Division (Downey/Seal Beach) seniority unit and will continue to exercise all seniority rights in that unit.

3. Certain employees at the North American Aircraft facilities (now North American Aircraft Division) at the Palmdale Airport, Palmdale, California and at Edwards Air Force Base, California will be transferred to the North American Aircraft Modification Division (a newly created division). The parties agree that all affected employees at both Divisions will nevertheless be considered as belonging to one

division within the Palmdale Area Unit and will, therefore, continue to exercise their seniority rights under the provisions of Article XI of the Master Agreement to the same extent and on the same basis as in the past.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

June 25, 1996

Mr. Roy O. Wyse
Secretary-Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Deleted Job Classifications—Reinstatement

Dear Mr. Wyse:

During the course of the 1978 and subsequent negotiations, the parties expressed a desire to eliminate from the classifications structure those occupations and/or classifications which either (1) have no application in the predictable future, or (2) are not or have not been populated for a substantial period of time and, like (1) above, have no apparent application in the predictable future.

The Company and the Union have recognized during these negotiations that although such classifications as referred to above have no application in the predictable future, the possibility does remain that, as a result of new programs or substantially changed work operations, some or all of these classifications may be needed in the future.

In recognition of our mutual objective to eliminate unused classifications and allow for the possibility of future use of these classifications, we have reached an understanding that the Company shall have the right to reinstate such deleted classifications during the term of the new agreement and will reinstate such deleted classifications at the request of the Union through the Wage Committee established under Article XVI, Section 6.

If the above is in accordance with your understanding, please indicate your agreement by signing this letter in the space provided below.

Very truly yours,

G. L. Phelps
Director

Employee & Labor Relations

AGREED TO:

_____
R. O. Wyse

June 25, 1996

Mr. Roy O. Wyse
Secretary-Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: Unclaimed Paychecks

Dear Mr. Wyse:

During discussions for the 1990 Aerospace Master Agreement negotiations, the Union indicated a continuing desire to assist the Company in locating bargaining unit employees for whom the company is holding unclaimed wages in the form of payroll checks which have been returned to the Company as undeliverable.

The Company agreed to continue to provide the names, and other pertinent information in connection with the undeliverable checks, to a Union representative designed by the appropriate financial officer of the Union at each division/location covered under the Aerospace Master Agreement.

This information shall be provided no less frequently than quarterly on a schedule to be mutually determined by division/location Labor Relations Managers and the designated Union Representative.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

July 7, 1990

Mr. Robert Walker
Administrative Assistant to the
Secretary-Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue
Detroit, Michigan 48214

Subject: UAW Representative—Tulsa

Dear Mr. Walker:

During and subsequent to our 1996 negotiations, the parties discussed briefly the status and handling of UAW–represented company employees working at locations in the immediate vicinity of the Tulsa plant.

The Company has leased one building, located at 11333 East Pine Street, and has assigned UAW–represented company employees to that location.

In order to address this issue, the Company agrees that company employees who perform work operations at this building (commonly referred to as the Otasco Building) of the Tulsa Facility of a type, nature, and scope normally performed by employees in the bargaining unit at the Tulsa Facility at 3330 North Mingo Road, Tulsa, Oklahoma, will be employees represented by UAW Local 952 at the Tulsa Facility.

I will be happy to discuss this issue in further detail if you so desire.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

June 25, 1996

Mr. Roy O. Wyse
Secretary-Treasurer & Director
UAW National Aerospace Department
8000 East Jefferson Avenue

Detroit, Michigan 48214

Subject: Problem/Grievance/Settlement Procedure

Dear Mr. Wyse:

This is to confirm the understanding reached during the 1993 Master Agreement Negotiations relative to the new problem/grievance/settlement procedure.

The parties agree that this new procedure will be effective on September 6, 1993. Problems/grievances filed prior to September 6, 1993 will be processed in accordance with the provisions of the Master Agreement that was effective July 7, 1990.

It is also agreed that grievances in the system prior to negotiations will remain to be considered on their own individual merits.

Very truly yours,

G. L. Phelps
Director
Employee & Labor Relations

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SENIORITY SUBCOMMITTEE 1981 NEGOTIATIONS

In addition to contract language changes agreed to during the course of negotiations, the parties reviewed the documents concerning seniority and agreement was reached to incorporate some in the Contract and/or Seniority-at-a-Glance, and to eliminate others. Unless specifically agreed to the contrary in writing, practices established coincident with the understandings which were eliminated will continue to be followed.

During discussions of Article XI, Section 16, the Stabilizing Employee provision, the Company renewed its commitment made in 1971 negotiations to continue in its effort to qualify more senior employees in those situations where a stabilizing employee is being held out of line of seniority in accordance with Section 16. Additionally, the Company reaffirmed that the provisions of Section 16 will apply on a division-wide basis. In regard to Special Posting under Section 8, the Union was assured that absent unusual circumstances, vacancies resulting in the Special Posting will be filled.

Also in Section 8, Posting and Bidding, the Company committed to adequately inform bypassed employees as to why they are not qualified.

In addition to the above, the parties discussed Article XI, Section 12, regarding loan outs. No change was made in the language and the parties agreed to apply it in the same manner as intended in the 1971 negotiations.

Also, the parties agreed that subsequent to action taken by the Wage Committee, representatives from both parties will meet to discuss the seniority ramifications of the Wage Committee's actions. Appropriate steps will be taken to resolve any seniority problems resultant from such Wage Committee's actions. Additionally, the parties will meet to complete the revision of the

Family Group structure, update Seniority-at-a-Glance and review the various forms attendant to the contract and modify if necessary.

For the Company:	For the Union:
G. L. Phelps Co-Chairman Job Combination Subcommittee	Wade Wieding Co-Chairman Job Combination Subcommittee

OVERTIME

As agreed during negotiations, and effective July 31, 1999, *overtime groups which are re-established as a result of the Job* Combination changes created during the 1999 negotiations will reflect a starting overtime balance of ten (10) hours for each of the three shifts.

All prior agreements between the parties at Tulsa, not consistent with language on Form 130J and Article XVII of the Master Agreement are superseded by this agreement.

PALMDALE AGREEMENT

It is agreed that employees in job codes 3603 and 7403 who have previously held rights to Job Codes 3284 and 3294, respectively will retain those same rights to the newly combined classifications "*Electrical Modification Mechanic*" and "*Mechanical Modification Mechanic*," respectively at NAA Palmdale.

AGREEMENT STATUS

All parts of this agreement which were not changed by the parties during these negotiations remain a part of this agreement, except as agreed to by the parties.

TEAM MEMBER TRAINING PRINCIPLES

- Core concept training for team members will be done on company time.

- Certain other team member training will be optional and will be offered on a time shared basis (some time paid, some personal).

- Some courses, non–mandatory, will be available, through community colleges or other delivery systems. If it is agreed that the training is appropriate for the employee and the business at that time, tuition will be reimbursed by the business.

MEMORANDUM OF AGREEMENT

It is the joint recommendation of the 1996 Negotiation Committee on Classification Combination that the newly agreed upon classifications be implemented the first Saturday following ratification of a new Agreement. Attached is a listing of the newly combined classifications and other agreements.

It is also recognized that a considerable amount of continuing joint effort will be required to define, for each new classification, the skill elements and levels required to accommodate the progression of employees through newly expanded rate ranges. Therefore, we recommend the following:

1. Automatic Progression

   Employees who are incumbents (including those on layoff or downgrade) of the newly combined classifications on the Saturday following ratification and whose base rate falls below the maximum of the new classification (and who are not currently in an automatic progression cycle) will begin a new progression cycle on that date (or upon recall) in accordance with current contract language.

2. Knowledge Progression

   Newly combined classifications have been identified in both the 1993 and 1996 negotiations which reduce the overall number of classifications and encompass broader ranges of skills. The Joint Committee also continues to recognize that in order to help employees become proficient, the skill and knowledge requirements which are the building blocks of each job need to be agreed upon. Another requirement is the joint determination of the skill elements currently possessed by each employee. Comparison of these two sets of information will indicate the training needs for each employee.

   Upon satisfying the knowledge and skill requirements for each jointly identified higher skill level within the combined classification, the employee would qualify for advancement in pay in accordance with a system yet to be developed. The parties are not able, at this time, to imple-

ment a "Knowledge Progression" system, but may reconsider in the future. Therefore, this data will be preserved.

In developing this system, and after the parties jointly agree to the skill and knowledge elements of each classification and the availability of appropriate training to satisfy those requirements, it is agreed that if an employee either fails to participate in the training or participates, but in either case is not able to demonstrate that he/she possesses the skills required for the next higher level of a classification, his or per pay will not advance beyond the level for the skills and knowledge they do possess or, in the case of incumbents, not above the level for which they are already being paid due to the continuation of their previous base rate.

3. Technical Training Principles Applicable to New (Combined) Classifications

(a) The Union and the Company will jointly agree on training needed in order for employees to meet their new job requirements and in order to progress to the top rates of their classification.

(b) Some, but not all of the needed training has been accomplished or will be accomplished by previous or future work experience, on the job instruction, by familiarization, and by other on–the–job techniques.

(c) Mandatory training (required for the employee to do his job) will be company paid.

(d) Other technical training will be optional and may be offered on a time shared basis (some time paid, some unpaid).

(e) Some courses, non-mandatory, will be available, through community colleges or other delivery systems. If it is agreed that the training is appropriate for the employee and the business at that time, tuition will be reimbursed by the business.

(f) Human Resources and Union Representatives at each location shall work with Operations and Financial

Management personnel to ensure that appropriate training plans are developed in a timely manner and that the funding requests are included in the budget planning cycle each fiscal year.

4. Seniority

The combination of classifications is not intended to directly cause employees to be laid off due to skill deficiencies. Nor are the combinations intended to eliminate any employee's existing seniority rights.

In the event of layoff, employees within the newly combined classifications will be laid off in combined seniority order.

There will be no immediate seniority movement of employees upon ratification of the new Agreement as a direct result of job combinations or other contract changes. Any seniority out–of–line conditions resulting from such changes will be corrected through the normal layoff and recall process.

In those combined classifications that include Selected Skills classifications, the following provisions will apply:

(a) Where a combination includes two or more Selected Skills classifications, all employees in the combination will be governed by date–of–hire seniority.

(b) Where a combination includes only one Selected Skills classification, the Selected Skills employees and those in Related Lower Level classifications will retain and be governed by their current Selected Skills date–of–entry seniority. Other employees included in such combinations following the 1993 negotiations were assigned will receive a new Selected Skills date–of–entry seniority date of October 2, 1993.

(c) Because of special circumstances, employees in the four combined classifications *"Electronic Technician–Metrology," "Flight Operations Chief Electrician," "Physical Technician–Metrology"* and

"*Electronic Technician*" are governed by date–of–hire seniority. In addition, those employees in the combined "*Tooling Builder–Wood*" classification are governed by their current Selected Skills date–of–entry seniority date.

A seniority traceability chart has been developed to record the changes in job codes, family groups, etc. for future reference in determining employee seniority rights.

5. Continuing Joint Effort

In order to accomplish the significant amount of joint effort remaining to be completed after the parties leave negotiations, it is recommended that this committee be chartered to continue this work and to deal with related issues as they arise.

MEMORANDUM OF UNDERSTANDING

APPLICATION OF SENIORITY – UNION REPRESENTATIVES

The parties agreed, during 1996 negotiations, to update Article II, Section 15, to conform with current legal rulings and interpretations of the National Labor Relations Board by removing certain language relative to the application of seniority.

Further, it is agreed that if future rulings and interpretations concerning the application of seniority are reversed, the deleted language will be incorporated back into the Master Agreement.

COMPANY	UNION
G. L. Phelps	Ben Aceves

June 25, 1996

MEMORANDUM OF UNDERSTANDING

MEDIATION PROCEDURE

During the 1996 negotiations, the parties agreed to amend article V, Section 16 so as to allow, by mutual agreement, mediation of grievances.

The primary effort of the mediator is to assist the parties in settling grievances in a mutually satisfactory fashion. In attempting to achieve a settlement, the mediator is free to use all of the techniques customarily associated with mediation, including private conferences with one party. If settlement is not possible, the mediator may provide the parties with an immediate opinion, based upon the Master Agreement, as to how the mediator believes the grievance would be decided if it were arbitrated. This opinion shall not be final and binding, but shall be advisory only. The opinion, if offered, is to be delivered orally and is to be accompanied by a statement of the reasons for the mediator's opinion. The advisory opinion shall be used as a basis for further settlement discussions or for withdrawal or granting of the grievance. If the matter is arbitrated, the mediator shall not serve as the arbitrator and nothing said or done by the parties or the mediator during the mediation can be used by any party during arbitration. Neither attorneys nor court reporters shall be allowed to be present at the mediation proceeding.

Mediators selected to participate in these proceedings shall have had experience as arbitrators. The parties shall mutually select a panel of four mediators in California and Oklahoma. The parties may add to this panel or make substitutions by mutual agreement. If the parties are unable to reach agreement with regard to any member of the initial panel, the parties shall ask the American Arbitration Association to provide them with a list of seven (7) arbitrators who are locally based in the California or Oklahoma areas, who are members of the National Academy of Arbitrators, and who have had mediation experience. From the list of seven (7), each party shall have the right to strike in order until there remains the number necessary to fill the panel. The party to strike first shall be determined by lot.

Mediators selected shall be available for hearings in a reasonable period of time. The mediation sessions shall be held at a mutually agreed location, and each party shall bear one–half of the fees and expenses of the mediator.

COMPANY	UNION
Fred Shubert	Wade Wieding

MEMORANDUM OF UNDERSTANDING

OFF-SITE ASSIGNMENT—TULSA

It is the intent of the Company to provide more senior employees, who have indicated a willingness to accept, the opportunity for off–site assignments, taking into consideration the needs of the division and the off–site location as well as customer requirements.

Without relinquishing its right to assign the employee(s) who the Company determines are qualified to perform the assignment, the Company will, when a number of employees in a classification in a department are determined by the Company to have essentially the same qualifications to perform the assignment, assign the most senior of such qualified employee(s) who has indicated a willingness to accept.

In the event that an off–site assignment is not made to the most senior employee in a classification in a department, who has indicated a willingness to accept such assignment, the Division Manager of Labor Relations will advise the Chairman of the Bargaining Committee of the reasons for the decision.

COMPANY	UNION
D. C. Rowley	M. A. Cole

MEMORANDUM OF UNDERSTANDING
JANITORIAL CLASSIFICATIONS

During the 1996 and 1999 negotiations, the parties discussed the issue of the excessive cost for janitorial service. The Company and the Union explored a number of actions that could reduce those costs. These discussions resulted in an agreement to create two additional lower paid janitor classifications, and to depopulate the pre-existing classification over time without adversely affecting incumbents or employees currently on layoff with recall rights to the pre-existing Janitor classification. To achieve this cost reduction, the parties agreed that the following actions will be effective as noted below:

1. *Re-title the pre-existing Janitor classification to* "Janitor A" Job Code 5263, Labor Grade 2, and transfer into it all incumbent employees, effective June 25, 1996.

2. This new Janitor A classification was placed in its own unique family group (998). The purpose of this action was to preclude downgrades to the Janitor A classification during seniority moves (except as identified in paragraph 6 below). The current pay and benefits of each employee were not affected and incumbents retained rights to auto progression and wage increases. Seniority rights to higher rated classifications were also retained by incumbent Janitors who were on downgrade upon transfer into the new Janitor A classification.

3. Effective June 25, 1996, a new classification was established which is now titled "Janitor B" Job Code 5264, in Labor Grade S1, rate range $8.08 minimum to $14.00 maximum per hour, and in its own unique family group (999). Effective June 19, 1999 the 3 per cent General Wage Increase (GWI) and $.74 COLA fold-in will apply to the incumbent employees and to the rate range minimum and maximum. The new rate range, effective June 19, 1999, will be $9.06 to $15.16. The 3 per cent GWI of June 2001 will also be applied to the incumbents and the rate range minimum and maximum.

4. Effective June 22, 1999 a second new classification Job Code 5265 "Janitor C" will be established in Labor Grade S2. The classification shall be placed in Family Group 999. New hires and preferential reinstatements on and after June 22, 1999 will be placed into the Janitor C classification. The rate range shall remain at $8.08 to $14.00 for the life of the Agreement. No employee in this classification can have a base hourly wage rate in excess of the maximum of the rate range ($14.00). Any employee who reaches the maximum of the rate range by automatic progressions or receiving a GWI will thereafter receive all future GWI's, or portions thereof, generated under this Agreement in the form of an annual wage supplement (Lump Sum). The normal practice of folding COLA float and General Wage Increases into the individual hourly base rate and the minimum and maximum of the rate range will not apply. Future COLA payments will remain as a "float" above the hourly base rate.

5. It is the intent of the parties to allow the Janitor A classification to depopulate through all forms of natural attrition, such as retirement, death, resignation, and all other types of employment termination, as well as reclassification to other jobs via seniority upgrade, post & bid, promotion, etc. Once an employee leaves the Janitor A classification, he or she will no longer have downgrade rights back to that classification; their rights will be limited to only that family group to which the employee was promoted, upgraded or recalled. Employees who are laid off from the Janitor A classification after the effective date of the new Master Agreement will continue to have recall rights back to that classification.

6. Employees on layoff with seniority rights to the pre-existing Janitor classification will have recall rights to the new Janitor A classification. Additionally, those current active employees at Santa Susana Field Laboratory (Local 1519) who currently have prior held rights to the Janitor classification will have downgrade rights to the new Janitor A classification on a one time only basis. Current employees on the active payroll in Local 887, Family Groups 43 through 47, will also be granted a one-time option to the new Janitor A classification on a one time only basis.

7. In the event of a reduction in work force no Janitor A will be placed on layoff as long as the L.G. S1 Janitor B or L.G. S2 Janitor C classification is populated at the division in which the reduction occurs. Employees laid off from the L.G. S1 Janitor B or L.G. S2 Janitor C classifications, and who have only held that classification, will retain only recall rights to that classification.

8. The parties agree that once the Janitor A classification is depopulated, it will be removed from the contract. No other employees will have downgrade or recall rights to the L.G. S1 Janitor B or L.G. S2 Janitor C classifications.

9. Employees in all three Janitor classifications will continue to receive all annual wage supplements as negotiated by the parties.

10. Classification Table is as noted below:

Labor Grade	Family Group	Job Code	Job Title	Rate Range 1999	Rate Range 2001
2	998	5263	Janitor A	$9.31-$19.49	$9.59-$20.07
S1	999	5264	Janitor B	$9.06-$15.16	$9.33-$15.61
S2	999	5265	Janitor C	$8.08-$14.00	$8.08-$14.00

COMPANY UNION

Gary Phelps Frank Souza

Wade Wieding

July 3, 1996

MEMORANDUM OF UNDERSTANDING

GAINSHARING

During the 1996 negotiations, the parties discussed the fact that the Company may, in the future, consider using "gainsharing" type incentive plans at the one or more divisions. It was agreed that prior to the implementation of such a plan, the Company will discuss the plan with the Union, and the parties will jointly determine the details of participation by UAW represented employees.

MEMORANDUM OF AGREEMENT

NORMAL SHIFT HOURS
(ROCKETDYNE ONLY)

LOCAL 887

During the 1996 Negotiations, the parties agreed to authorize the U.A.W. Bargaining Committee Chairperson and the respective Operations Management to establish a schedule for "Normal Shift Hours, Article XVII, Section 1," outside of the contractually stated hours. That schedule was developed and agreed upon.

The parties agree to extend that agreement throughout the term of this 1999 Master Agreement.

Agreed to on this date: 6/18/99

For the Company:	For the Union
Curt Brusto	Wade Wieding

BOEING/UAW

MEMORANDUM OF UNDERSTANDING
Thursday, June 17, 1999

During the 1999 negotiations, the parties met and discussed issues concerning the Master Machinist classification at the Company's Anaheim facility.

The parties have agreed that a Skills Demonstration Exercise would be jointly developed and administered to all incumbents. Those passing the exercise would remain in the Master Machinist classification, all others would return to the classification held immediately prior to the Master Machinist. Those employees who are returned to their prior held classification will not retain a seniority right to the Master Machinist, but may pursue seniority rights within their family group and in accordance with the provisions of Article XI. The pay for the returned employee is to be "red-circled" and they will receive any V&SL payments, general wage increase or lump sum bonus as if the reclassification did not occur, in accordance with the provisions of Article XVI, Section 8. The provisions of Article XVI, Section 8 will also apply to a "red-circled" employee who leaves their downgrade classification.

Incumbents that do not pass the skills demonstration exercise may repeat the skills demonstration exercise for the Master Machinist classification, but no more often than twice a year and provided that additional training has been acquired. Those "red-circled" employees who successfully pass the skills demonstration exercise will be placed in the Master Machinist classification no later than the second pay period following their successful completion of the exercise. The Company will provide those "red-circled" employees who do not pass the skills demonstration exercise a second time with a written summary of their individual skill areas needing improvement and suggestions for training. All future candidates for the Master Machinist classification will be required to pass the Skills Demonstration Exercise.

TULSA MEMORANDUM OF UNDERSTANDING

PRODUCTION CONTROL'S USE OF EQUIPMENT AND USE OF LIFT TRUCKS BY PRODUCTION CONTROL AND TRAFFIC

It is understood by the parties that Production Control can move parts, supplies, etc., within and between buildings using equipment such as electric power jacks, carts and dollies. The parties also agree to review the use of lift trucks by the Production Control and Traffic departments within the facility.

For the Company	Form the Union
Curt Brusto	Wade Wieding

MEMORANDUM OF UNDERSTANDING

During the course of the 1999 Negotiations, the parties agreed to the following prospective applications of Article XI:

An employee laid off from Locals 887, 1519 and 1558 who is preferentially reinstated to Locals 887, 952, 1519 or 1558 will not lose seniority due to the five (5) year recall limitations of Article XI, Section 17(g).

An employee of Local 952, who is preferentially reinstated to Locals 887, 1519 or 1558 will be governed by the five (5) year limitation called out in the above mentioned Article and Section.

MEMORANDUM OF UNDERSTANDING

JOINT LETTER TO ADDRESS PALMDALE ISSUES
June 12, 1999

The Company and Union recognize that the Space Shuttle program is of national importance and benefits both the Company and the employees. Both agree that it is of utmost importance to support this program in the most efficient manner possible. The Company and the Union reaffirm their commitment to address issues/differences with a mindset to achieve mutual resolution.

MEMORANDUM OF UNDERSTANDING
Tuesday, June 8, 1999

During the course of the 1999 negotiations the Union raised the issue that the application of the Quarterly Posting System was not functioning as intended, and that in some cases, jobs were being posted that did not reflect actual expected openings.

The Company agreed that only actual anticipated openings would be posted based on projected manpower requirements.

MEMORANDUM OF AGREEMENT

GROW THE BUSINESS/ALTERNATE WORK SCHEDULE

The Company and the Union have a mutual interest in "Growing the Business" and both parties recognize that on occasion this can be best accomplished through an Alternate Work Schedule.

Growing the Business is defined as securing new work or increasing production requirements of existing business which would increase the plant, unit or department population, or maintain the plant unit or department population at its current level at the time of implementation. Alternate Work Schedule is defined as consisting of shifts of longer duration then those specified in the Collective Bargaining Agreement during work weeks of less than five full consecutive days, as set forth in the agreement for a total work week of 40 hours.

Any matter relating to Alternate Work Schedule will be subject to mutual agreement between the International Union, UAW, the National Aerospace Department, Region 5 UAW, the Bargaining Unit of the Local Union impacted and the Company. It is further understood that prior to implementation of the Alternate Work Schedule it must be ratified by the Local Union, Unit of the Local Union or Department within a Unit of the Local Union that is impacted by the change in schedule.

MEMORANDUM OF AGREEMENT

McALESTER, OKLAHOMA SKILLED TRADES TRAINING AND DEVELOPMENT

It is agreed that the Company and the Union, at McAlester, will charter a joint committee to study the feasibility of an apprenticeship program and to discuss training needs.

MEMORANDUM OF UNDERSTANDING

McALESTER JOB COMBINATION

During the 1999 negotiations the parties met and discussed the need for a division unique job combination, including seniority issues, for the McAlester operations. The parties have agreed to the combination of Job Code 6170, Sheetmetal Layout & Fabrication Mechanic (L.G. 7) and Job Code 6160, Sheetmetal Layout & Fabrication Mechanic–Sr. (L.G. 10) to form new classification Job Code 6160, Sheetmetal Layout Mechanic–Sr. (L.G. OS–10 stretch).

With regard to the seniority issues, the parties agreed that current incumbent employees in the Job Code 6180, Structures/ Installation Mechanic (L.G. OS–10) and Job Code 5150, Painter-Production Sr. (L.G. 10), would at the time of excess, have a seniority right to the new Job Code 6160, Sheetmetal Layout Mechanic. Employees so re-classified will retain the right of recall to their immediate predecessor classification, either JC 6180 or JC 5150. All other provisions of the seniority Article will apply.

ACCEPTED AND AGREED TO

JUNE 21, 1999

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA (UAW)

S. P. YOKICH
President
International Union—UAW

R. GETTELFINGER
Vice President & Director
UAW National Aerospace Department

M. K. RIORDAN
Assistant Director
UAW National Aerospace Department

B. ACEVES
International Representative
UAW National Aerospace Department

S. UNDERWOOD
International Representative
UAW National Aerospace Department

L. HESS
Social Security Department

P. DOOLEY
Health & Safety Department

J. WELLS
Director, Region 5