

INDEX TO AGREEMENT

ALASKAN COPPER WORKS
Fabrication Division

and

INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIP BUILDERS,
BLACKSMITHS, FORGERS AND HELPERS
Local Union No. 104

April 28, 2005 to May 1, 2011

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A G R E E M E N T

By and Between

ALASKAN COPPER WORKS
Fabrication Division

and

INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIP
BUILDERS, BLACKSMITHS, FORGERS AND HELPERS
Local Union No. 104

This AGREEMENT is made by and between Alaskan Copper Works, Fabrication Division, 3405 Sixth Avenue South, Seattle, Washington 98134, hereinafter called the Employer and International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, Local Union No. 104, hereinafter called the Union.

ARTICLE IRECOGNITION

Section 1: The Employer recognizes the Union as the sole and exclusive bargaining representative for all of its employees who, during the life of this Agreement, are involved in the welding or burning of metal, including the preparation of joints and the cleaning of welds, required for fabrication and assembly work at its Seattle, Washington plant listed above.

Section 2: Work will occasionally be transferred between divisions of the Employer when necessitated by practical and workman-like consideration of the capacities of the Employer's installed equipment in each division.

Section 3: Excluded from this Agreement are all employees who form, shear, cut, saw, grind or fit metal, maintenance employees, stationary engineers, clerical or professional employees, draftsmen, janitors, guards, instructors, nondestructive examiners, supervisors, shipping or receiving employees, material handlers or welders engaged in the manufacture of pipe or tubing and pipe or tubing fittings.

Section 4: The excluded employees listed in Section 3 above may perform work covered by this Agreement: (1) in emergency; (2) when covered employees are not immediately available, including such times as when covered employees are being called in; (3) in the instruction or training of covered employees; (4) in testing materials and procedures; and (5) in the performance of necessary work to facilitate production, including overtime work if covered employees are also assigned. Supervisors who were formerly covered employees may continue to perform work covered by this Agreement as they did formerly.

Section 5: Operations requiring only a single employee to accomplish and requiring work covered by this Agreement, i.e. welding and/or burning, for only a portion of the operation may be accomplished by employees not covered by this Agreement providing that the proportion of active employees covered by this Agreement to active employees covered by other labor agreements with the Employer and working within the same facilities is at least 90% (not considering a "lee-way" of one employee) of the same proportion as calculated monthly and averaged over the preceding 24 months.

ARTICLE II

UNION SECURITY

Section 1: All employees shall be required to become and remain members or financial core members of the Union in good standing as a condition of employment during the term of this Agreement. New employees hired after the effective date of this Agreement and former employees who are not members or financial core members returning to work after such date shall be required to become members or financial core members in good standing after the 30th day of employment or re-employment. A member or financial core member in good standing shall be defined as an employee who tenders the initiation fee and periodic dues uniformly required as a condition of acquiring and retaining membership in the Union.

Section 2: If the Union advises the Employer and an employee in writing, that such employee is not in good standing through non-payment of his/her dues, such employee shall be terminated by the Employer on the fifth working

day after receipt of such advice unless the Union advises the Employer and the employee, in writing, prior to that date that the employee has complied with Section 1 above.

Section 3: The Union agrees to fully indemnify the Employer for any expenses incurred in defending a wrongful discharge claim made by an employee terminated due to incorrect advice received from the Union in accordance with Section 2 above, including any wages and benefits awarded as the result of such a claim.

Section 4: The Employer shall inform new employees of the foregoing requirements at the time they are first employed and advise the Union of new hires on a form provided by the Union.

ARTICLE III

ACCESS TO PLANT

Business representatives of the Union, upon application to the offices of the Employer or, in the case of night shifts, to the supervisor in charge, will be allowed access to the plant for the purpose of investigating grievances arising under this Agreement, provided they do not interfere with production in the plants or conduct meetings during the normal hours of employees.

ARTICLE IV

MANAGEMENT FUNCTIONS

Nothing in this Agreement is intended, nor shall it be construed, as denying or in any manner limiting the right of the Employer to manage the business, to plan, control and supervise all operations, to determine the means, methods, processes and schedules of production, to maintain discipline and efficiency among its employees and to direct all working forces, including, but not limited to, the right to establish work, safety, smoking and substance abuse rules and policies, to establish production standards, to select and hire, to judge the ability and competency of employees, to assign employees to operations, to transfer employees or relieve them from duty, to assign shifts, to assign overtime, to classify, to promote, to demote, to re-classify, to discipline, to suspend, to lay-

off, to retire or to discharge. The Employer shall control and allocate the use of all equipment and other property of the Employer, shall determine the products to be manufactured or the services to be provided and shall determine whether to make or buy or to have all or part of the products normally manufactured made in, or the services normally provided accomplished by, plants or by companies not covered by this Agreement.

ARTICLE V

MAXIMUM PRODUCTIVITY

It is the intent of the Employer and the Union to achieve and sustain maximum productivity per employee during the term of this Agreement. In return to the Employer for the wage rates and conditions herein provided and consistent with the principle of a fair day's work for a fair day's pay, the Union pledges its agreement with the objective of achieving a high level of employee performance and efficiency consistent with safety, good health and sustained effort. This Agreement will be interpreted in light of this article.

ARTICLE VI

NON-DISCRIMINATION

Section 1: The Employer and the Union agree that there will be no discrimination against any employee or job applicant because of race, religion, color, sex, age, national origin, martial status, creed, a mental, sensory or physical handicap or on any other basis as prohibited under any applicable statute or regulation.

Section 2: No employee shall be discriminated against, jeopardized in standing or suffer loss of employment on account of membership, financial core membership or activity in the Union, for reporting to the Union a violation of any provision of this Agreement or on account of representing the Union in any capacity, provided such activities are not carried on during working hours and do not interfere with his/her efficiency and production in the plant.

ARTICLE VII

SAFETY AND SANITATION

Section 1: The Employer shall comply with all safety, health and sanitation measures as required by the Washington Industrial Safety and Health Act and the Federal Occupational Safety and Health Act, including implementation of required administrative or engineering controls. All lunch rooms, wash rooms and toilets shall be kept clean and properly heated and ventilated.

Section 2: Each employee shall comply with all safety, health and sanitation standards, rules, regulations and administrative or engineering controls which are applicable to his/her own actions and conduct including providing personal clothing and shoes suitable to the industry. Diligent care shall be exerted by all employees with regard to the maintenance and cleanliness of the facilities provided by the Employer for the general well being of the employees. The Union agrees that willful violation of the Employer's rules governing safety, sanitation and general plant regulations shall constitute adequate cause for disciplinary action up to and including discharge.

ARTICLE VIII

TOOLS

Section 1: The personal hand tools and equipment needed for the employee's work and to be provided by him/her are as follows:

welding hood	slag hammer
welding gloves	wire cutters

Section 2: Employee's personal hand tools and equipment listed above which are rendered completely unusable by normal wear and tear associated with duties performed under this Agreement will be replaced at reasonable intervals by the Employer.

ARTICLE IXHOURS OF WORK

Section 1: Up to eight hours shall constitute one normal day's work. Up to five consecutive days shall constitute one normal week's work, beginning with the start of the first shift Monday except for employees covered in Section 3 or 4 below and except that the normal week for employees on third shift may start on Sunday. The second shift follows the first and the third shift follows the second for five consecutive days, but the shifts need not be contiguous. Alternatively, the Employer may establish a normal work week of up to four consecutive days of up to ten hours each day. It is understood that each employee shall be at the assigned place of work at the starting time(s) and shall remain working until quitting time(s) and that all personal preparations for starting and quitting work will be accomplished outside working hours. The normal daily work periods for the respective shifts shall be as follows:

First Shift: Normally an eight and one-half hour period starting between the time of not earlier than 5:00 a.m. nor later than 1:29 p.m., less 30 minutes for a meal on the employee's time. Regular hourly shift rate of pay for first shift work shall be as set forth in Article XI and Schedule A.

Second Shift: Normally an eight and one-half hour period starting between the time of not earlier than 1:30 p.m. nor later than 10:59 p.m., less 30 minutes for a meal on the employee's time. Regular hourly shift rate of pay for second shift work shall be as set forth in Article XI and Schedule A.

Third Shift: Normally an eight and one-half hour period starting between the time of not earlier than 11:00 p.m. nor later than 4:59 a.m., less 30 minutes for a meal on the employee's time. Regular hourly shift rate of pay for third shift work shall be as set forth in Article XI and Schedule A.

Section 2: Individual employees may be assigned to different normal starting times if falling within the limits of their respective shifts or to a different length normal week's work.

Section 3: Employees may alternatively be assigned a normal week's work Tuesday through Saturday, inclusively.

Section 4: In exception to the above, it is recognized that special conditions may require special or unusual shifts. In such cases, the details thereof shall be worked out and agreed to between the Employer and the Union.

ARTICLE X

OVERTIME

Section 1: All time worked in excess of 40 hours per week shall be considered overtime and paid at 1-1/2 times the applicable regular hourly total rate for each hour worked. Holidays, observed during the normal work week shall be considered as scheduled time worked for overtime calculation purposes as needed to establish a regular 40 hour work week.

Section 2: All time worked on Sunday, except time on Saturday shifts or third shift which may begin a regular work week on Sunday, shall be considered overtime and shall be paid for at twice the regular hourly first shift rate plus any applicable premium(s).

ARTICLE XI

CLASSIFICATIONS AND RATES OF PAY

Section 1: For the first 90 days of employment in this classification, a fabrication welder covered by this Agreement shall have a regular hourly shift rate of 90%, for the next 90 days of employment in this classification a regular hourly shift rate of 95% and thereafter 100% of the regular hourly shift rate of pay as set forth for this classification in Schedule A which is attached to and a part of this Agreement.

Section 2: A working lead shall be an employee who has been designated by the Employer to direct the activities of other employees in addition to his/her other duties. A working lead shall have a regular hourly shift rate of \$0.50 per hour over his/her normal regular hourly shift rate.

Section 3: A master fabrication welder shall be an employee who has been designated by the Employer and shall have a regular hourly shift rate of \$1.75 per hour over the fabrication welder regular hourly shift rate except when assigned to pipe "spooling" or assembly work. The Employer shall designate at least one master fabrication welder for each three fabrication welders employed and training functions may be inherent in his/her duties.

Section 4: A senior fabrication welder shall be an employee who has been designated by the Employer and shall have a regular hourly shift rate of \$0.75 per hour over the fabrication welder regular hourly shift rate except when assigned to pipe "spooling" or assembly work. The Employer shall designate at least one senior fabrication welder for each two fabrication welders employed and lead functions may be inherent in his/her duties.

Section 5: An associate fabrication welder shall be an employee who has been designated by the Employer and for the first 90 days of employment in this classification shall have a regular hourly shift rate of 80%, for the next 90 days of employment in this classification a regular hourly shift rate of 85% and thereafter 90% of the fabrication welder regular hourly shift rate. The Employer shall not designate more than one associate fabrication welder for each two fabrication welders employed.

Section 6: A fabrication tack welder shall be an employee who has been designated by the Employer and for the first 90 days of employment in this classification shall have a regular hourly shift rate of 70%, for the next 90 days of employment in this classification a regular hourly shift rate of 75% and thereafter 80% of the fabrication welder regular hourly shift rate. The Employer shall not designate more than four fabrication tack welders.

Section 7: There shall be no restriction as to the type of work that any of the employees classified above may be directed to perform.

Section 8: The employee classification ratios above may fluctuate from the limits stated from time to time but the Employer must designate, or redesignate, employees so that the ratios are corrected within 60 days.

Section 9: Employees who have once been employed, under the previous or any other Agreement with the Employer, for the cumulative total hours listed below shall receive, beginning on the first day of the pay period following the day when such cumulative hours are accumulated, the respective "premiums" listed below in addition to their regular hourly shift rate for each hour worked:

6,000 hours	\$0.75
10,000 hours	\$1.00
20,000 hours	\$1.25
30,000 hours	\$1.65

ARTICLE XII

HOLIDAYS

Section 1: Each employee shall receive eight times his/her regular hourly total rate for the holidays listed in Section 3 below, provided:

- a) The employee worked his/her last scheduled full workday prior to and his/her first scheduled full workday following the holiday. Exception will be made in cases where absence on the workday prior to or the workday following was due to industrial injury, bona-fide accident or illness covered by a doctor's certificate, leave of absence, approved vacation or temporary lay-off provided the employee's absence from work for the purpose of this exception by reason of any of the above causes is not for a total period of more than two weeks prior to the holiday. For purposes of this Section, a temporary lay-off shall be considered as one of two weeks or less in duration.
- b) The employee has been continuously employed for 120 calendar days prior to the holiday.

Section 2: Each employee who does not qualify for holiday pay under Section 1 above by reason of not working his/her full scheduled workdays prior to and following the holiday will be paid an amount equal to his/her regular hourly total rate multiplied by a number determined by subtracting the total scheduled time not worked before and after the holiday from eight hours provided that none of the time not worked is either at the end of the scheduled workday before

the holiday or at the beginning of the scheduled workday after the holiday. If the holiday is a two or three day holiday, the time missed will be doubled or tripled and subtracted from 16 or 24 hours, respectively, to determine the total regular hourly shift rate multiplier number.

Section 3: The following shall be recognized as paid holidays: NEW YEAR'S DAY, MEMORIAL DAY, INDEPENDENCE DAY, LABOR DAY, THANKSGIVING DAY, the day after THANKSGIVING DAY, CHRISTMAS DAY and a day in December to be designated by the Employer. Memorial Day will be observed on the last Monday in May.

Section 4: All time worked on the above holidays shall be paid for at one and a half times (1-1/2) the regular hourly total rate plus additional compensation pursuant to Section 1 above.

Section 5: Should any of the above holidays fall on a Saturday or a Sunday, the Employer shall have the option of specifying by the Wednesday preceding the holiday whether the Friday prior to the holiday and the Monday following the holiday shall be normal workdays or one of them regarded as the paid holiday.

Section 6: Should any of the above holidays fall within the vacation period of an employee, he/she shall be paid as set forth above for such holiday rather than receiving an additional day off, provided he/she works his/her last scheduled workday prior to and his/her first scheduled workday following his/her vacation period in accordance with Sections 1 and 2 above.

ARTICLE XIII

VACATIONS

Section 1: Vacations will be granted on the basis of a vacation year beginning on the first day of the pay period applicable to the first pay day of any calendar year and continuing until the beginning of the next vacation year. All employees may schedule up to 20 working days of vacation during each vacation year.

Section 2: During any vacation year, each employee shall accumulate current vacation credit per Sections 3 through 6

below, as applicable. Vacation credit shall not accumulate during the first 500 hours of employment for new employees.

Section 3: Employees who have not worked 2,000 cumulative hours shall accumulate current vacation credit at the rate of 1% of their total hourly shift rate for each hour worked.

Section 4: Employees who have worked 2,000 cumulative hours shall accumulate current vacation credit at the rate of 2% of their total hourly shift rate for each hour worked.

Section 5: Employees who have worked 6,000 cumulative hours shall accumulate current vacation credit at the rate of 4% of their total hourly shift rate for each hour worked.

Section 6: Employees who have worked 20,000 cumulative hours shall accumulate current vacation credit at the rate of 6% of their total hourly shift rate for each hour worked.

Section 7: On the first day of the vacation year beginning on the first day of the pay period applicable to the first pay day of 2000 and following years, the current vacation credit accumulated by each employee since the first day of the pay period applicable to the first pay day in July of the previous vacation year will be transferred to the employee's accumulated vacation credit and such accumulated vacation credit will be paid to each employee on the next following regular pay day.

Section 8: On the first day of the pay period applicable to the first pay day in July of 2000 and following vacation years, the current vacation credit accumulated by each employee since the beginning of that vacation year will be transferred to the employee's accumulated vacation credit and such accumulated vacation credit will be paid to each employee on the next following regular pay day.

Section 9: Vacations shall be scheduled and taken at such time during the vacation year as may be designated by the Employer or as otherwise mutually agreed upon between the Employer and each employee. Vacation periods mutually agreed upon at least eight weeks in advance will not be subject to re-scheduling by the Employer.

Section 10: Employees re-hired after quitting or after being discharged for cause shall be considered new employees and current vacation credits therefore shall accumulate starting after 500 hours of employment following their re-hire and will be based on the cumulative hours worked following their re-hire.

ARTICLE XIV

REPORTING PAY AND ABSENCE NOTICE

Section 1: If an employee qualified to do the work for which he/she is called is given less than two hours work, he/she shall receive two hours pay at the applicable regular hourly total rate.

Section 2: Any employee who is not specifically instructed at least four hours before his/her scheduled starting time not to report for work shall be considered as having been ordered to report and, therefore, entitled to two hours pay if he/she reports as scheduled and is not put to work. An employee on an unscheduled absence shall not be considered as having been ordered to report unless he/she calls and makes known his/her availability for work and receives an order to report by noon of the day shift preceding his/her scheduled starting time. Any oral order to report shall be obtained only from a Superintendent or Assistant Superintendent by telephoning (206) 382-8484 or 623-5801 extension 282. Any order to report beyond five working days from the day the employee states that he/she will be available for work will be considered a temporary lay-off.

Section 3: An employee who has completed his/her scheduled shift for the day and is called back to work shall receive not less than two hours pay at his/her regular hourly total rate.

Section 4: In the event of an emergency such as fire, flood, power failure, act of God, etc. beyond the control of the Employer (alleged lack of work cannot be construed as an emergency) or where the employee voluntarily quits, is laid off or is discharged, the foregoing requirements shall not be applicable and the employee shall be paid for the actual time worked.

Section 5: An employee on an unscheduled absence for three consecutive work days without notifying a Superintendent or

Assistant Superintendent, as above, or the Personnel Office by telephoning (206) 382-7344 of the reason for his/her absence and his/her best estimate of the date of his/her return shall be considered as having quit.

Section 6: Employees will provide the Employer with their current mailing address and telephone number and will keep this information current. Failure to keep this information current shall relieve the Employer from all obligations under this Article.

ARTICLE XV

JURY SERVICE

Section 1: An employee who has been continuously employed for 120 calendar days immediately prior to being required by law to serve as a jury person during a normal working day shall, upon satisfactory proof to the Employer of such jury service rendered, be paid at his/her first shift regular hourly total rate for his/her normally scheduled hours on such day, provided the employee reimburses the Employer for any per-diem compensation received from the court for such day and the jury service does not exceed 20 working days and once in any 52 week period.

Section 2: If an employee works on his/her normal working day in addition to performing jury service, he/she shall be paid by the Employer for the time not worked because of such jury service up to a maximum of the time necessary to complete his/her normal shift for that day.

ARTICLE XVI

FUNERAL LEAVE

An employee who has been continuously employed for 120 calendar days immediately prior to a death occurring in his/her immediate family, shall receive two days leave with 16 hours pay at his/her regular hourly total rate when necessary to attend funeral services or to attend to family matters. The immediate family shall be defined as the wife, husband, daughter, son, sister, brother, mother, father, grandmother or grandfather of the employee.

ARTICLE XVIIINDUSTRIAL INJURY

Section 1: Should any employee suffer an industrial injury requiring medical treatment, he/she shall be paid at his/her regular total hourly rate for the time necessary to obtain such treatment on the day of injury, up to a maximum of the time necessary to complete his/her normal shift for that day.

Section 2: Should any employee suffer an industrial injury requiring overnight hospitalization, he/she shall be paid an amount equal to the difference between eight times his/her first shift regular total hourly shift rate of pay and the work-day equivalent amount received as time loss payments from workers' compensation and/or other insurance for the total number of days of such hospitalization, limited only by payment for five such days in any week and for a total of 26 weeks.

ARTICLE XVIIIPAY DAY

Section 1: Pay day will be bi-weekly. Employees shall be given their pay checks prior to the end of their scheduled work shift on pay day. All pay checks shall have a detachable voucher which will set forth the amount of the check, hours worked that pay period and an itemized list of deductions.

Section 2: Any employee who is laid off, discharged or who quits shall receive all wages due him/her on the next pay day on which he/she would normally have been paid.

Section 3: To facilitate accounting procedures, pay day may occur up to five days past the end of a pay period.

Section 4: Alternatively to the procedure in Section 1 above, the Employer may pay by electronic bank transfer on pay day. The voucher describing electronic bank transfers will be given to each employee on pay day or be mailed no later than two days prior to pay day.

ARTICLE XIXHEALTH AND ANCILLARY INSURANCE

Section 1: The Employer shall provide medical insurance for active employees equivalent to that described in Appendix I, dental insurance for active employees equivalent to that described in Appendix II and ancillary insurance for active employees equivalent to that described in Appendix III, all commencing on the first day of the month following the first three consecutive calendar months of employment for new employees who were compensated for a minimum of 100 hours in each such month and continuing for each month thereafter for employees who were compensated for a minimum of 100 hours in the previous month and who are employed on the first day of the month for which insurance is provided.

Section 2: Employees who have once been employed for three consecutive calendar months in which they were compensated for a minimum of 100 hours in each of such months and are subsequently laid-off will, upon being re-hired within six months of their lay-off, be provided insurance benefits in accordance with Section 1 above, except commencing on the first day of the month following the first month following their date of re-hire in which the employee is compensated for a minimum of 100 hours. Employees who have once been employed for three consecutive calendar months in which they were compensated for a minimum of 100 hours in each of such months and subsequently quit, refuse an offer of re-employment, are discharged for cause or are re-hired after six months from a lay-off will, upon being re-hired, be provided insurance benefits in accordance with Section 1 above.

Section 3: Any employee may elect to have the Employer provide medical insurance, dental insurance and vision care insurance benefits for his/her spouse and/or dependent children per the conditions of Sections 1 and 2 above. Such election may be made only on the date of initial hire or re-hire, during the month of March of each year for coverage effective the following April 1 or as otherwise required by applicable law or regulation.

Section 4: Employees who elect to have the Employer provide insurance benefits under Section 3 above shall reimburse the employer for the monthly revenue required to

provide such elected benefits by means of a pay deduction applied to the first or first and second pay check in each month that the Employer is required to supply such revenue. This reimbursement shall be limited to \$240.00 per month plus the revenue required for any additionally mandated applicable benefits and beginning April 1, 2006 and limited to a yearly cumulative maximum of \$50.00 each plan year, the portion equal to 50% of the revenue required monthly of providing the applicable benefits in excess of the Employers monthly cost on April 4, 2004.

Section 5: Employees for whom the Employer provides insurance benefits under Sections 1 and 2 above shall reimburse the Employer for a portion of the monthly revenue required to provide such insurance benefits by means of a pay reduction applied to the first or first and second pay check in each month that the Employer is required to supply such revenue. This reimbursement shall be \$170.04 monthly plus the revenue required for any additionally mandated applicable benefits and beginning April 1, 2006 and limited to a yearly cumulative maximum of \$20 each plan year, the portion equal to 50% of the revenue required monthly of providing the applicable benefits in excess of the Employers monthly cost on April 4, 2004.

Section 6: Employees who elect to have the employer provide insurance benefits under Section 3 above must participate in the Alaskan Copper Works Section 125 Plan which allows for payment of amounts incurred for elective insurance coverage with before-tax dollars.

Section 7: Should an active employee die, 173 hours compensation at his/her regular hourly shift rate will be paid to a beneficiary he/she had previously designated within one week after such beneficiary presents acceptable proof of death.

ARTICLE XX

RETIREMENT PLANS

Section 1: Contributions will be paid to the Boilermaker-Blacksmith National Pension Trust for all hours worked by employees covered by this Agreement in accordance with Section 2 through Section 4 below, as applicable. For purposes of these sections, the cumulative hours worked shall be the total of those reported by the Administrator

of the Trust as credited for pension purposes from all employers.

Section 2: The Employer will contribute 2% of the regular hourly total rate for each hour worked for employees who have worked 1,000 cumulative hours.

Section 3: The Employer will contribute 3% of the regular hourly total rate for each hour worked for employees who have worked 13,000 cumulative hours.

Section 4: The Employer, will contribute 6.5% of the regular hourly total rate for each hour worked for employees who have worked 25,000 cumulative hours.

Section 5: The Employer shall maintain a retirement plan meeting the requirements of Section 401(k) of the Internal Revenue Code for employees who have once been employed for 12 consecutive months and worked for a minimum of 1,000 hours within that time. This plan shall allow for employer contributions, for voluntary tax-sheltered savings by employees and for individual selection of investment by each employee.

ARTICLE XXI

GRIEVANCE PROCEDURE

Section 1: The purpose of this article is to provide an orderly method for the settlement of a dispute between the Employer and the Union, on behalf of an employee, over the interpretation, application, or claimed violation of any of the specific provisions of this Agreement. Should any difference arise between an employee and the Employer over the interpretation or application of any specific provision of this Agreement, there will be no work stoppage or interference with operations. Any assignment of work over which a controversy has arisen shall be carried out until the controversy is settled through this established grievance procedure.

Section 2: Prompt consideration shall be given to grievances. Employees may request the assistance of a representative of the Union in the settlement of any grievance.

Section 3: Any complaint arising among the employees over the interpretation or application of any of the specific provisions of this Agreement shall be processed as follows:

Step 1: Any such complaint shall, within three working days from the time the complaint arose or should have been reasonably known to exist, first be referred to the grievant's immediate supervisor or other official designated by the Employer and a serious attempt made to resolve the grievance.

Step 2: If no satisfactory agreement is reached in Step 1, the matter shall, within five working days after it was first brought to the attention of the Employer, be reduced to writing by describing the incident involved, the provision of the Agreement alleged to be violated and the remedy requested and be submitted to a higher official designated by the Employer or in the case of a grievance against the Union, it's Business Representative. A list of five qualified arbitrators who will agree to be available for a hearing upon ten working days notice will be requested from the Federal Mediation and Conciliation Service at this time by the submitting party.

Step 3: If no satisfactory agreement is reached in Step 2, the matter shall, within ten working days from the date the dispute was referred to Step 2, be referred to arbitration, setting forth the specific question to be arbitrated, preferably in the form of a Stipulation to Arbitrate, to an Arbitration Committee consisting of one representative of the Employer, one representative of the Union and a third member to be chosen by these two from the list of qualified arbitrators requested in Step 2. The third arbitrator shall be selected by the other two members of the Arbitration Committee by alternately striking one name from the list until only one name shall remain.

The decision of the majority of the Arbitration Committee shall be rendered in writing within ten working days after the close of the hearing and shall be final and binding upon all parties hereto. Any decision rendered shall be within the scope of the Agreement and shall not change any of its terms or conditions.

The power and authority of the arbitrators shall be strictly limited to determining the meaning and interpretation of the express terms of the Agreement as herein explicitly set forth.

They shall not have the authority to add to or subtract from or modify any of the said terms of the Agreement or to limit or impair any rights of the Union or rights of the Employer not at issue in the current dispute. Any compensation award shall be limited to the period of time covering no more than 20 calendar days. No decision of the arbitrators in one case shall create a basis for retroactive adjustments in any other case.

The cost of the third arbitrator shall be borne by the party whose position is not upheld by the Arbitration Committee's decision. In the case of a compromise decision, the third arbitrator shall decide on the distribution of his/her fees.

Section 4: The Employer shall have the option of utilizing the procedures outlined in Steps 2 and 3 of Section 3 above in the event of a complaint against the Union involving questions of interpretation or application of this Agreement.

Section 5: In unusual circumstances, the time limits set for the steps in Section 3 above may, upon mutual agreement of the parties, be extended up to 10 working days only. Failure of the grievant and/or the grievant's representative to pursue or comply with the steps of Section 3 above in a timely way shall result in the grievance being waived.

ARTICLE XXII

NO STRIKES OR LOCKOUTS

Section 1: During the life of this Agreement, no strikes, picketing, work slowdowns or other disruptive activity shall be caused by the Union. Employees or the Union will not participate in, condone or sanction any work stoppage or sympathy strikes. Union leadership shall be required to take affirmative steps to prevent or curtail any action which may be considered a breach of this section.

Section 2: During the life of this Agreement, no lockout shall be entered upon by the Employer.

ARTICLE XXIII

AGREEMENT QUALIFICATIONS

Section 1: It is not the intent of either of the parties hereto to violate any laws, rulings or regulations of any government authority or agency having jurisdiction over the subject matter of this Agreement and the parties hereto agree that in the event any provision of this Agreement is held to be unlawful or void by any tribunal having the right to so hold, the remainder of the Agreement shall remain in full force and effect unless the parts so found to be void are wholly inseparable from the remaining portions of this Agreement.

Section 2: This Agreement contains all the terms and conditions agreed upon by the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall exist between either of the parties hereto. The waiver of any breach or condition of this Agreement by either party shall not constitute a precedent for any further waiver of any such breach or condition.

ARTICLE XXIV

EFFECTIVE DATE AND DURATION

Section 1: This Agreement will become effective on April 28, 2005, except as otherwise provided herein, and shall remain in effect until May 1, 2011 unless changed by mutual consent. Should either party desire to change, modify or end the Agreement on the termination date, written notice must be given to the other party at least 90 days but not more than 120 days in advance of the termination date. If such notice is not given within such time, the Agreement shall be considered as automatically renewed for an additional period of one year and in like manner from year to year thereafter.

Section 2: During bargaining for a new agreement after the termination date of this Agreement, the Employer shall not change the conditions of employment or implement any part of its bargaining proposal and the Union shall not strike

or engage in any other form of economic action unless the party desiring to so act notifies the other party, in writing, of the date such action will actually commence exactly 10 working days prior thereto and acknowledges that an impasse exists in the bargaining for a new agreement.

Signed this 29th day of August at Seattle, Washington.

ALASKAN COPPER WORKS
BOILERMAKERS,
Fabrication Division
BLACKSMITHS, FORGERS

INTERNATIONAL BROTHERHOOD OF
IRON SHIP BUILDERS,
AND HELPERS
Local Union No. 104

By Ralph Hughes

By Gary Jensen

SCHEDULE AFABRICATION WELDER REGULAR HOURLY SHIFT RATES

<u>Shift</u> <u>Effective Date</u>	<u>First Shift</u> <u>Rate</u>	<u>Second Shift</u> <u>Rate</u>	<u>Third Shift</u> <u>Rate</u>
May 2, 2005	\$16.95	\$17.30	\$17.45
May 1, 2006 <i>JP</i>	\$17.25	\$17.60	\$17.75
April 30, 2007	\$17.60	\$17.95	\$18.10
April 28, 2008	\$17.95	\$18.30	\$18.45
April 27, 2009	\$18.30	\$18.65	\$18.80
April 26, 2010	\$18.70	\$19.05	\$19.20

Appendix I

Medical Insurance

Lifetime maximum benefit per person **\$1,000,000**

(annual restoration to \$20,000)

Co-payment for physicians, surgeons, podiatrists, etc. 4/1/05-\$40
4/1/06-\$45
4/1/07-\$50
4/1/08-\$65

Annual deductible per person Preferred Network 4/1/05-\$100
(maximum per family 3 times) Plus \$50 in each plan year thereafter
Out of Network 4/1/05-\$400
Plus \$200 in each plan year thereafter

Annual maximum eligible "out of pocket" per person Preferred Network 4/1/05-\$1000
(maximum per family 3 times) Plus \$500 in each plan year thereafter
Out of Network 4/1/05-\$3000
Plus \$500 in each plan year thereafter

Service coverages

Physicians, surgeons, podiatrists, etc. Preferred Network 4/1/05-95%
(after co-payment) Less 5% in each plan year thereafter
Out of Network 4/1/05-75%
Less 5% in each plan year thereafter

Emergency room Preferred Network 4/1/05-95%
(after \$100 co-payment waived if directly admitted to the hospital as an inpatient)
Less 5% in each plan year thereafter
(after \$110 co-payment, 4-1-06) Out of Network 4/1/05-75%
(after \$120 co-payment, 4-1-08) Less 5% in each plan year thereafter
(after \$130 co-payment, 4-1-10)

Hospital Services Preferred Network 4/1/05-95%
Less 5% in each plan year thereafter
Out of Network 4/1/05-75%
Less 5% in each plan year thereafter

Skilled nursing facility services Preferred Network 4/1/05-95%
Limited to 90 days per calendar year Less 5% in each plan year thereafter
Out of Network 4/1/05-75%
Less 5% in each plan year thereafter

Chemical dependency facility services	Preferred Network	4/1/05-95%
\$10,000 lifetime maximum	Less 5% in each plan year thereafter	
	Out of Network	4/1/05-75%
	Less 5% in each plan year thereafter	
Home health and hospice care	Preferred Network	4/1/05-95%
6 month lifetime maximum	Less 5% in each plan year thereafter	
	out of Network	4/1/05-75%
	Less 5% in each plan year thereafter	
Outpatient rehabilitative (after co-payment)	Preferred Network	4/1/05-95%
Limited to \$1000 per calendar year	Less 5% in each plan year thereafter	
	Participating	4/1/05-75%
	Less 5% in each plan year thereafter	
Drugs		
	generic (after \$20 co-payment)	Network-100%
	(after \$25 co-payment, 4-1-05)	
	(after \$30 co-payment, 4-1-07)	
	(after \$35 co-payment, 4-1-09)	
	brand name using closed formulary	Network- 65%
	brand name using open formulary	Network- 50%
Ambulance services		80%
Smoking cessation programs		80%
Durable Medical equipment		80%

This is a general outline of plan benefits and does not include all conditions or limitations. Limitations, exclusions, subrogation and coordination of benefits per plan terms.

APPENDIX II

Dental Insurance

Annual maximum benefit per person	\$1,000
Annual deductible per person (maximum per family at 3 times)	\$125
Services coverages:	
Preventative and diagnostic	80%
Basic	80%
Other	50%

This is a general outline of plan benefits and does not include all conditions or limitations. Limitations, exclusions, subrogation and coordination of benefits per plan terms.

APPENDIX III

Ancillary Insurance

Vision Care Insurance

Annual maximum per person (maximum per family at 3 times)	\$75
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Annual deductible per person	None
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Service coverages:

Frames and lenses	50%
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Short Term Disability Insurance

Benefit, weekly, excluding mental and nervous conditions	\$155
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Waiting Periods:

In case of accident	1st day
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In case of illness	8th day
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Maximum benefit period	26 weeks
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This is a general outline of plan benefits and does not include all conditions or limitations. Limitations, exclusions, subrogation and coordination of benefits per plan terms.

ALASKAN COPPER *Works*

Telephone: (206) 623-5800

Facsimile:

Stainless Products Division

(206) 382-7346

Fabrication Division

(206) 382-4306

April 15, 2005

Mailing Address:

Post Office Box 3546

Seattle, Washington 98124-3546

Express Delivery Address:

Stainless Products Division

3200 Sixth Avenue South

Seattle, Washington 98134-2106

Fabrication Division

3405 Sixth Avenue South

Seattle, Washington 98134-2109

International Brotherhood of Boilermakers, Iron Ship Builders,
Blacksmiths, Forgers and Helpers
Local Union No. 104
2800 1st Avenue, Suite 136
Seattle, Washington 98101

Attention: Mr. Gary Powers, Business Manager

Gentlemen:

This will confirm our agreement that during the term of the new Agreement until six years from the date of signing, in consideration of past service and unless becoming disqualified by reason of quitting, being discharged or declining an offer of re-employment, all employees who were actively employed on June 20, 1998 shall be qualified for the following special conditions regarding the provisions of Sections 3 and 4 of Article XI, Classifications and Rates of Pay, in the new Agreement:

1. Concerning the required designation ratios for master and senior fabrication welders, the group of qualified employees may require the Employer to maintain, within that group, the designation ratios from the previous Agreement.
2. All employees who on June 20, 1998 were classified as master fabrication welder or senior fabrication welder shall, when assigned to pipe "spooling" or fabrication work, receive the regular hourly shift rate for their then current classification without exception.

No other terms of the new Agreement are affected by this letter.

Agreed:

I.B.B.I.S.B.B.F.H.

Local Union No. 104

Yours very truly,

ALASKAN COPPER WORKS



Gary Powers
Business Manager

Robin Murphy
Human Resources Manager

ALASKAN COPPER *Works*

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April 15, 2005

International Brotherhood of Boilermakers, Iron Ship Builders,
Blacksmiths, Forgers and Helpers

Local Union No. 104

2800 1st Avenue, Suite 136

Seattle, Washington 98121

Attention: Mr. Gary Powers, Business Manager

Gentlemen:

This will confirm our agreement that whenever the terms "cumulative hours" or "cumulative total hours" are used in the new Agreement, should an employee be re-hired after having quit, being discharged or having refused an offer of recall or re-employment, these terms shall refer only to the hours worked since such re-hire.

No other terms of the new Agreement are affected by this letter.

Yours very truly,

ALASKAN COPPER WORKS



Robin Murphy

Human Resources Manager

Agreed:

I.B.B.I.S.B.B.F.H.

Local Union No. 104

Gary Powers

Business Manager

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April 15, 2005

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Attention: Mr. Gary Powers, Business Manager

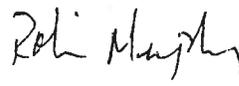
Gentlemen:

This will confirm our understanding that during the term of the new Agreement until date of signing, whenever medical, dental or ancillary insurance costs change the Employer and the Union will meet and may mutually agree on changes to the insurance plan designs or to the employee reimbursement amounts. Should these insurance costs decrease, 50 percent of the cost decreases may be allocated to increasing the plan benefits or to decreasing the employee reimbursement amounts.

No other terms of the new Agreement are affected by this agreement.

Yours very truly,

ALASKAN COPPER WORKS



Robin Murphy
Human Resources Manager

Agreed:

I.B.B.I.S.B.B.F.H.
Local Union No. 104

Gary Powers
Business Manager

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Attention: Mr. Gary Powers, Business Manager

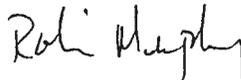
Gentlemen:

As we have discussed, Alaskan Copper Works has in the past and may in the future grant to certain employees special wage "premiums" which are not required by the labor agreement when, in its sole business judgment, it considers such action appropriate. Any such special wage "premiums" have in the past and may in the future be initiated, increased, reduced or eliminated from time-to-time on an individual basis.

No other terms of the new Agreement are affected by this letter.

Yours very truly,

ALASKAN COPPER WORKS



Robin Murphy
Human Resources Manager

Agreed:

I.B.B.I.S.B.B.F.H.

Local Union No. 104

Gary Powers
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April 15, 2005

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Builders, Blacksmiths, Forgers and Helpers
Union Local No. 104
2800 1st Avenue Suite 136
Seattle, Washington 98101

Attention: Mr. Gary Powers, Business Manager

Gentlemen:

This will confirm our agreement that during the term of the new Agreement, employees who wish to waive all insurance coverages described in Section 1 of Article XIX, Health and Ancillary Insurance, may do so if they provide proof of alternate medical coverage for themselves. Once waived, coverage may not be reinstated until the next open enrollment period or by special enrollment if proof of loss of the alternate coverage is provided.

Employees who waive these coverages will not be required to reimburse the Employer.

Employees who waive these coverages may not elect to have the Employer provide the dependent coverage described in Section 4 of Article XIX.

No other terms of the new Agreement are affected by this letter.

Agreed:

Yours very truly,

I.B.B.I.S.B.B.F.H.
Local Union No. 104

ALASKAN COPPER WORKS



Gary Powers
Business Manager

Robin Murphy
Human Resources Manager