



## Cornell University ILR School

### BLS Contract Collection – Metadata Header

This contract is provided by the Martin P. Catherwood Library, ILR School, Cornell University. The information provided is for noncommercial educational use only.

Some variations from the original paper document may have occurred during the digitization process, and some appendices or tables may be absent. Subsequent changes, revisions, and corrections may apply to this document.

For more information about the BLS Contract Collection, see  
<http://digitalcommons.ilr.cornell.edu/blscontracts/>

Or contact us:

Catherwood Library, Ives Hall, Cornell University, Ithaca, NY 14853  
607-254-5370 [ilrref@cornell.edu](mailto:ilrref@cornell.edu)

**Contract Database Metadata Elements** (for a glossary of the elements see -  
<http://digitalcommons.ilr.cornell.edu/blscontracts/2/>)

Title: **Aircraft and Missiles Systems and International Association of Machinists and Aerospace Workers (IAM), AFL-CIO District Lodge Number 837 (2001)**

K#: **4083**

Employer Name: **Aircraft and Missiles Systems**

Location: **MO St. Louis**

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

Local: **District Lodge Number 837**

SIC: **3721**

NAICS: **336411**

Sector: **P**

Number of Workers: **2800**

Effective Date: **05/21/01**

Expiration Date: **05/23/04**

Number of Pages: **127**

Other Years Available: **Y**

For additional research information and assistance, please visit the Research page of the Catherwood website - <http://www.ilr.cornell.edu/library/research/>

For additional information on the ILR School, <http://www.ilr.cornell.edu/>

ARTICLES OF AGREEMENT

FOR

THE JOINING COMPANY

AND

DISTRICT LODGE NO. 537

INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE  
WORKERS, AFL-CIO

AND

INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE  
WORKERS, AFL-CIO

RECEIVED 27 May 1961

# CONTENTS

Article	Title	Page
	Preamble .....	1
I	Bargaining Unit .....	1
II	Period of Agreement .....	1
III	Right to Manage Plant .....	2
IV	Wages .....	2
V	Regular Hours of Labor .....	9
VI	Holidays .....	13
VII	Leave of Absence .....	15
VIII	Business Representative .....	17
IX	Determination of Disputes .....	19
X	Discrimination .....	25
XI	Seniority .....	26
XII	Vacations .....	33
XIII	Safety Committee .....	37
XIV	Waiver .....	38
XV	Bulletin Boards .....	38
XVI	Payroll Deductions .....	39
XVII	Sabotage .....	40
XVIII	Union Security .....	40
XIX	Distribution of Agreement .....	41
XX	No Strike Clause .....	41
XXI	Funeral Leave .....	41
XXII	Jury/Witness Duty .....	42
XXIII	Sick Leave .....	43
XXIV	Agreement for Supplemental Layoff Benefits ...	45
XXV	Overtime .....	46
XXVI	Military Reserve Service Pay .....	46
XXVII	Group Insurance, Savings, and Retirement Income Plans .....	47
XXVIII	Total Agreement .....	48

1	<b>Supplemental Understandings</b>	<b>Page</b>
2	A Off-Site Locations .....	53
3	#1 Smoking on the Job .....	54
4	#2 Procedure for Requesting Leave of Absence...	55
5	#3 New Technology Methods and Materials .....	56
6	#4 Leaves for Union Business .....	57-58
7	#5 Mechanic-Office Equipment Classification .....	59
8	#6 Shift Preference in Maintenance Departments.	60
9	#7 Federal Legislation on Retirement and	
10	Group Insurance Benefits .....	61
11	#8 Overtime Guidelines .....	62-67
12	#9 Glossary of Terms, Job Classifications .....	68-71
13	#10 Union Involvement in Discrimination	
14	Complaints .....	72-73
15	#11 Business Representatives' Group Insurance ...	74
16	#12 Closing of Tract I - Reductions .....	75
17	#13 Medical Leave of Absence Return to	
18	Work Team .....	76
19	#14 Drug/Alcohol Testing Program .....	77
20	#15 Health Maintenance Organizations (HMOs) .....	78
21	#16 Maintenance Worker Job Classification .....	79-80
22	#17 Employee's Voluntary P.A.C. Contributions .....	81-82
23	#18 Implementation of Point of Use Delivery .....	83
24	#19 Travel .....	84
25	#20 Mechanic-Electro-Optic Job Classification .....	85
26	#21 Continuation of certain Agreements and MOUs	86
27	#22 Performance Sharing Plan .....	87
28	#23 Memorandum of Agreement for HPWO .....	88-91
29	#24 MDA Employability Plan .....	92
30	#25 Offset and Subcontracting Arrangements .....	94-95
31	#26 New Classification: Housekeeper .....	96
32	#27 Health Care Committee .....	97-98
33	#28 Labor Grade MOU .....	99-100

1	<b>Supplemental Understandings</b>	<b>Page</b>
2	#29 Machinist Custom Choices Worksite	
3	Benefits Program.....	101-102
4	#30 Employment Security.....	103
5	#31 A Special Retirement Proposal.....	104
6	#32 Safety Trainer Position.....	105
7	<b>Schedule A</b>	
8	Labor Grade Model Effective 21 May 2001.....	107-108
9	Labor Grade Model Effective 17 May 2002.....	109-110
10	Labor Grade Model Effective 16 May 2003.....	111-112

# SUBJECT INDEX

	Article	Section	Page
APPRENTICESHIP.....	XI	20	32
BARGAINING UNIT.....	I		1
BULLETIN BOARDS.....	XV		38-39
Unauthorized Notices.....		2	39
Union Notices.....		1	38-39
BUSINESS REPRESENTATIVE.....	VIII		17-18
Access to Closed Area.....		2	18
Access to Plant.....		1	17-18
DETERMINATION OF DISPUTES.....	IX		19-25
Disciplinary Action.....		16	23-24
Employee Incident Reports.....		17	24
Grievance, Definition.....		1	19
Grievance Procedure:			
Arbitration.....		6-10	21-22
Discussion With Supervision.....		2-3	19
Final Meeting.....		5	20-21
Forms.....		11	22
Informal Hearing.....		4	19-20
Union Grievance.....		18	24-25
Untimely Answer.....		19	25
Stewards:			
Certification.....		15	23
Jurisdiction.....		12-14	22-23
Ratio.....		12	22-23
DISCRIMINATION.....	X		25
Complaints, Union Involvement, Suppl. 10.....			72-73
Race, Religion, Sex, Age, Handicap.....		2-3	25
Union Activity.....		1	25
DISTRIBUTION OF AGREEMENT.....	XIX	1	41

	Article	Section	Page
1			
2	DRUG/ALCOHOL TESTING		
3	PROGRAM .....	Suppl. 14	77
4	EMPLOYABILITY PLAN .....	Suppl. 24	92-93
5	EMPLOYMENT SECURITY .....	Suppl. 30	103
6	FUNERAL LEAVE .....	XXI 1-2	41-42
7	GROUP INSURANCE .....	XXVII	47
8	Benefits .....	1-2	53
9	Benefits of Off-Site Locations .....	Suppl. A	53
10	Business Representatives .....	Suppl. 11	74
11	Federal Legislation .....	Suppl. 7	61
12	Health Maintenance		
13	Organizations .....	Suppl. 15	78
14	HEALTH CARE COST &		
15	QUALITY-JOINT COMMITTEE .....	Suppl. 27	97-98
16	HIGH PERFORMANCE		
17	WORK ORGANIZATIONS .....	Suppl. 23	88-81
18	HOLIDAYS .....	VI	13-15
19	Days Observed .....	1	13-14
20	Eligibility for Pay .....	3-4	15
21	Holiday Pay .....	2	14-15
22	Non-Standard Workweek .....	6	15
23	No Pyramiding .....	5	15
24	HOUSEKEEPER		
25	CLASSIFICATION .....	Suppl. 26	96
26	INCOME CONTINUATION PLAN .....	Suppl. 25	94-95
27	JURY DUTY .....	XXII 1,3	42,43
28	LEAVE OF ABSENCE .....	VII	15-17
29	Non Occupational Disability .....	3	16
30	Failure to Return .....	7	16-17
31	Maternity .....	11	17
32	Military .....	8-10	17
33	Occupational Disability .....	4	16
34	Other Employment .....	6	16

	Article	Section	Page
1			
2	Personal.....	2	16
3	Procedure for Requesting Leave.....	Suppl. 2	55
4	Developing Return to Work		
5	Program.....	Suppl. 13	76
6	Requests.....	1	15
7	Seniority While on Leave.....	5	16
8	Union Business.....	Suppl. 4	57-58
9	MEMORANDUM OF		
10	UNDERSTANDINGS.....	Suppl. 21	86
11	MILITARY RESERVE		
12	SERVICE PAY.....	XXVI 1	46-47
13	NO STRIKE CLAUSE.....	XX 1-2	41
14	OFF-SITE LOCATIONS.....	Suppl. A	53
15	OVERTIME.....	XXV	46
16	Distribution.....	1-3	46
17	Guidelines.....	Suppl. 8	62-67
18	PAYROLL DEDUCTIONS.....	XVI	39
19	Credit Union.....	2	39
20	Machinist Worksite Benefits.....	Suppl. 29	101-102
21	P.A.C., Guide Dogs, MNPL		
22	Contributions.....	Suppl. 17	81-82
23	Union Dues.....	1	39
24	PERFORMANCE SHARING		
25	PLAN.....	Suppl. 22	87
26	PERIOD OF AGREEMENT.....	II 1	1
27	Opening of Agreement.....	2	2
28	Seven Day Notice.....	3	2
29	POINT OF USE DELIVERY.....	Suppl. 18	83
30	PREAMBLE.....		1
31	REGULAR HOURS OF LABOR.....	V	9-13
32	Call-in Pay.....	10	12
33	Change of Starting Times.....	2-3	9-10
34	Emergency Shutdowns.....	9	11-12



	Article	Section	Page
1			
2	Failure to Report Absence.....	13	13
3	Lunch Periods.....	4	10
4	Non-Standard Work Week.....	8	10-11
5	Overtime Premiums.....	7,11	10, 12
6	Paydays.....	12	12-13
7	Reporting Pay.....	9	11-12
8	Shift Bonuses.....	5-6	10
9	Starting Times.....	1	9
10	RETIREMENT INCOME.....XXVII		47
11	Benefits.....	1-2	47
12	Federal Legislation..... Suppl. 7		61
13	Special Retirement Proposal..... Suppl. 31		104
14	RIGHT TO MANAGE PLANT.....III		2
15	SABOTAGE.....XVII	1	40
16	SAFETY COMMITTEE.....XIII		37-38
17	Committee Members.....	1,6	37, 38
18	Duties.....	2	37
19	Emergency Trained Attendant.....	4	38
20	Hazard Reports.....	3	37
21	Protective Equipment.....	3,5	37,38
22	Safety Trainer..... Suppl. 32		105-106
23	SAVINGS PLAN.....XXVII	1-2	47
24	SENIORITY.....XI		26-33
25	Apprentices.....	20	32
26	Definition.....	1-2	26
27	Election to Union Office.....	13	30
28	Instructors.....	16	31
29	Layoff:		
30	Callback from.....	8	28
31	Loss of Seniority.....	9	28
32	Notice of.....	21	32
33	Seniority While On.....	10	28

	Article	Section	Page
1			
2	Sequence of .....	3	26
3	Tract / Closure.....	Suppl. 12	75
4	Off-Site Locations.....	22	32-33
5	Other Special Arrangements .....	17	31
6	Probationary Period .....	5-6	27
7	Reclassification to Supervisor .....	12,14	30
8	Return to Bargaining Unit .....	18	31
9	Seniority List, Availability of .....	7	28
10	Shift Preference .....	11	28-29
11	Shift Preference, Stewards.....	15	30-31
12	Shift Preference, Maintenance		
13	Classifications .....	Suppl. 6	60
14	Stewards, Plant Chairmen.....	15	30-31
15	Temporary Layoffs .....	19	31-32
16	Transfers in Lieu of Layoff .....	3-4	26-27
17	SICK LEAVE .....	XXIII	43-45
18	Absent on Earned Date .....	3	43
19	Date Adjustments .....	6-7	44
20	Definition of Days .....	5	44
21	Disciplinary Action.....	11	45
22	Eligibility .....	1-2	43
23	Payment .....	4	44
24	Reemployment .....	10	45
25	Reinstatement .....	8,9	45
26	Termination .....	9	45
27	SIGNATURES .....		50-52
28	SMOKING ON THE JOB .....	Suppl. 1	54
29	SUBCONTRACTING .....	Suppl. 25	94-95
30	SUPPLEMENTAL LAYOFF		
31	BENEFITS .....	XXIV	45-46
32	TOTAL AGREEMENT .....	XXVIII	48-52
33	Invalidity of Provision .....	3	50

	Article	Section	Page
1			
2	Supplemental Understandings .....	2	48-49
3	Total Agreement .....	1	48
4	TRAVEL..... Suppl. 'A', Suppl. 19		53-84
5	UNION SECURITY..... XVIII		40
6	Application for Membership.....	2	40
7	Indemnification.....	3	40
8	Union Shop.....	1	40
9	VACATIONS..... XII		33-37
10	Effect of Leave or Layoff .....	2	33
11	Eligibility.....	1	33
12	Holiday During and "One-Day"		
13	and "Half -Day" .....	5	34-36
14	Reemployment.....	8	36
15	Reinstatement.....	9	36-37
16	Scheduling.....	4,6	34,36
17	Time Limits to Take.....	3	34
18	Vacation Pay Checks.....	10	37
19	Vacation Pay, Termination.....	7	36
20	WAGES..... IV		2-9
21	Assigned to Higher or		
22	Equal Rated Job .....	7	3-4
23	Assigned to Lower Rated Job .....	6	3
24	Automatic Increases.....	3-5	3
25	Classifications .....	1	2
26	Cost Of Living Allowance .....	13	7-9
27	Fold In .....	11	5-6
28	Maintenance Worker		
29	Agreement..... Suppl. 5 & 16		59, 79-80
30	"Mech-Electro-Optic"		
31	Classification..... Suppl. 20		85
32	Job Specifications.....	10	4
33	Labor Grade Models..... Schedule A		107-112
34	Leadman.....	8-9	4

	Article	Section	Page
1			
2	Learner-Helper .....	2	2
3	Lump Sum Wage Payment .....	12	6-7
4	MOA on Labor Grade .....	Suppl. 28	99-100
5	WAIVER .....	XIV 1	38
6	WITNESS DUTY .....	XXII 2-3	42-43
7	WORK ASSIGNMENT		
8	Glossary of Terms .....	Suppl. 9	68-71
9	New Methods & Materials .....	Suppl. 3	56

## **PREAMBLE**

THIS AGREEMENT, made and entered into by and between AIRCRAFT AND MISSILES SYSTEMS - St. Louis, a component of the McDonnell Douglas Corporation (MDC), a wholly owned subsidiary of THE BOEING COMPANY, hereinafter referred to as the Company, and DISTRICT LODGE NUMBER 837, INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, AFL-CIO, and the INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, AFL-CIO, hereinafter referred to jointly as the Union, abrogates, rescinds, and supersedes all previous Agreements between the parties hereto. This Agreement shall be binding upon the parties hereto and their successors in office.

## **ARTICLE I - BARGAINING UNIT**

District Lodge Number 837, International Association of Machinists and Aerospace Workers, AFL-CIO, is recognized as the sole and exclusive bargaining agent for all employees of AIRCRAFT AND MISSILES SYSTEMS - St. Louis, as certified by the National Labor Relations Board, Case No. 14-RC-6967, on 10 April 1972, or agreed upon between the Company and the Union to be represented by the Union.

## **ARTICLE II - PERIOD OF AGREEMENT**

### **Section 1**

This Agreement shall become effective on 21 May 2001 and shall remain in force through 23 May 2004. This Agreement shall remain in force from year to year thereafter, unless either party shall notify the other, in writing by registered mail, not more than seventy (70) calendar days nor less than sixty (60) days prior to 23 May of the year in which contract termination is desired. Unless terminated, this Agreement shall remain in full force and effect from year to year thereafter.

**Section 2**

Notice shall be served on the Director-Labor Relations for the Company and the Directing Business Representative for the Union. Notification of opening of the Contract must be accompanied by a written proposal. The party receiving such proposal must submit his written counter-proposal within one (1) week. The first negotiation meeting shall take place within two (2) weeks of the receipt of notice of contract termination.

**Section 3**

If proper notice is made of the desire to change this Agreement and agreement on such requested change is not reached by the expiration date (Midnight, 23 May 2004), then either party at any time thereafter may terminate this Agreement by giving seven (7) days advance notice to the other no earlier than 24 May 2004.

**ARTICLE III - RIGHT TO MANAGE PLANT**

Subject to the provisions of this Agreement, the Company has and will retain the unquestionable and exclusive right and power to manage the plant and direct the working forces, including the right to hire, suspend, discharge, promote, demote, or transfer its employees for just cause.

**ARTICLE IV - WAGES**

**Section 1**

It is agreed that it is the responsibility of Management to determine the basis of classification and to grade employees in accordance therewith. Should a dispute arise, concerning the exercise of the above responsibility of Management, it shall be treated as a grievance and handled in accordance with Article IX of this Agreement.

**Section 2**

Learner-Helpers in any job classification shall receive not less than the minimum wage per hour required by federal law. This rate shall remain the same for the duration of this Agreement except for those changes required by federal law.

### Section 3

An employee will advance from the minimum rate applicable to his Labor Grade to the maximum rate in the same Labor Grade automatically at the rate of eighteen cents (18¢) per hour each ten (10) weeks actually spent working in the same Labor Grade until they reach the top rate of their appropriate Labor Grade. If the last increment to reach the maximum rate is less than the eighteen cents (18¢) it shall be added to the last increment.

### Section 4

A. Changes in pay in accordance with the above shall be effective on the Monday following the completion of the ten-week period. However, upon implementation of BPS Payroll, changes in pay will be effective on the Friday following the completion of the ten-week period.

B. Changes in rate of pay for probationary employees (Learner-Helper) will be effective on the day following the completion of their probationary period. However, upon implementation of BPS Payroll, changes in pay will be effective on the Friday following the completion of their probationary period.

### Section 5

Absence of one or more full workweeks shall not be counted toward the accumulated time necessary for automatic increases. Upon implementation of BPS payroll, any full pay week absence (i.e., Friday through Thursday) excluding full pay week absences due to jury service or military service duty, shall not be counted toward the accumulated time necessary for automatic wage progressions.

### Section 6

If an employee is assigned work in a labor grade rated lower than his labor grade rate, he shall retain the higher rate.

### Section 7

A. If an employee for any reason is placed, promoted, changed or assigned to another classification in a higher rated labor grade for a period of twenty (20) working days, he shall be paid the higher labor grade rate and classification at the end of twenty (20) working days. Any portion of a day worked shall be counted as a full day. In case of infrequent assignments the days worked will

1 accumulate. Should an employee not merit the higher new  
2 classification, he will be returned to his previous work.

- 3 B. If an employee accepts a transfer to another classification within  
4 his labor grade, he may decide at any time before he has worked  
5 twenty (20) days in the new classification to return to his former  
6 classification. In case of unsatisfactory performance by the  
7 employee, the Company reserves the right to return the employee  
8 to his former classification at any time before he has worked  
9 twenty (20) days in his new classification.

#### 10 **Section 8**

11 Anyone required to act as a leadman shall be notified in writing by  
12 his Foreman after one week's trial as such and will receive thereafter  
13 one dollar (\$1.00) per hour above the highest paid man assigned to  
14 him or one dollar (\$1.00) per hour above his labor grade rate,  
15 whichever is higher, and will be subject to automatic increases  
16 otherwise provided herein, and will continue as leadman until notified  
17 in writing that he is no longer to act as such.

#### 18 **Section 9**

- 19 A. Anyone appointed leadman shall be given a list by his Foreman of  
20 those men assigned to him and such list shall be kept up to date  
21 when employees are added to or taken away from such leadman.  
22 A copy of this list shall be given to the Shop Steward. Not more  
23 than twelve (12) persons shall be assigned to any one leadman. It  
24 is further mutually understood and agreed that it is the prerogative  
25 of Management to select one (1) of the twelve (12) most senior  
26 employees as leadman within the labor grade, shift, and  
27 department involved. Senior Employee shall mean the employee  
28 with the most seniority.

- 29 B. Leadman shall not be transferred as leadman from the shift on  
30 which they were appointed.

- 31 C. When a leadman is appointed over several different labor grades,  
32 he shall be appointed from the highest labor grade, except that on  
33 short-term road trips, the most senior employee in the predominant  
34 labor grade will be appointed leadman.

#### 35 **Section 10**

36 Rates of pay are set out in Schedule "A" which is made a part of  
37 this Contract. Job Specifications have been agreed to by the  
38 Parties and are made a part of this Contract.



**Section 11**

**A. Affected Employee:**

Affected Employee, as used in this wage section, during the initial year of the contract means an employee in the Bargaining Unit and in Active Service (i.e., not on layoff or on leave of absence) on 21 May 2001 and has not terminated employment nor retired prior to the date agreement is reached. In all subsequent years of the contract Affected Employee, as used in this wage section, means an employee in the Bargaining Unit and in Active Service on the effective date and the day prior to an effective date of a change. Employees who are on leave of absence on an effective date will have wage changes and appropriate reclassifications applied if and when they return to work.

**B. First Year General Wage Increase (GWI):**

Effective the second Monday following the date agreement is reached, retroactive to 21 May 2001, the Pure Base Rate in effect on 21 May 2001 of each Affected Employee will be increased by three percent (3.0%), rounded to the nearest whole cent. Retroactive payments will be made as soon as practicable after agreement is reached.

**C. Cost of Living Fold-In:**

Effective the second Monday following the date agreement is reached and retroactive to 21 May 2001, each Affected Employee's COLA in effect on 20 May 2001, will be folded into (made a part of) each Affected Employee's Pure Base Rate.

**D. First Year Wage Structure Adjustments:**

With the exception of the classification of Housekeeper, classification rate range maximums will be increased by the \$1.61 COLA plus the \$0.13 COLA traveler amount in effect on 20 May 2001, as set forth in Schedule "A."

**E. Combined, Revised, and Deleted Job Classifications:**

Effective the first Monday following the date agreement is reached, certain job classifications will be combined, revised, or deleted. Rates of pay for the new Labor Grade Model will be as set forth in Schedule "A." Employees will attain their new maximum rates for their Labor Grade through Automatic Wage Progression. Any

manpower adjustments as a result of combinations will be made within ninety (90) days after the date of contract ratification.

**F. Second Year General Wage Increase (GWI):**

Effective 17 May 2002, the Pure Base Rate in effect on 17 May 2002 of each Affected Employee will be increased by four percent (4.0%), rounded to the nearest whole cent.

**G. Second Year Wage Structure Adjustments:**

The maximum Pure Base Rate of each Labor Grade rate range will be increased in accordance with GWI Section F. above.

**H. Third Year General Wage Increase (GWI):**

Effective 16 May 2003, the Pure Base Rate in effect on 16 May 2003 of each Affected Employee will be increased by four percent (4.0%), rounded to the nearest whole cent.

**I. Third Year Wage Structure Adjustments:**

The maximum Pure Base Rate of each Labor Grade rate range will be increased in accordance with GWI Section H. above.

**J. Plant Chairman Pay:**

Effective 20 May 1996 the Plant Chairmen will be paid at the maximum of the Tool and Die Maker Classification.

**Section 12 - Lump Sum Wage Payments**

**A. Top Grade Lump Sum Wage Payment:**

All active employees in the following classifications as of 21 May 2001 will receive a one-time lump sum payment of five hundred dollars (\$500.00) payable no later than thirty (30) days from the date of ratification of the contract:

- Inspector - Metrology
- Inspector - Tool & Die
- Tool & Die Maker
- Inspector - Aircraft
- Mechanic - Electrical & Electronics
- Mechanic - Machine Repair
- Inspector - Assembly
- Welder - Production
- Production Material Coordinator
- Utility Worker

- Mechanic – Munitions
- Garage Attendant
- Maintenance Worker
- Employees in the Housekeeper classification whose Pure Base Rate equals or exceeds the Maintenance B Labor Grade Model maximum.

**B. Advanced Accelerated Wage Payment:**

All Affected Active Employees as of 21 May 2001 will receive a one-time advanced lump sum payment of one thousand two hundred dollars (\$1,200) payable no later than thirty (30) days from the date of ratification of the contract.

**Section 13 – Cost-Of-Living Allowance**

A. In order to protect the buying power of an hour's work of its employees against changes in consumers' prices, the Company agrees to a Cost-of-Living Allowance, which shall be adjusted, as set forth in Subsection B. of this Section, for changes in the cost of living during the life of this Agreement.

B. The basis for determining Cost-of-Living Allowance adjustments will be as follows:

The Cost-of-Living Allowance (COLA) will be determined in accordance with changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) (United States City Average, All Items, 1982-84 = 100), published monthly by the Bureau of Labor Statistics (BLS), United States Department of Labor, and hereinafter referred to as the "BLS Consumer Price Index."

C. The amount of the Cost-of-Living Allowance shall be as set forth in this Subsection. The Cost-of-Living Allowance for the period 21 May 2001 to 06 August 2001 shall be zero cents (\$.00) per hour. Thereafter, adjustments will be made up or down quarterly at the following times:

<u>Price Adjustment</u>	<u>Effective Date of Adjustment</u>	<u>Based on full .075% Change in Three (3) Month Average CPI-W Index for:</u>
First	06 August 2001	April, May, and June 2001

Second	05 November 2001	July, August, and September 2001
Third	08 February 2002	October, November, and December 2001
Fourth	03 May 2002	January, February, and March 2002
Fifth	09 August 2002	April, May, and June 2002
Sixth	01 November 2002	July, August, and September 2002
Seventh	07 February 2003	October, November, and December 2002
Eighth	02 May 2003	January, February, and March 2003
Ninth	06 August 2003	April, May, and June 2003
Tenth	14 November 2003	July, August, and September 2003
Eleventh (and last)	06 February 2004	October, November, and December 2003

D. The amount of Cost-of-Living Allowance which shall be effective for any three-month period as provided above shall be based on the percent of increase between the three-month average and the Peg Point (172.2 or less = \$.00) with one-cent (\$.01) adjustment for each full 0.075% change in the average BLS Consumer Price Index for the appropriate three (3) month period indicated. In no event will a decline in the average of a quarterly period of the BLS Consumer Price Index cause a reduction in the Pure Base Rate.

E. Employees hired or rehired without seniority subsequent to a Cost-of-Living Adjustment date will be entitled to only those additional Cost-of-Living amounts, which become effective subsequent to their date of hire.

F. Employees recalled from layoff status will return at their last Pure Base Rate in the classification plus the same COLA additive they had at the time of layoff; if COLA has been folded in during their layoff status, their last held COLA additive will be folded into their Pure Base Rate upon their return to active status.

- 1 G. The amount of any Cost-of-Living Allowance shall be included in  
2 computing overtime pay, vacation pay, holiday pay, call-in pay,  
3 jury duty/witness duty pay, funeral pay, sick pay, military leave pay  
4 and shift premium.
- 5 H. No adjustments, retroactive or otherwise, shall be made due to  
6 any revision, which may later be made in the published figures of  
7 the BLS Consumer Price Index for any base month.
- 8 I. The parties to this Agreement agree that the continuance of the  
9 Cost-of-Living Allowance is dependent upon the availability of the  
10 official monthly BLS Consumer Price Index in its present form and  
11 calculated on the same basis as the BLS Consumer Price Index  
12 for March 2001.

## 13 **ARTICLE V - REGULAR HOURS OF LABOR**

### 14 **Section 1**

15 The regular schedule of hours shall be as follows: First (daylight)  
16 Shift: Starting time will be from 6:30 A.M. to 8:30 A.M.; Second Shift:  
17 Starting time will be from 3:00 P.M. to 5:00 P.M.; and Third Shift:  
18 Starting time will be from 11:30 P.M. to 1:30 A.M., (thirty minutes for  
19 lunch) on Friday, Monday, Tuesday, Wednesday, and Thursday. The  
20 lunch period may be staggered due to limited facilities, but shall be  
21 within a two (2) hour period.

22 Beginning the Friday prior to the week of the Memorial Day  
23 Holiday through the Thursday before the Labor Day Holiday the  
24 regular schedule of hours may be changed as follows: First (daylight)  
25 Shift: Starting time will be from 5:00 A.M. to 9:00 A.M.; Second Shift:  
26 Starting time will be from 1:00 P.M. to 5:30 P.M.; and Third Shift:  
27 Starting time will be from 10:00 P.M. to 2:00 A.M.; (thirty minutes for  
28 lunch) on Friday, Monday, Tuesday, Wednesday, and Thursday  
29 provided that the majority of the affected employees agree to do so.

### 30 **Section 2**

31 The Company shall assign the initial starting times as stated  
32 above, but any subsequent change of starting times shall be in  
33 accordance with Section 3 of this Article.

**Section 3**

If it becomes necessary to change the schedule of hours, except as set forth in Section 1 above, it shall be mutually agreed to between the Company and the Union.

**Section 4**

A lunch period of thirty (30) minutes will be granted to employees working four (4) hours or more overtime during any one shift.

**Section 5**

The second shift shall be paid at the rate of sixty cents (60¢) per hour above the employee's base rate.

**Section 6**

The third shift shall receive sixty cents (60¢) per hour above the employee's hourly base rate of pay for eight (8) hours but shall work but six (6) hours and thirty (30) minutes for the eight (8) hour's pay.

**Section 7**

A. Time worked in excess of eight (8) hours on the first or second shift or six (6) hours and thirty (30) minutes on the third shift in any one day during the regular workweek shall be paid for at one and one-half (1-1/2) times the regular rate for a standard shift. Time worked in excess of the regularly scheduled hours in the workweek shall be paid at the rate of time and one-half. Work performed on Saturdays shall be paid for at the rate of time and one-half. Work performed on Sunday shall be paid for at double the regular rate.

B. Any extra pay required under this Contract for Saturdays, Sundays, Holidays, or work before or after a regular shift, if occurring in a workday of more than eight (8) hours or in a workweek in excess of forty (40) hours, is agreed to be not a different rate of pay based on particular hours but instead a payment in satisfaction of the daily and weekly overtime required by federal laws, rules and regulations.

**Section 8**

A. The regular workweek of a Maintenance employee only may be established to consist of any consecutive five (5) days, including if necessary, Saturday or Sunday, and such an employee shall not be paid overtime for work performed in the first five (5) eight (8) hour working days in any workweek so established for him. The

workday may be divided into three (3) eight (8) hour shifts with a bonus of sixty cents (60¢) per hour above the employee's base rate for the second shift and the third shift (applies only to Maintenance employees).

The regular workweek of a non-Maintenance employee may also be established to consist of any five (5) consecutive days as stated above in accordance with the following procedure:

- 1) Management will select the employees to be reassigned to a non-standard workweek and those affected employees will be given the opportunity to vote on accepting such assignment.
- 2) If the majority of the affected employees voting agree to a non-standard workweek then such non-standard workweek may be implemented for all the affected employees. Management will provide the affected employees with the planned duration of such assignment prior to the vote taking place.
- 3) If the majority of the affected employees vote not to accept such assignment then management may staff the non-standard workweek with volunteers.
- 4) Non-Maintenance employees on a non-standard workweek will be paid in accordance with paragraphs C. and D. below.

B. The Company will not work more than a minimum number of Maintenance employees on odd work schedules as it has in the past, but the Company must have adequate maintenance to operate, maintain and protect the plant and equipment seven (7) days per week, twenty-four (24) hours per day.

C. Maintenance employees will be paid a bonus of fifty cents (50¢) per hour for all compensated hours when Saturday and Sunday are part of their regularly scheduled forty (40) hour workweek.

D. Overtime will be paid only on the sixth or seventh day worked in their regularly scheduled workweek. When overtime is paid, the fifty cents (50¢) bonus will be paid. (This section applies to Maintenance employees only.)

## Section 9

Any person who is required to report for work earlier than his regular scheduled starting time shall be permitted to work his regular schedule of hours. Any person reporting for work at his scheduled starting time shall work eight (8) hours except:

- 1) In case of physical incapacity or shutdown for conditions beyond the control of the Company, he will be paid for the hours actually worked.
- 2) If work is not available and a reasonable effort is not made by the Company to notify him previously, making his reporting unnecessary, he will be allowed four (4) hours' pay. Radio announcements on Station KMOX at least an hour before the start of the shift in question, shall be sufficient previous notice.

#### **Section 10**

A minimum of four (4) hours' pay at the prevailing overtime rate will be paid for any emergency work performed outside of his regular scheduled shop hours except in case of a continuation without interruption of work on the employee's regular shift.

#### **Section 11**

An employee called in to work on an overtime basis will be paid overtime based on his regular shift rate and will be paid at the rate of time and one-half that regular rate except for call-in work starting on Sundays, when the rate will be double time, or holidays, when the rate will be three (3) times. The overtime rate will be paid for all hours worked up to the start of his regular shift when his rate will revert to his regular rate for that day. In case of a continuation without interruption of work beyond the employee's regular shift, his shift and/or overtime rate shall be determined by the Contract requirements setting the rate at the time he begins work until the start of his next regular scheduled shift.

#### **Section 12**

First and third shift employees shall be paid on Friday. Second shift employees shall be paid on Thursday. If Thursday and Friday are recognized holidays in a workweek, all employees shall be paid on Wednesday. If Thursday is a recognized holiday in a workweek, second shift employees shall be paid on Friday. Paydays and pay times shall remain in effect, until the implementation of bi-weekly payroll. Paychecks may be issued at any time after the start of the employee's shift but will be issued by the end of the second break on the days mentioned unless unforeseen conditions make a change necessary.

Upon the implementation of Bi-Weekly Payroll paydays for employees under this Agreement on all shifts shall be on Thursday



1 according to the designated Bi-weekly Payroll calendar at which time  
2 they will be paid through Thursday of the preceding week, except  
3 when circumstances beyond the Company's control makes such  
4 practice impossible.

#### 5 **Section 13**

6 An employee absent three (3) days without notifying the  
7 Employee Records section of the Company will be considered to  
8 have resigned and automatically will be terminated. Said three  
9 (3) day notification period will end at the starting time of the  
10 fourth (4th) workday the absent employee would have worked if  
11 he had not been absent. Extenuating circumstances will be  
12 considered by the Company.

## 13 **ARTICLE VI - HOLIDAYS**

### 14 **Section 1**

15 The holiday schedule during the term of this Agreement will be as  
16 follows:  
17

#### **2001**

Memorial Day	Monday	28 May 2001
Independence Day	Wednesday	04 July 2001
Labor Day	Monday	03 September 2001
Thanksgiving Day	Thursday	22 November 2001
Friday following Thanksgiving	Friday	23 November 2001
Christmas Shutdown	Monday	24 December 2001
Christmas Shutdown	Tuesday	25 December 2001
Christmas Shutdown	Wednesday	26 December 2001
Christmas Shutdown	Thursday	27 December 2001
Christmas Shutdown	Friday	28 December 2001
Christmas Shutdown	Monday	31 December 2001

#### **2002**

New Year's Day	Tuesday	01 January 2002
Martin Luther King Jr. Day	Monday	21 January 2002
Memorial Day	Monday	27 May 2002
Independence Day	Thursday	04 July 2002

Labor Day	Monday	02 September 2002
Thanksgiving Day	Thursday	28 November 2002
Friday following Thanksgiving	Friday	29 November 2002
Christmas Shutdown	Tuesday	24 December 2002
Christmas Shutdown	Wednesday	25 December 2002
Christmas Shutdown	Thursday	26 December 2002
Christmas Shutdown	Friday	27 December 2002
Christmas Shutdown	Monday	30 December 2002
Christmas Shutdown	Tuesday	31 December 2002

#### 2003

New Year's Day	Wednesday	01 January 2003
Martin Luther King Jr. Day	Monday	20 January 2003
Memorial Day	Monday	26 May 2003
Independence Day	Friday	04 July 2003
Labor Day	Monday	01 September 2003
Thanksgiving Day	Thursday	27 November 2003
Friday following Thanksgiving	Friday	28 November 2003
Christmas Shutdown	Wednesday	24 December 2003
Christmas Shutdown	Thursday	25 December 2003
Christmas Shutdown	Friday	26 December 2003
Christmas Shutdown	Monday	29 December 2003
Christmas Shutdown	Tuesday	30 December 2003
Christmas Shutdown	Wednesday	31 December 2003

#### 2004

New Year's Day	Thursday	01 January 2004
Martin Luther King, Jr. Day	Monday	19 January 2004

The floating holidays are designated by the Company and have been determined to be as set forth above. When any of these holidays fall on Sunday, the following Monday will be recognized as the holiday. When any of these holidays fall on Saturday, the preceding Friday will be recognized as the holiday.

#### Section 2

All employees not working on the above-named recognized holidays will be paid straight time therefore; all employees working on

the above-named recognized holidays shall be paid double time in addition to the above.

### Section 3

To be eligible for holiday pay an employee must work his last regular shift preceding the holiday and his first regular shift subsequent to the holiday. If he works on one of these two shifts, but is absent the other, he will be eligible for holiday pay if his absence is unavoidable and for a reason acceptable to the Company. However, an employee absent because of illness or physical disability will be eligible for holiday pay if he works one shift during the week in which the holiday falls. If he receives holiday pay he shall not receive sick pay or disability pay for that day.

### Section 4

Any employee instructed to work on a recognized holiday shall not be paid if he does not work unless he has a reasonable excuse, which is acceptable to the Company.

### Section 5

It is understood and agreed that where more than one premium over the normal rate is payable under this Contract, only the highest single premium rate shall apply, for example: Overtime work done on a specified holiday is paid for at three (3) times the regular schedule rate of pay and not at four and one-half (4-1/2) times the regular scheduled rate.

### Section 6

The Company will give employees on a non-standard workweek holidays or holiday pay equivalent to that of other employees.

## ARTICLE VII - LEAVE OF ABSENCE

### Section 1

Leave of absence may be granted to any employee for any reason deemed satisfactory to the Company. Requests for leaves of absence must be made in writing to the Supervisor or Foreman three (3) days prior to the beginning of the leave.

## **Section 2**

A leave for personal reasons may be granted only for a specific reason and for a specific time not exceeding four (4) weeks except in extreme emergencies with the approval of the Vice President/General Manager - Human Resources or his designee.

## **Section 3**

Leave of absence because of proven physical and/or mental disability will be granted for a period up to twenty-one (21) weeks if requested in writing and approved by the Vice President/General Manager - Human Resources or his designee. This leave will be extended upon the approval of the Vice President/General Manager - Human Resources or his designee up to an additional eighty-three (83) weeks but not beyond.

## **Section 4**

Leave of absence because of proven physical disability due to occupational injuries will be granted upon a request in writing to the Vice President/General Manager - Human Resources or his designee for a period not to exceed twenty-four (24) months. Such leave may be extended up to a maximum of twelve (12) additional months with the approval of the Vice President/General Manager - Human Resources or his designee.

## **Section 5**

An employee given a leave of absence as stated above will not lose seniority accrued at the time of taking such leave, and seniority shall continue to accumulate during said leave.

## **Section 6**

An employee accepting other employment or engaged in business for himself while on leave of absence shall be discharged by the Company unless the Union and the Company have jointly, prior to the commencement of such leave of absence, agreed in writing that it could be done. In the case of leaves for physical disability, an exception can be made by joint agreement between the Company and the Union before the commencement of such work.

## **Section 7**

Employees not returning at the beginning of their regular shifts on the work day following the expiration of their leaves of absence shall

be considered to have quit voluntarily. Extenuating circumstances will be considered by the Company.

#### **Section 8**

If during the term of this Agreement any employee is called into active military service or in time of emergency volunteers in the armed forces of the United States, he will be given leave of absence without pay.

#### **Section 9**

The Selective Training and Service Act of 1940, as amended, and subsequent amendments and regulations of the Selective Service System will govern reinstatement of former employees who have been on military leaves of absence.

#### **Section 10**

Seniority shall accumulate while on military leave of absence.

#### **Section 11**

An employee who becomes pregnant shall be entitled to a Pregnancy Disability Leave. Leave will commence when employee's physician provides information deeming it advisable for her to discontinue work or the Company's physician deems it medically advisable based on medical information and consultation with her physician. Within six weeks after termination of pregnancy, she will be required to furnish a letter from her attending physician attesting to her physical condition and stating the date she will be able to return to work. If she is physically unable to return to work as a result of complications of delivery, she may request an extension of the leave supporting such a request with a statement from her personal physician. Extension will be granted only upon approval of Medical Services.

### **ARTICLE VIII - BUSINESS REPRESENTATIVE**

#### **Section 1**

The Company shall provide identification badges so that each business representative can have access during working hours for the purpose of investigating complaints or claims of grievances to the area in which employees are assigned who are within a bargaining unit defined in Article 1 and for which area he is an accredited business representative, to the extent government or customer

1 regulations will permit. The business representative may retain the  
2 badge affording such access during the period he is so assigned as a  
3 business representative.

4 Grand Lodge representatives will be permitted access during  
5 working hours to areas in the Company's facilities where employees  
6 in the bargaining units defined in Article 1 hereof are assigned, for the  
7 purpose of conducting Union business to the extent government or  
8 customer regulations permit.

9 Access of Union representatives to Company facilities for the  
10 purpose of investigating complaints or claims of grievance on the part  
11 of employees or the Union shall be subject to the following:

12 A. Upon entering the Plant they shall proceed to the shop or  
13 organization they wish to visit, contact the supervisor then  
14 present, inform him of the purpose of their visit and obtain his  
15 permission prior to contacting any employee in such shop or  
16 organization. Such permission will be granted except where there  
17 is a substantial reason for delaying the contact due to safety  
18 conditions or the fact that a critical operation is in process.

19 B. Business representatives and Grand Lodge representatives  
20 granted admittance to the Company's facilities under this Article  
21 shall not engage in organizing or campaigning for Union or  
22 political office on Company premises. This Section will not be  
23 interpreted as preventing business representatives or Grand  
24 Lodge representatives from discussing, in non-work areas during  
25 non-work periods, matters of Union membership, fees or dues,  
26 with employees who are within one of the collective bargaining  
27 units described in Article 1 of this Agreement.

28 C. Union representatives who fail to comply with the provisions of  
29 this Article shall forfeit their admittance rights.

## 30 **Section 2**

31 Upon request, the Director-Labor Relations will apply promptly for  
32 temporary clearance and appropriate escort so that the President-  
33 Directing Business Representative, or a Designated Business  
34 Representative, may have access to a "closed" area provided  
35 clearance can be obtained and access is necessary to investigate an  
36 alleged grievance.

## ARTICLE IX - DETERMINATION OF DISPUTES

### Section 1

**EMPLOYEE GRIEVANCE** - The term Employee Grievance shall mean any grievance of an employee arising out of the interpretation or application of any of the terms of this Agreement or any alleged breach or violation of the terms of this Agreement. Such an Employee Grievance shall be filed within five (5) working days from the date it was found to exist by an employee or be considered not to exist. The word "filed" shall mean the employee's first discussion with the supervisor and the Shop Steward.

### Section 2

*It is the sincere desire of the Company and the Union to settle grievances as quickly as possible. When an employee has an alleged grievance, he will talk to his Shop Steward or the Foreman and discuss his alleged grievance. In all cases, the Shop Steward and the Foreman involved shall make every effort to resolve the matter on a non-precedent basis. The Foreman shall give his answer within three (3) working days following the grievance discussion. In the following five (5) working days, the Plant Chairman may meet with the Shop Steward or Foreman in an effort to resolve the matter on a non-precedent basis. If the Plant Chairman feels the complaint is not a valid grievance, he will direct the Shop Steward to so inform the employee and the matter will be considered closed.*

### Section 3

If the matter cannot be resolved, the Shop Steward and/or Plant Chairman within the above eight (8) working days will telephone the appropriate Business Representative to pursue the matter further. If the Business Representative feels the complaint is not a valid grievance, he will direct the Shop Steward and/or Plant Chairman to so inform the employee and the matter will be considered closed.

### Section 4

If the Business Representative feels the matter should be pursued further, he will contact the appropriate Administrator-Labor Relations within five (5) working days following receipt of the Foreman's answer. This time limit may be waived by mutual consent of both

1 parties. An informal hearing of the complaint will be held within a  
2 reasonable amount of time following this contact unless the matter  
3 can be resolved. This informal hearing will be attended by the  
4 Administrator-Labor Relations, appropriate supervision, the Business  
5 Representative, Plant Chairman, Shop Steward, and the aggrieved.  
6 It is further understood and agreed that the Administrator-Labor  
7 Relations and the Business Representative will have full authority to  
8 make settlements at such informal hearings, and such settlements  
9 will be considered non-precedent by both parties. If the matter is not  
10 resolved on a verbal basis as described above the Business  
11 Representative will submit a form which will be called "Statement of  
12 Facts and Issues" within five (5) working days following the  
13 Administrator-Labor Relations answer to the complaint. Upon receipt  
14 of the Union's Facts and Issues, the Administrator-Labor Relations  
15 will submit within five (5) working days the Company's Facts and  
16 Issues. This form will be approved and signed by the Business  
17 Representative and the Administrator-Labor Relations. The matter  
18 will not be pursued as a formal written grievance unless the  
19 Statement of Facts and Issues Form is completed. The Statement  
20 shall be made an attachment to and remain a part of the formal  
21 grievance. The completed Grievance Form must be submitted to the  
22 Administrator-Labor Relations by the Business Representative within  
23 five (5) working days after receipt of the Company's Facts and Issues  
24 requesting a meeting between the Directing Business Representative  
25 or his designee and the Director-Labor Relations or his designee to  
26 pursue the matter further. The Business Representative shall  
27 indicate the provision(s) of the Agreement allegedly violated and  
28 include a statement of his reason(s) for requesting this meeting.

## 29 Section 5

30 A meeting on the grievance between the Directing Business  
31 Representative or his designee and the Director-Labor Relations or  
32 his designee shall be held within ten (10) working days of receipt of  
33 the request for such meeting. The appropriate Business  
34 Representative and Administrator-Labor Relations may also attend.  
35 Both parties attending such meetings shall have full authority to make  
36 final and binding settlements. The Director-Labor Relations or his  
37 designee shall render his decision in writing within fifteen (15)  
38 working days of the meeting. If the grievance is not settled to the  
39 satisfaction of the Directing Business Representative, he may request  
40 in writing that the grievance be submitted to arbitration. This request



1 shall be made to the Director-Labor Relations within fifteen (15)  
2 working days after receipt of the Company's written answer.

### 3 **Section 6**

4 A. The parties shall first attempt to agree upon an impartial arbitrator.  
5 If they cannot agree within five (5) working days, the parties shall  
6 jointly request the Federal Mediation and Conciliation Service to  
7 submit a list of five (5) names of possible arbitrators.

8 B. After receipt of the panel of arbitrators, the parties shall meet to  
9 select the arbitrator. The parties shall, by concurrent written ballot,  
10 each strike two names from the panel. If this leaves three names  
11 on the panel, the parties shall, by concurrent written ballot, each  
12 strike one additional name from the panel. When only two names  
13 remain, the parties shall, by concurrent written ballot, each strike  
14 one additional name from the panel. If one name remains, that  
15 person shall be the arbitrator. If the last ballot eliminates both  
16 remaining names, the parties shall choose between these two by  
17 lot.

18 C. The President-Directing Business Representative and the Director-  
19 Labor Relations shall meet at least once per month to schedule  
20 arbitrations and establish arbitration hearing dates. It is further  
21 agreed that when the arbitration hearing date has been  
22 established, it can only be changed by agreement between the  
23 Union and the Company. Any matter placed in arbitration which  
24 has not been scheduled within twelve (12) months of the Director-  
25 Labor Relations request for an arbitration panel shall be  
26 considered null and void and the case closed without resolving the  
27 merits of the case. This time limit may be extended by mutual  
28 agreement of the President-Directing Business Representative  
29 and the Director-Labor Relations.

### 30 **Section 7**

31 The Company and the Union shall attempt to agree on a  
32 Submission to the Arbitrator in advance, signed by both parties and  
33 setting forth the specific issue(s) in dispute. The Submission, along  
34 with a copy of the grievance and all pertinent correspondence, shall  
35 be mailed to the arbitrator at least one (1) week prior to the arbitration  
36 hearing date. It is further understood and agreed that neither party  
37 shall present factual evidence in an arbitration hearing which has not  
38 been made known to the other party prior to the mailing of the joint  
39 Submission mentioned above.

**Section 8**

A. A reasonable effort will be made to schedule Arbitrations in numerical order; however, discharge cases will be given top priority in all steps of the Grievance procedure, including Arbitrations.

B. Union grievances, as defined in Article IX, Section 18, shall be scheduled separately.

**Section 9**

The arbitrator shall meet with the parties as soon as possible after his selection and decide the question in dispute within thirty (30) calendar days from the conclusion of the taking of evidence. The arbitrator's decision shall be binding upon the Company, the Union, and all employees represented by the Union. The arbitrator shall not have the power to add to or subtract from or modify the terms of the Agreement or any Agreement supplemental hereto, nor to establish or change any wage rate.

**Section 10**

All charges made by the arbitrator shall be approved and borne equally by both parties. Each party shall pay its own witnesses and representatives for time lost from work for appearance at arbitration hearings.

**Section 11**

The Union shall furnish Grievance Forms and Statement of Facts and Issues Forms, and such forms shall be used in filing a grievance.

**Section 12**

A. The Company agrees that whenever the term "Shop Steward" is used herein, it shall designate the Shop Steward for a given area and shift. The Shop Steward will represent all employees in his designated area on his shift, and may process a grievance only concerning matters affecting employees within his designated area. The total number of Shop Stewards shall not exceed that number resulting from the application of a ratio of one (1) Shop Steward per seventy-five (75) employees in the bargaining unit. There shall be four (4) Plant Chairmen. If the active population of IAMAW represented employees reaches 7,500 the number of Plant Chairmen will increase to five (5). If the active population of IAMAW represented employees reaches 9,000 or more the

number of Plant Chairmen will further increase to six (6) which is the maximum allowable during the term of this Agreement.

B. The Company agrees that all newly hired or departmental transfers assigned to departments within the IAM Job Classifications will be introduced to the appropriate certified Union Shop Steward within a few days on the shop floor. The Union will keep the Company informed of all certified Shop Stewards. Extenuating circumstances will be considered.

### Section 13

If a Steward finds it necessary to leave his work to handle a grievance in the plant, he shall secure the permission of his Foreman or Supervisor before leaving his work and shall advise his Foreman or Supervisor of his return to work. The Steward and/or Plant Chairman shall notify the appropriate Foreman or Supervisor before entering that Supervisor's area to talk to an employee(s) regarding a grievance. The Steward's handling of a grievance shall be confined to his specific certification and shift.

### Section 14

It is intended that Shop Stewards continue to work in the area for which they are certified to provide experience and continuity; however, for reasons of production, it may be necessary at times to transfer them. The Company shall notify the Union in writing five (5) days prior to the transfer of any Steward.

### Section 15

The Union shall furnish to the Company a complete list of Shop Stewards designated for each area and shift, and no Shop Steward shall be recognized except those so certified. The Union shall notify the Company in writing at least five (5) days in advance of the certification of a Shop Steward. The Company shall notify the Union in writing of the termination of any Steward.

### Section 16

In case of a written reprimand, discharge, or a disciplinary suspension of an employee, the Shop Steward shall be present. If the Shop Steward is not available in a discharge case, the appropriate Plant Chairman shall be present if he is available. The employee shall be given the opportunity of filing a grievance before leaving the plant unless, in the Company's judgment, circumstances necessitate his immediate removal from the premises, in which case

1 the Shop Steward shall have the privilege of talking to the employee  
2 in a place designated by the Director-Labor Relations. If a Steward is  
3 not present for any reason at the time of a disciplinary suspension,  
4 the five (5) day limit for the filing of a grievance shall run for a period  
5 of five (5) days from the end of suspension.

#### 6 **Section 17**

7 Employee Incident Reports reflecting disciplinary action will be  
8 removed, upon written request of the employee, from the employee's  
9 Personnel Division folder provided he is not subsequently issued an  
10 Employee Incident Report for violation or infraction of any Boeing  
11 Standards of Behavior for a maximum period of three (3) years. The  
12 Record of Unsatisfactory Performance, used by supervision as a  
13 departmental record, will be continued for recording oral warnings.  
14 Records of Unsatisfactory Performance will be retained in  
15 departmental records for a maximum of four (4) years, but will not be  
16 filed in the employee's Personnel Division folder.

#### 17 **Section 18**

18 **UNION GRIEVANCE** - The term Union Grievance shall mean any  
19 grievance which the Union may have with the Company arising out of  
20 the interpretation or application of any of the terms of this Agreement,  
21 but excluding grievances involving individual employee discipline  
22 cases, upgrading, working out of classification, work performed by  
23 supervision, work performed by others, and requests for  
24 reclassification. Any subject matter of any grievance that has been  
25 presented by an employee under Section 1 of this Article shall not be  
26 presented as a Union Grievance. A Union Grievance must be filed  
27 within five (5) working days from the date it was found to exist by the  
28 Union or be considered not to exist. Union Grievances will be  
29 adjusted according to the following procedure:

30 A Union Grievance shall be presented to the Director-Labor  
31 Relations by the Directing Business Representative and must include  
32 a completed Grievance Form, as well as the Statement of Facts and  
33 Issues Form with the Union's portion thereof completed, indicating  
34 the clause(s) of the Agreement allegedly violated by the Company. A  
35 meeting will be held within ten (10) working days following the  
36 Director-Labor Relations' receipt of the Union Grievance. At such  
37 meeting the Director-Labor Relations or his designee will complete  
38 the Company's portion of the Statement of Facts and Issues Form  
39 and discuss the issues involved therein. The decision of the Director-

1 Labor Relations or his designee on the issue(s) shall be given to the  
2 Union, in writing, within fifteen (15) working days after the meeting  
3 described above. If he is dissatisfied with the decision, the Directing  
4 Business Representative or the Assistant Directing Business  
5 Representative may submit the grievance to arbitration within fifteen  
6 (15) working days after receipt of the Company's decision pursuant to  
7 Sections 8 through 10 of this Article.

#### 8 **Section 19**

9 In the event a Company's answer to a grievance is not appealed  
10 within the time limits provided in this Article IX, the case shall be  
11 considered as settled on a non-precedent basis. Failure by the  
12 Company to answer a grievance within the time limits provided in this  
13 Article IX shall permit the grievance to be referred to the succeeding  
14 step.

## 15 **ARTICLE X - DISCRIMINATION**

#### 16 **Section 1**

17 The parties agree there shall be no discrimination, interference,  
18 restraint, or coercion by either party, or by an agent or representative  
19 of either party against any employee for Union activities. The  
20 employer will not discriminate against any employee selected to  
21 serve as a Shop Steward or Safety Committeeman.

#### 22 **Section 2**

23 The Company and Union agree that the requirements set forth  
24 under Title VII of the Civil Rights Act of 1964 and Revised Order No.  
25 4 of the Department of Labor pertaining to race, color, religion,  
26 national origin, and sex will be observed by both parties. The  
27 Company and the Union further agree that employees will not be  
28 discriminated against because of age or physical or mental handicap.  
29 This also applies to the qualified disabled veterans and veterans of  
30 the Vietnam era.

#### 31 **Section 3**

32 The words "he," "his," "him," "her," "she" and "leadman," as used in  
33 this Agreement, refer to both male and female employees.

## ARTICLE XI - SENIORITY

### Section 1

Seniority as used herein designates an employee's length of service within the bargaining unit covered by this Agreement, the possession of which entitles him to certain rights hereinafter provided.

### Section 2

A. Seniority shall be by job classification. In case of identical seniority dates, the employee with the lower clock number will be the senior employee. In case of identical dates for employees with a seniority date after implementation of BPS payroll, the employee with the lower last four digits of their Social Security Number will be the senior employee. This applies only to new hires after implementation of BPS.

B. New hires, as well as employees who transfer from non-union positions may be required to attend some type of training to perform work covered under the Articles of Agreement, e.g., vestibule, prior to beginning their probationary period. Seniority dates for employees who complete their probationary period, as defined in Section 5 of this Article, will be the date he/she began training. It is understood that these employees will not be covered by the terms and conditions of the Articles of Agreement during their training period. It is recognized that this is an exception to the definition of seniority under Section 1 of this Article.

### Section 3 - Layoff

In case of a layoff within a job classification, the sequence of layoffs in the job classification shall be; first, Learner-Helpers; second, employees transferred in lieu of layoff within the preceding thirty (30) working days; third, by seniority in the job classification as defined in Section 2A above.

### Section 4

A. An employee due to be laid off may apply at the Employment Office for a transfer and senior qualified applicants will be given first consideration for available openings.

B. An employee who becomes subject to layoff and who is granted a transfer in lieu of layoff to a different job classification shall be kept

on the Seniority List of the job classification from which he was so transferred for sixty (60) months.

C. An employee who is transferred in lieu of layoff may accept the layoff from his previous classification, instead of the transfer, any time before he has worked thirty (30) days after the transfer has been made.

D. In case of unsatisfactory performance by an employee transferred in lieu of layoff, the Company reserves the right to cancel the transfer and layoff the employee from his previous job classification within a period of thirty (30) days actually worked from the date of the transfer.

E. An employee who is laid off before having worked thirty (30) days in the classification to which he was TILLOed will receive any accrued vacation or sick leave pay for which he is eligible at the rate he last received in his previous job classification.

F. In the event of an opening in his original job classification within sixty (60) months, he shall be given one opportunity to return to his old job on the basis of his seniority. If an employee who accepts a transfer to another job is recalled by seniority sixty (60) months of original layoff date, he must elect within twenty-four (24) hours either to return to his original job or remain on the job to which he was transferred. Upon such election, his name will be deleted from the seniority list of the classification he rejects.

#### Section 5

All new employees will be considered on probation for a period of forty (40) working days from the date of initial employment in the bargaining unit, except Learner-Helpers who will be considered on probation for sixty-five (65) working days.

#### Section 6

If, in the opinion of Management, they fail to make satisfactory progress, this fact shall be deemed sufficient grounds for immediate dismissal. There shall be no responsibility for the reemployment of probationary employees if they are discharged or laid off during this period. After the required accumulated employment period, the names of such employees shall then be placed on a Seniority List in order of the date of their initial employment in the bargaining unit.

**Section 7**

The Company shall keep a Seniority List by job classification and whenever the union requests such lists, the Company will make such lists available for inspection. Said Seniority List shall be made available in July 2001 and be revised semi-annually during the life of this Agreement. This list may be challenged by the Union within thirty (30) days after each revision; otherwise, it shall be considered correct. In addition, one (1) copy of the Seniority List revised in September and March will be forwarded to the office of the Directing Business Representative.

**Section 8**

Laid off employees shall be called back to work in accordance with their seniority. The Company shall notify them in writing, by mail forwarded to the employee's last known address on the Company's records, and the employee will be required to notify the Company within four (4) working days that he will report back to work within fourteen (14) days of the receipt of this notice. Failure to do so will result in automatic loss of seniority and the Company will be relieved of any obligation to reinstate the employee. It is the sole responsibility of the employee to keep the Personnel Records Department of the Company at 1-888-632-6220 properly informed as to his address and telephone number.

**Section 9**

Any employee laid off for a continuous period of sixty (60) months shall be dropped from the Seniority List.

**Section 10**

An employee will accumulate seniority while laid off.

**Section 11 – Shift Preference**

A. Subject to the Company's right to make any temporary shift transfers to not exceed fifteen (15) working days' duration, senior employees shall have preference for shift assignments as provided below. On temporary shift transfers, at the expiration of the fifteenth (15th) working day the employee shall be returned to his original shift except that for training purposes this time may be extended up to an additional ten (10) weeks.



B.

1) An employee with at least nine (9) months of continuous service may request of his immediate supervisor, in writing, a transfer to another shift which shall be limited to his present job classification and department. He shall be permitted, within fifteen (15) working days following the date of his request, to displace the employee having the least amount of seniority on the shift of his preference. The employee who is being displaced shall be given five (5) working days advance notification of displacement.

2) Employees who are transferred at the direction of the Company from one shift to another will be given five (5) working days advance notification.

C. Shift transfer will be made no later than the Monday of the workweek in which the fifteenth (15) working day falls.

D. No displacement, for shift preference, of or by a probationary employee shall be permitted.

E. An employee, having once exercised his shift preference rights, will not be permitted to request a change in shifts for a period of twelve (12) months from the date of his transfer to the shift of his preference. If an employee is transferred to another shift by the Company, his shift preference rights will be reinstated. If such employee was not the least senior employee on the shift from which he was transferred and he elects within ten (10) working days to return to that shift, he shall not be considered as having exercised his shift preference rights as a result of such return.

F. The Company shall not be required to make shift transfers exceeding ten percent (10%) (but at least one (1) employee) of those employees in a given job classification, department and shift, who are subject to displacement during any calendar month.

G. Any employee may cancel his request for shift transfer at any time prior to his notification of shift transfer by the Company. Such cancellation must be made in writing to his Foreman and signed by the requesting employee. Cancellation of a request for shift transfer will prohibit that employee from submitting any further request for shift transfer for six (6) months.

**Section 12**

An employee who has been or will be transferred from a job classification covered by this Agreement to a supervisory position not within the bargaining unit, and over CBU personnel, will retain previous seniority and will assume such seniority in case he returns to the bargaining unit. However, effective 17 May 1993 any employee in a supervisory position and over CBU personnel who is promoted to a third line or higher supervisory position will lose all credited union seniority rights.

**Section 13**

An employee covered by this Agreement who is elected or appointed to one of the following District 837 Offices: Business Representative, President, Vice President, Financial Secretary, or Treasurer, or becomes a Representative of the Grand Lodge, and leaves the employ of the Company to serve in this office for full time and full pay will retain previous seniority and accumulate seniority while serving in these positions, for the purpose of reemployment only, provided he applies for employment in the bargaining unit immediately.

**Section 14**

An employee occupying the position referred to in Section 12 of this Article on 1 January 1971 shall be credited with additional seniority as of that date for time spent in such position up to a maximum of five (5) years. Similar seniority credit shall be granted employees attaining such positions between 1 January 1971 and 11 May 1975. Employees attaining such positions after 11 May 1975 shall be credited with additional seniority for time spent in such positions up to a maximum of four (4) years. Total seniority will be assumed in each of the above instances in case of return to the bargaining unit. Employees attaining such position after 16 May 1993 will only assume previous seniority when returning to the bargaining unit.

**Section 15**

The Plant Chairmen certified by the Union to the Company will be the last to be laid off by seniority while they are officially certified by the Union as such. Shop Stewards will be the last to be laid off by seniority within the job classification while they are officially certified by the Union to the Company as such.

1 The above language does not insulate Stewards from shift  
2 transfers in accordance with Article XI, Section 11. However, when  
3 the Union reaches the number of Stewards called for in Article IX,  
4 Section 12 we will extend seniority to Shop Stewards for shift  
5 preference purposes.

#### 6 **Section 16**

7 With the approval of the Union, a member of this bargaining unit  
8 who is appointed an instructor shall accumulate seniority while he  
9 serves as instructor. An instructor, for the purpose of this  
10 understanding, is one whose full-time assignment is in the instruction  
11 or teaching of Company or other personnel in a prescribed field of  
12 activity. An instructor will not perform supervisory work.

#### 13 **Section 17**

14 With the approval of the Union, a member of this bargaining unit  
15 who is temporarily appointed to a salaried position and stationed at  
16 vendor or customer facilities, shall accumulate seniority while he is  
17 assigned, providing he maintains his good standing in the Union. The  
18 seniority of the individuals mentioned in the above two sections for  
19 layoff purposes shall be treated the same as other off-site personnel.

#### 20 **Section 18**

21 In case an employee is returned to his original classification before  
22 he has worked thirty (30) days in a position outside the collective  
23 bargaining unit, he will not lose any seniority acquired prior to and  
24 accrued during the thirty (30) working day period.

#### 25 **Section 19**

26 A. Temporary layoffs shall not exceed ten (10) days in any one (1)  
27 year period. Such layoffs shall be deemed necessary for the  
28 following reasons only: an act of God, cancellation of contract by  
29 the customer without prior notice, or moving of a department.  
30 Seniority as defined in Article XI, Sections 2A and 3 shall not  
31 apply, providing that the temporary layoff shall affect the entire  
32 department.

33 B. In order to expedite the moving of a department, as stated above,  
34 the Company may stagger the layoff periods, providing that each  
35 employee of the department involved shall be temporarily laid off  
36 an equal amount of time. The entire layoff period for the  
37 department involved shall not exceed ten (10) days.

C. If only part of a department is being moved, then that part shall be considered to be a department within the meaning of the above sections.

#### **Section 20**

A separate classification for seniority purposes will be established for each of the apprentice programs, i.e., Machinists-All Around and Tool & Die Makers. The above apprentice programs shall be indentured. Any employee who, in the unanimous opinion of the Apprenticeship Administration Committee, does not progress satisfactorily at any time during his apprenticeship will be returned to his former job. Also, an employee with good reason will be permitted to return to his former job at his request during the time of his apprenticeship. Seniority in another classification held by the employee at the time he enters the program will be held in reserve until the employee leaves or completes the apprenticeship program. Upon completion of the program, the employee shall carry into his Journeyman classification any seniority he has in reserve, plus the seniority he has accumulated while in the program. In the event of layoff in an apprenticeship classification, the employee with the least amount of time spent in the program shall be laid off first. If more than one (1) employee has the same amount of time in the program, the employee with the least amount of Company seniority shall be laid off first. Utilizing total Company seniority, apprentices may be moved back to their former or another classification at time of layoff, subject to contract provisions.

#### **Section 21**

The Company will give at least two hundred forty (240) hours written notice prior to layoff to the employees affected, except when layoffs are caused by termination of a Government or other production contract, temporary layoffs, or to employees who are absent.

#### **Section 22**

Separate seniority lists will be maintained at each base. Employees hired at an off-site base shall have seniority at that base, except, if they are transferred to another off-site base, they shall have seniority at both bases. Employees transferred from the St. Louis facility to an off-site base shall have seniority at both places. In event of a layoff, employees will be laid off by seniority at the place the layoff occurs. However, if employees have seniority at another place,

1 they may exercise that seniority. All employees assigned to or hired  
2 at off-site bases in a job classification set forth in Schedule "A" herein  
3 will be covered by this Agreement.

## 4 **ARTICLE XII - VACATIONS**

### 5 **Section 1**

6 All employees who have had one (1) year of continuous  
7 employment with the Company will be given two (2) weeks of  
8 vacation with eighty (80) hours pay; all employees who have had ten  
9 (10) years continuous employment will be given three (3) weeks  
10 vacation with one hundred twenty (120) hours pay; all employees  
11 who have had eighteen (18) years continuous employment with the  
12 Company will be given four (4) weeks vacation with one hundred sixty  
13 (160) hours pay.

14 A. A leadman will be paid his leadman's pay in addition to his base  
15 rate.

16 B. Night shift employees will be paid their shift bonus in addition to  
17 their base rate.

### 18 **Section 2**

19 Continuous employment shall accumulate during a leave of  
20 absence not in excess of four (4) weeks, but shall not accumulate  
21 during any part of a leave of absence in excess of four (4) weeks, or  
22 during a layoff for lack of work, except that continuous employment  
23 for the purpose of calculating vacation pay shall accumulate during a  
24 leave of absence for non-occupational disability not in excess of  
25 thirteen (13) weeks, but shall not accumulate during any part of a  
26 leave of absence in excess of thirteen (13) weeks.

27 Continuous employment shall accumulate during a leave of  
28 absence not in excess of four (4) weeks, but shall not accumulate  
29 during any part of a leave of absence in excess of four (4) weeks, or  
30 during a layoff for lack of work, except that continuous employment  
31 for the purpose of calculating vacation pay shall accumulate during a  
32 leave of absence for occupational disability not in excess of twenty-  
33 six (26) weeks, but shall not accumulate during any part of a leave of  
34 absence in excess of twenty-six (26) weeks.

### Section 3

All vacations must be taken before the expiration of twelve (12) months after date vacation is earned. However, up to five (5) vacation days may be carried over into the succeeding vacation year. Those vacation days carried over must be taken before the expiration of twelve (12) months after the new vacation year anniversary date.

### Section 4

Not less than one (1) nor more than two (2) weeks of vacation may be taken at any one time, except for those entitled to three (3) weeks, four (4) weeks, or five (5) weeks who may take that many at one time. The most senior employee of a classification, shift and department shall be given first choice for one period of his vacation. After all other less senior employees of that classification, shift and department have exercised their first choice, then the most senior employee shall exercise his choice for his second period of vacation. After all other less senior employees of that classification, shift and department have exercised their second choice, then the most senior employee shall exercise his choice for the third period of his vacation. After all other less senior employees of that classification, shift and department have exercised their third choice, then the most senior employee shall exercise his choice for his remaining vacation periods. The Company will permit at least one (1) employee of a given classification in a department to be on vacation at any given time.

### Section 5

- A. If a recognized holiday falls within a vacation period the employee shall add one (1) day off with pay to the end of his vacation.
- B. Subject to scheduled operations and the following conditions, employees may schedule a one (1), two (2) or three (3) day vacation in a workweek (8 or 16 hours or 24 hours):
- 1) Each request for a one (1) day vacation falling on a Friday or a Monday or falling before or after a holiday must be made in writing (electronic or hard copy) to the employee's Foreman or Supervisor at least one (1) working day prior to the start of the day requested. Requests for two (2) or three (3) consecutive day vacations must be made in writing (electronic or hard copy) to the employee's Foreman or Supervisor at least two (2) working days prior to the start of the days requested.

Scheduling of one (1), two (2) or three (3) day vacations shall not be by seniority but rather shall be on a first come first served basis. One (1), two (2) or three (3) day vacations, when approved, will be considered as part of the established vacation scheduling percentage by classification and department.

2) An employee may request a one (1), two (2) or three (3) day vacation for the day(s) preceding a holiday, or for the day(s) following a holiday. Each request must be made to the employee's Foreman or Supervisor prior to the day(s) requested. Such request may be granted if the requested vacation day(s) do not interfere with scheduled operations. If, however, the vacation day(s) is not approved prior to the day(s) requested, vacation pay will not be allowed for any absence on that day. Monday following a Friday, that is a recognized holiday, is to be considered as the day following a holiday, and Friday preceding a Monday, that is a recognized holiday, is to be considered as the day preceding a holiday.

3) Assuming scheduled operations permit, an employee may schedule a one (1) day vacation for a Friday, and another one (1) day vacation the following Monday. No more than three (3) days vacation may be taken consecutively and no more than five (5) days vacation may be taken in any two (2) consecutive workweeks. Friday and Monday are considered consecutive days.

4) A maximum of fifteen (15) days of earned vacation can be scheduled in one (1), two (2), or three (3) day increments during the vacation year. The remainder of earned vacation, will be scheduled by seniority under conditions of Section 4 of this Article.

5) No advance pay will be allowed for one (1), two (2), or three (3) day vacations. Employees taking a one (1), two (2), or three (3) day vacation on their regular scheduled payday will be given their paycheck on their return.

6) An employee who has scheduled a three (3) day Wednesday-Thursday-Friday, Thursday-Friday-Monday, Friday-Monday-Tuesday, Monday-Tuesday-Wednesday, or a two (2) day Thursday-Friday, Friday-Monday, Monday-Tuesday or a one day Friday or Monday vacation, may be asked to work Saturday or Sunday overtime. If however, such an employee refuses the

weekend overtime offered, he will not be charged on the departmental overtime records for his refusal. This procedure is recognized as an exception to Article XXV, Overtime Guidelines.

C. For employees eligible for vacation time off as provided for in this Section, supervision shall, production needs permitting, authorize absences, on a four (4) hour basis, to be charged against the employee's remaining vacation hours, providing that requests by the employee for such time off are received by supervision two (2) working days prior to the requested day off. Vacations in this Section may be taken in four (4) hour increments up to a maximum of five (5) days in any one (1) anniversary year.

#### **Section 6**

All vacations shall be taken at a time when they will not seriously interfere with scheduled operations, and so far as practicable, the Company will schedule all vacations for the period for which employees express a preference, those who have the most seniority being given the first consideration.

#### **Section 7**

Vacation pay will not be allowed in lieu of an actual vacation, nor will accumulated vacation or vacation pay be allowed on a pro rata basis except that (a) accumulated vacation and vacation pay, on a daily pro rata basis including the last full day worked, will be allowed to employees with twelve (12) months or more continuous employment who are terminated for any reason and (b) accumulated vacation and vacation pay, on a daily pro rata basis including the last full day worked will be allowed to all employees other than probationary employees, as defined in Article XI hereof, who leave the Company to and actually do serve in the armed forces of the United States, provided they furnish satisfactory proof of their military service within a period of thirty (30) days after leaving the Company.

#### **Section 8**

Should an employee leave the Company for any reason whatsoever and be re-employed, vacation allowances shall start from the date of reemployment.

#### **Section 9**

If an employee with continuous service with the Company is laid off and later reinstated, he will be given credit for the time worked



prior to his layoff toward the accumulated time necessary to earn a vacation.

#### **Section 10**

Employees will receive vacation paychecks on the last scheduled payday prior to going on vacation.

### **ARTICLE XIII - SAFETY COMMITTEE**

#### **Section 1**

It is the desire of both parties to this Agreement to maintain high standards of safety and health in the plants of the Company in order to eliminate, as far as possible, industrial accidents and illness. The Union will appoint one safety committeeman for each building and shift. The Company will assign professional safety/health coverage for each building and shift. They shall be known as the Boeing Plant Safety Committee. A Company Safety Engineer or Industrial Hygienist shall act as Chairman of this committee. The Directing Business Representative may assign Business Representatives to the Safety Committee to monitor the Company's safety program.

#### **Section 2**

The duty of the Safety Committee is to be aware of all applicable Federal, State, and Municipal safety and health regulations and make recommendations for the maintenance of proper standards and to discuss Health and Safety Hazard Reports and other specific safety or health problems or concerns relating to work areas.

#### **Section 3**

The safety committeeman shall receive and investigate complaints within his designated building and shift regarding alleged unsafe and unhealthy working conditions. Proper and modern safety devices shall be provided for all employees working on potentially unsafe and hazardous work. Such devices will be furnished by the Company, and it shall be mandatory for employees to use same. All written hazard reports will be answered in writing within three (3) working days, whenever possible, but no later than five (5) working days.

**Section 4**

The Company shall maintain on all full shifts access to an emergency trained attendant to care for its employees in case of accidental injuries or serious illness.

**Section 5**

A. The Company will continue to furnish personal protective equipment in particular situations where it is now the practice to do so unless circumstances in such situations change, making the use of such personal protective equipment unnecessary.

B. One pair of OSHA approved prescription safety glasses including eye examination shall be furnished by the Company for the life of the contract. The glasses and exam will be provided on site by a vendor selected by the Company. This benefit will apply only to employees who are required by the Company to wear safety glasses on their job.

**Section 6**

An employee serving as Union safety committeeman shall not at the same time serve as Shop Steward. It is intended that Union safety committeemen continue to work in the building where they are appointed to provide experience and continuity. However, for reasons of production, it may be necessary at times to transfer them to another building. The Company shall notify the Union in writing five (5) days prior to the transfer of a safety committeeman.

**ARTICLE XIV - WAIVER**

**Section 1**

The waiver of any breach or condition of this Agreement by either party shall not constitute a precedent for any future enforcement or waiver of such breach or condition.

**ARTICLE XV - BULLETIN BOARDS**

**Section 1**

The Union shall have the right to use designated bulletin boards on the Company property for the purpose of posting notices of Union

meetings and other activities which are officially approved by the Union and the Company prior to posting. The Company will act promptly on such notices sent to the Labor Relations Department by the Union.

## **Section 2**

No other notices or distribution of pamphlets, advertising matter or any kind of literature will be permitted in the plant or on Company property excepting matter the distribution of which is protected by Section 7 of the National Labor Relations Act as amended. Violators of this rule shall be subject to immediate disciplinary action up to and including discharge.

# **ARTICLE XVI - PAYROLL DEDUCTIONS**

## **Section 1**

Whenever an employee shall so request in writing, the Company will deduct from such employee's pay each month dues payable by such employee to the Union in a sum specified by the Union. The Union will promptly notify the Company of any changes in the rate of dues during the term of this Agreement. Each such request shall specify that the employee reserves the right to withdraw such request by notice in writing. Such request for deduction of Union dues shall be valid only for the duration of this Agreement. The agreed forms for use of employees in making a request for deduction, as well as form of notice of withdrawal, will be furnished by the Union.

## **Section 2**

Upon receipt of a signed payroll deduction request from the employee, the Company agrees to make an Aerospace Credit Union deduction for the term and in the amount specified on the deduction form, but not less than one dollar (\$1.00). Such deduction forms will be supplied to the employee by the Credit Union. Each week the Company shall remit to the Aerospace Credit Union the amount withheld from the employee's earnings, together with an alphabetical list showing the employee's name, badge number, account number, and the amount of deduction.

## ARTICLE XVII - SABOTAGE

### Section 1

The Union agrees to report to the Company any acts of sabotage or damage to or taking of Company, Government, customer, or any other person's or employee's property, and the Union further agrees if any such acts occur, to use its best efforts in assisting to determine and apprehend the guilty person.

## ARTICLE XVIII - UNION SECURITY

### Section 1

As a condition of employment all employees subject to the provisions of this Contract shall become and remain members of the Union in good standing. Good standing shall consist only of the payment of dues and initiation fees.

The Company shall be required to terminate an employee for non-membership in the Union only if the Union certifies that membership in the Union was denied or terminated solely by reason of the employee's failure to tender the periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership in the Union.

### Section 2

New employees shall, before the expiration of their probationary period (forty (40) working days for all employees except Learner-Helpers who are on probation for sixty-five (65) working days) make application for membership.

### Section 3

The Union shall indemnify, defend and save the Company harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken by the Company under Section 1 in reliance upon representation by the Union that an employee may be lawfully discharged under Section 1. Such requests for discharge shall be made by registered mail from the Directing Business Representative (or his designee) to the Director - Union Relations (or his designee).

## **ARTICLE XIX - DISTRIBUTION OF AGREEMENT**

### **Section 1**

The employer agrees to furnish a copy of this Agreement to all present employees and all newly employed persons who come under the terms of this Agreement.

## **ARTICLE XX - NO STRIKE CLAUSE**

### **Section 1**

A. There shall be no slowdowns, picketing, boycotts, cessation of work, strikes, interference with the business of the Company or other disruptive activities by employees or the Union during the term of this Agreement, and no lockouts by the Company.

B. Any employee violating this provision shall be subject to whatever disciplinary action may be warranted.

### **Section 2**

The above prohibition on strikes shall not be binding on the Union sixty (60) days after notice has been served on the Company pursuant to Section 8(d) of the National Labor Relations Act as amended when no agreement for a new contract has been reached.

## **ARTICLE XXI - FUNERAL LEAVE**

### **Section 1**

When a death occurs in an employee's immediate family (spouse, parent or step-parent, child or step-child, brother, step-brother, or half-brother, sister, step-sister, or half-sister, mother-in-law and father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent, great-grandparent or grandchild, spouse's grandmother or grandfather), such employee will be paid eight (8) hours pay at his working rate for a regularly scheduled workday. Funeral leave pay may be allowed from the day of death up to ten (10) calendar days after the funeral or memorial service not to exceed three (3) working days, provided that the employee attends the

1 funeral or memorial service, but no funeral leave pay shall be allowed  
2 for any funeral leave day for which holiday, vacation, sick leave,  
3 weekly disability or similar payment is paid. All days taken after the  
4 date of the funeral or memorial service must be taken consecutively.  
5 As an alternative, one of the three (3) days mentioned above may be  
6 used the day following the funeral or memorial service if necessary  
7 for travel, provided the distance between the city in which the funeral  
8 or memorial service is held and the employee's last recorded address  
9 is three-hundred and fifty (350) or more miles as measured by Rand-  
10 McNally Standard Highway Guide. Written proof satisfactory to the  
11 Company (such as a death notice, confirmation from a coroner,  
12 undertaker, doctor or hospital) must be submitted by the employee to  
13 his/her supervisor or designee no later than five (5) working days  
14 after return to work.

## 15 **Section 2**

16 Time lost because of funeral leave as listed in Section 1 of this  
17 Article shall not be considered as absenteeism for purposes of  
18 disciplinary action or adjusting vacation or sick leave anniversary  
19 dates.

# 20 **ARTICLE XXII - JURY/WITNESS DUTY**

## 21 **Section 1**

22 When an employee is required to and actually does serve on jury  
23 duty on a regularly scheduled working day, he shall receive eight (8)  
24 hours pay at his base rate (plus shift bonus and leadman's pay if  
25 applicable). Employees shall receive holiday pay if a holiday occurs  
26 while on jury duty. Such payments shall be limited to twenty (20)  
27 days in any one calendar year except for grand jury where such  
28 payment shall be limited to thirty (30) days in any one calendar year.  
29 Proof of such services satisfactory to the Company must be given  
30 before this section shall apply.

## 31 **Section 2**

32 When an employee is subpoenaed as a witness in a Federal court,  
33 or state court of law in the state in which he is working or residing, he  
34 shall receive eight (8) hours pay at his base rate (plus shift bonus and  
35 leadman's pay, if applicable). Such payment shall be limited to  
36 twenty (20) days in any calendar year. Proof of such services

satisfactory to the Company must be given before this Section applies.

However, an employee will not receive wages under the above provisions if he is called as a witness against the Company, or its interests; or is called as a witness on his own behalf in an action in which he is a party; or he voluntarily seeks to testify as a witness; or is a witness in a case arising from or limited to his outside employment or outside business activities.

### **Section 3**

Time spent on jury/witness duties is not to be counted as absenteeism for purposes of disciplinary action or adjusting vacation or sick leave anniversary dates.

## **ARTICLE XXIII - SICK LEAVE**

### **Section 1**

All employees who complete one (1) year of continuous employment will be granted during the following year, one (1) day of sick leave; after the completion of two (2) years of continuous employment, three (3) days during the following year; after the completion of three (3) years of continuous employment, six (6) days during the following year, subject to Sections 2 through 10.

### **Section 2**

The sick leave anniversary date for all employees who completed one or more years of continuous employment will be the same as their employment anniversary date, subject to provisions of Sections 3 through 10.

### **Section 3**

Any employee who is absent on his annual earned date for the purpose of sick leave and that absence results in a Leave of Absence or termination will not be eligible to receive his following year's sick leave, determined under Section 2. Otherwise, all employees will be eligible on their annual earned date for their following year's sick leave. For the purposes of this Section only, the term "annual earned date" shall be considered to mean the employee's employment anniversary date (as adjusted in accordance with Sections 6 through 10).

#### **Section 4**

Sick leave pay shall be calculated at the employee's working rate at the time the leave is taken. At the end of the second year and at the end of each year thereafter, any unused part of the sick leave allowed each year will be paid to each employee at his working rate he is then earning. Sick leave will be taken and paid only in units of one (1) full day, or four (4) hour increments, limited to a maximum of four (4) four (4) hour increments. An employee who takes a disability leave of absence will not receive any sick leave pay for which he is eligible for any of the days in question unless he makes a written request to Payroll.

#### **Section 5**

Sick leave days are considered to be only those days falling within the employee's regular schedule of hours.

#### **Section 6**

Absences for personal reasons of five (5) or more consecutive workdays will move forward the employment date for purposes of computing future sick leave eligibility.

#### **Section 7**

Continuous employment for sick leave eligibility shall accumulate during a leave of absence, other than a personal leave, not in excess of four (4) weeks, but shall not accumulate during any part of a leave of absence in excess of four (4) weeks, or during a layoff for lack of work, except that continuous employment for the purpose of calculating sick leave eligibility shall accumulate during a leave of absence for non-occupational disability not in excess of thirteen (13) weeks, but shall not accumulate during any part of a leave of absence in excess of thirteen (13) weeks.

Continuous employment for sick leave eligibility shall accumulate during a leave of absence, other than a personal leave, not in excess of four (4) weeks, but shall not accumulate during any part of a leave of absence in excess of four (4) weeks, or during a layoff for lack of work, except that continuous employment for the purpose of calculating sick leave eligibility shall accumulate during a leave of absence for occupational disability not in excess of twenty-six (26) weeks, but shall not accumulate during any part of a leave of absence in excess of twenty-six (26) weeks.



**Section 8**

If an employee with continuous service with the Company is laid off or enters military service and is later reinstated, he will be given credit for the time worked prior to his layoff, or military leave, for purposes of computing future sick leave eligibility.

**Section 9**

Any employee who is terminated for any reason will be granted sick leave pay on a daily pro rata basis including the last full day worked, which he has earned but not used, except that the entire unused portion of sick leave which was earned on his last anniversary date will be granted as sick leave pay to an employee who is retired or laid off for lack of work. An employee, who is granted sick leave pay earned on his last anniversary date, may upon his return from layoff status, request amount granted as time off without pay.

**Section 10**

Should an employee leave the Company for any reason whatsoever and be reemployed, continuous employment for the purpose of computing sick leave shall start from the date of reemployment.

**Section 11**

Days of sick leave, as defined in Section 1 of this Article, shall not be considered as absenteeism for purposes of disciplinary action or adjusting vacation or sick leave anniversary dates.

**ARTICLE XXIV - AGREEMENT FOR  
SUPPLEMENTAL LAYOFF BENEFITS**

**Section 1**

The provisions of Article XXIV of the Articles of Agreement between the parties dated 8 November 1965 were terminated on 7 April 1969. Employees who were covered by such article on 3 November 1968 and who thereafter qualify as eligible employees under such article shall have the rights provided under such article calculated as to amount and qualifying service up to 7 April 1969 and not beyond. Such rights and the liability of the Company shall

continue until (a) the termination of this Agreement or (b) the termination of any covered employee's employment for any reason other than layoff as defined in Section 1b of such Article XXIV, whichever event shall first occur. (Benefits under the Boeing Company Voluntary Investment Plan, St. Louis, shall not disqualify an employee from receiving benefits under said Article XXIV.)

## **ARTICLE XXV - OVERTIME**

### **Section 1**

It is the desire of the Company to distribute overtime as equally as possible in light of the work to be performed. Both the Union and the Company recognize that the individuals who perform the work must be qualified for and familiar with the specific work. If these conditions are met, overtime will be distributed as equally as possible within the shift, department, and job classification. Every effort will be made to adjust any unequal distribution of overtime to 60 hours between the maximum and minimum hours of overtime within the shift, department and job classification which may have occurred in any calendar quarter during the next succeeding calendar quarter wherever practicable.

### **Section 2**

The Supervisors and Stewards shall review the overtime record on a monthly basis to see that the above policy is being followed.

### **Section 3**

Overtime shall be distributed in accordance with the guidelines set forth in Supplemental Understanding #8.

## **ARTICLE XXVI - MILITARY RESERVE SERVICE PAY**

### **Section 1**

An employee who is called to and performs short-term active duty of thirty (30) calendar days or less, including annual active duty for training, as a member of the United States Armed Forces Reserve or National Guard, shall be paid as provided below for days spent

performing such duty provided the employee would not otherwise be on layoff or leave of absence.

For each day of short-term active military duty served on a regularly scheduled working day, the employee shall receive eight (8) hours pay at his base rate (plus shift premium and leadman's pay if applicable) less military pay received for that day. Such payments shall be limited to ten (10) working days in any one military fiscal year (i.e., from 1 October through 30 September). Military pay is defined as all military earnings including all allowances except for rations, subsistence, and travel.

In order to receive payment under this Section, an employee must give HR Services prior notice of such military duty and, upon his return to work, furnish Payroll with a statement of the military pay received for performing such duty.

Any employee having to travel 350 miles or more as measured by Rand McNally Standard Highway Guide for his or her military duty will be allowed to leave work early for travel time will not be considered as absenteeism for purposes of disciplinary action.

## **ARTICLE XXVII - GROUP INSURANCE, SAVINGS, AND RETIREMENT INCOME PLANS**

### **Section 1**

The parties have agreed that the Company will continue in effect group insurance, retirement, and savings plan benefits as modified by the Company's proposal dated May 30, 2001. The Company will advise the Union of any change in the companies which currently administer these plan benefits.

### **Section 2**

The benefits of the foregoing plans will be subject to the provisions of this Agreement except that they will not be subject to the grievance procedure and the arbitration procedure provided in this Agreement.

## ARTICLE XXVIII - TOTAL AGREEMENT

### Section 1

These Articles of Agreement, together with the Job Specifications referred to in Article IV, Section 10, and the supplemental understandings listed in Section 2 below, constitute the total agreement between the two parties. All other agreements and understandings (between the Company and this Union only) are rescinded.

### Section 2

The following Supplemental Understandings and Contract Supplement "A" on Off-Site Locations, copies of which are attached to this Agreement, shall remain in effect for the life of this Agreement:

1. Understanding regarding Smoking.
2. Memorandum of Understanding concerning leaves of absences.
3. Letter concerning new methods, materials, and technology dated 4 May 1984.
4. Letter concerning leaves for Union business dated 10 September 1996.
5. Memorandum of Understanding concerning consolidation of Mechanic-Office Equipment classification and Maintenance Worker classification.
6. Memorandum of Understanding concerning shift preference.
7. Letter concerning the impact of Federal legislation on our retirement and group insurance benefits dated 30 May 2001.
8. Overtime Guidelines.
9. Glossary of Terms used in job descriptions dated 30 May 2001.
10. Letter concerning Union involvement in discrimination complaints dated 27 April 1990.
11. Letter concerning Business Representatives' group insurance dated 8 May 1972.
12. Understanding regarding reduction of Production Control, Support, and Maintenance personnel.

- 1 13. Memorandum of Understanding concerning Medical Leave of
- 2 Absence Return to Work Team.
- 3 14. Letter concerning drug/alcohol testing program.
- 4 15. Letter concerning Health Maintenance Organizations (HMO)
- 5 dated 6 May 1981.
- 6 16. Agreement concerning establishment of Maintenance Worker job
- 7 classification dated 10 June 1993.
- 8 17. Letter concerning employee's voluntary contributions to District
- 9 #837 IAMAW - P.A.C. dated 30 May 2001.
- 10 18. Understanding regarding implementation of Point-of-Use
- 11 Delivery.
- 12 19. Memorandum of Understanding regarding travel.
- 13 20. Letter concerning Mechanic-Electro-Optic job classification dated
- 14 17 June 1993.
- 15 21. Agreement regarding continuation of certain agreements and
- 16 MOU's.
- 17 22. Memorandum of Understanding concerning Performance
- 18 Sharing Plan.
- 19 23. Memorandum of Agreement for High Performance Work
- 20 Organizations.
- 21 24. MDA Employability Plan.
- 22 25. Offset and Subcontracting Arrangements/Employment Stability
- 23 Income Continuation Plan
- 24 26. Memorandum of Understanding concerning Housekeeper
- 25 classification.
- 26 27. Joint Committee on Health Care Cost and Quality.
- 27 28. Memorandum of Agreement on the Labor Grade Model.
- 28 29. Memorandum of Agreement concerning the Machinist Custom
- 29 Choices Worksite Benefits Program.
- 30 30. Agreement regarding Employment Security.
- 31 31. Agreement regarding A Special Retirement Proposal.
- 32 32. Safety Trainer Position

### **Section 3**

If any provision or the enforcement or performance of any provision of this Agreement is or shall at any time be contrary to law, then such provision shall not be applicable or enforced or performed, except to the extent permitted by law. If, at any time thereafter, such provision or its enforcement or performance shall no longer conflict with the law, then it shall be deemed restored in full force and effect. If any provision of this Agreement, or the application of such provision to any person or circumstance shall be held invalid, the remainder of this Agreement, or the application of such provision to other persons or circumstances, shall not be affected thereby.

Signed this 06 day of November 2001.

#### **THE BOEING COMPANY**

**JOHN VAN GELS**

Vice President/General Manager-Production Operations and Boeing  
St. Louis Site Manager

**GERARD J. OLSEN**

Vice President-Shared Services

**DAVID J. HEATH**

Director-Labor & Employee Relations

**DENNIS S. KUHL**

Sr. Manager-Labor Relations

**PATRICIA A. RITZ**

Manager-Labor Relations

1 **KENNETH SHEAD**

2 **Director-F-15, AV-8B, T-45, JSF**

3 **WILLIAM SCHNETTGOECKE**

4 **Assembly Director F-18**

5 **LARRY DUKE**

6 **Sr. Labor Relations Representative**

7 **INTERNATIONAL ASSOCIATION OF MACHINISTS**

8 **AND AEROSPACE WORKERS, AFL-CIO**

9 **RICHARD SCHNEIDER**

10 **IAM Overall Boeing Coordinator**

11 **DISTRICT LODGE NO. 837, INTERNATIONAL**

12 **ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS,**

13 **AFL-CIO**

14 **RICHARD D. SMITH**

15 **President/Directing Business Representative**

16 **BILL J. BROCK**

17 **Assistant Directing Business Representative**

18 **GORDON KING**

19 **Business Representative**

20 **STEPHEN MCDERMAN**

21 **Business Representative**

LONZA PATRICK  
Business Representative

DEWITT DARITY  
Plant Chairman

ROBERT MONTGOMERY  
Plant Chairman

ROGER SMITH  
Plant Chairman

EARL SCHUESSLER  
*President, Local Lodge 837-A*

CARL VIETMEIER  
*President, Local Lodge 837-B*



## **SUPPLEMENT 'A'**

### **OFF-SITE LOCATIONS**

#### **1. Benefits**

The copays for office visits, emergency room, and prescription drugs that are agreed to will remain in effect for remote site HMOs offered by the company during the life of the contract, except where the HMOs no longer offer those copay arrangements as part of their array of products. In those situations where an HMO no longer offers the copay arrangements agreed to by the union and the company, the company will work with the HMO and the union to offer the next lowest copay arrangement.

*In Southern California, the copay arrangements in place for HMOs offered to the IAM 725 will be offered to IAM 837 employees in those locations.*

#### **2. Off-Site Bases**

Employees assigned to off-site bases at the request of the Company will be assigned under the appropriate provisions of the Corporate Travel Manual then in effect. These employees will be informed of the provisions of the Corporate Travel Manual governing their assignment when they are requested to accept such assignments.

Employees assigned permanently to remote facilities may be reclassified to a Field Classification. In no case, however, will an employee be reclassified to a Field Classification when receiving per diem allowances.

## Supplemental Understanding #1

The Parties agree that tobacco smoke is a proven health hazard to those who directly ingest it, as well as, to the health of those subjected to an environment where smoking is allowed. Based on these facts, the parties have agreed to enter into an agreement that will aid employees who wish to quit smoking, while providing a healthier environment for those who have chosen not to smoke. To accomplish this goal the parties have agreed to the following understandings:

1. Smoking within the St. Louis site will only be allowed in "Designated Smoking Areas"
2. In order to allow smokers time to adjust to this new environmental requirement the parties agree that implementation will begin twelve (12) months from the date of ratification of this agreement.
3. In an effort to assist employees who desire to quit smoking, access to smoking cessation classes will be made available after working hours during the first twelve (12) months of this agreement.
4. "Designated Smoking Areas" will be located adjacent to buildings where not prevented by customer or safety reasons.
5. For productivity reasons, smoking will be limited to break and lunch periods.

## Supplemental Understanding #2

### MEMORANDUM OF UNDERSTANDING

The Company and the Union have agreed that the following will be the procedure for handling requests for leaves of absence.

1. Request for leave may be made by employee, or person authorized by the employee to make request.
2. Employee, or person authorized to make request, will call Medical Services (314-232-3753) or designee's, as soon as possible; but in any event, not later than 4:00 p.m. on the third day of absence.
3. Medical Services will give employee, or person authorized to make request, an absence reporting number at the time request for leave of absence is made.
4. The call from the employee, or person making request, will be handled by Medical Services who will obtain necessary information on Form D060006080, including address and phone number. It is the employee's responsibility to provide an address and phone number where he can be contacted during the Leave of Absence.
5. Medical leaves of absences of more than seven (7) calendar days require a Certificate of Disability to be sent to Medical Services not later than the 15<sup>th</sup> calendar day from the first day of the Leave of Absence.
6. At the time request for leave is received, it will be made clear to the person calling that the leave is not granted or denied until medical documentation has been received and reviewed by Medical Services. Notification of the additional information, etc., or approval of Medical Leave of Absence will be forwarded in writing to the address provided by the employee. It is the sole responsibility of the employee to assure additional information or other needed communication regarding their leave of absence is provided to Medical Services.
7. Employees returning from a Medical Disability leave of absence must provide a release statement from the treating physician prior to returning to work. Employees requiring limitations must be evaluated by Medical Services prior to their return to work.
8. Medical staff will contact the employee by phone or by mail to advise status of request for leave.

## Supplemental Understanding #3

4 May 1984

Mr. Cassell Williams  
President-Directing Business Representative  
Aerospace District Lodge No. 837  
International Association of Machinists  
and Aerospace Workers, AFL-CIO  
212 Utz Lane  
Hazelwood, Missouri 63042

Dear Mr. Williams:

This will confirm the understanding reached during the recent contract negotiations concerning the introduction of new technology into plant operations.

Whenever either party becomes aware of significant changes in methods, materials, or technology which might give rise to a question of appropriate work assignments, the Company will be willing to discuss the matter with the Union.

Whenever lists of newly purchased machinery are received by Labor Relations, you will be invited to review them in the Labor Relations office. When new machinery is installed or new material is introduced, a tour to view the new operations will be conducted. If agreement on the proper classification to operate the new machine or equipment is reached, the written agreement will be signed by the Director-Labor Relations and the President-Directing Business Representative of the Union.

When, as a result of the above meeting, an agreement is reached that the new work should be assigned to a specific CBU classification and new technology creates a need for new knowledge and skills, the Company will offer the affected employee the necessary training to acquire such new skills.

Very truly yours,

**MCDONNELL DOUGLAS CORPORATION**

/s/ D. F. Waters

Darrell F. Waters  
Vice President-Personnel  
McDonnell Aircraft Company

## Supplemental Understanding #4

10 September 1996

Mr. Gerald Oulson  
President-Directing Business Representative  
Aerospace District Lodge No. 837  
International Association of Machinists  
and Aerospace Workers, AFL-CIO  
212 Utz Lane  
Hazelwood, Missouri 63042

Dear Mr. Oulson:

You have raised the question concerning the preservation of seniority of Union members who are elected or appointed delegates to the following Union conventions or assignments:

A. I.A.M.A.W. International Convention

Once every four (4) years

B. AFL-CIO State Convention

Once per year

C. I.A.M.A.W. Aerospace Conference

As required

D. I.A.M. Industrial Conference

As required

E. Machinists Leadership School

As required

F. Plant Chairman replacement, Union audit, Federal and State investigation, and legislative conferences.

G. Tool and Die Conference

As required

H. Communications Conference

As required

I. Safety Conference

As required

1 The Company agrees that when absences as indicated above are  
2 one (1) week, but not more than two (2) weeks, and therefore would  
3 affect the employee's seniority, such provisions will be null and void  
4 regarding these situations and the concerned personnel will not lose  
5 seniority, Income Plan benefits, or have their vacation or sick leave  
6 anniversary dates adjusted provided such absences have been  
7 approved in advance by the Union President-Directing Business  
8 Representative and Company Director-Labor Relations. Plant  
9 Chairman replacements may exceed the two (2) weeks without loss  
10 of any of the above benefits.

11 In addition, the Company agrees that leaves granted to  
12 employee/members of the Union's negotiating committee during  
13 contract negotiation periods will not affect the seniority or cause any  
14 loss of benefits to those employees.

15 Special circumstances may occasionally occur wherein the Union  
16 may request time off for employees outside the provisions of this  
17 Supplemental Understanding. Such requests will be in writing,  
18 submitted to the Company at least three (3) calendar days prior to the  
19 requested time off.

20 Yours very truly,

21 **MCDONNELL DOUGLAS CORPORATION**

22 /s/ Clayton D. Burt

23 Clayton D. Burt  
24 Director-Labor Relations  
25 McDonnell Douglas Aerospace

## **Supplemental Understanding #5**

This is to confirm the understanding we reached during the 1996 contract negotiations concerning the Mechanic-Office Equipment job classification.

1. Employees in the Mechanic-Office Equipment job classification will be included in the Maintenance Worker job classification as outlined in Supplemental Understanding #16.
2. All the working conditions and benefits specified in Supplemental Understanding #16 will also apply to employees in the Mechanic-Office Equipment job classification.
3. The parties agreed that the duties described in the job description of the Mechanic-Office Equipment will continue to be performed by the two (2) employees merged with the Maintenance Worker classification as long as such work is available. It is further agreed that the Maintenance Workers will not be assigned the duties of the Mechanic-Office Equipment.
4. Employees in the Mechanic-Office Equipment job classification will be entitled to the same GWI's, COLA's and LSWP's as received by employees in the Maintenance Worker job classification.

DATE: 10 September 1996

ACCEPTED:

DISTRICT LODGE NO. 837  
INTERNATIONAL ASSOCIATION  
OF MACHINIST AND AEROSPACE  
WORKERS, AFL-CIO

/s/ Gerald S. Oulson

ACCEPTED:

MCDONNELL DOUGLAS CORPORATION

/s/ Clayton D. Burt

## **Supplemental Understanding #6**

### **MEMORANDUM OF UNDERSTANDING**

1. For the purpose of shift bump, the parties have agreed to interpret Article XI, Section 11B, in such a way that the following classifications may move within their respective departments.
2. Maintenance Mechanic-All Around, Painter-Maintenance and Pipefitter-Maintenance, Maintenance Worker in Departments 441A, 441B, and between departments 442A and 446A.



## Supplemental Understanding #7

30 May 2001

Mr. Richard D. Smith  
President-Directing Business Representative  
Aerospace District Lodge No. 837  
International Association of Machinists  
and Aerospace Workers, AFL-CIO  
212 Utz Lane  
Hazelwood, Missouri 63042

Dear Mr. Smith:

This is to confirm the understanding we reached during the recent negotiations concerning public pension and health insurance legislation.

1. Supplemental Understanding #7 dated 31 March 1981 is cancelled with the understanding that, if any applicable governmental legislation or regulations escalate pension or savings plan costs appreciably during the life of the 2001-2004 Agreement, this matter will be subject for negotiations upon expiration of this Agreement.

2. It is also agreed that Company health benefits should not duplicate the benefits of public health insurance programs. It is further agreed that if any applicable legislation is enacted, the Company may implement changes in Company health benefits to effect cost reductions necessary to bring its liability for costs of Company health benefits plus any tax or premium contribution required from the Company by such legislation (or regulations thereunder) to the level in effect immediately prior to the implementation of such legislation.

Very truly yours,

**THE BOEING COMPANY**

/s/ David J. Heath

David J. Heath  
Director-Labor & Employee Relations  
**THE BOEING COMPANY**

## Supplemental Understanding #8

### OVERTIME GUIDELINES

NOTE: When a department is on a scheduled extended workweek (in excess of forty (40) hours), only paragraphs 13, 30 and 31 will apply.

1. *Overtime is generally necessitated by an emergency and is influenced by weather, availability of parts and extraordinary production requirements and, therefore, cannot be scheduled accurately in advance. The Company is willing, however, to make an effort to notify as far in advance as it is possible for it to do so, recognizing that this effort is limited by the nature of the work to be performed and by the difficulty of securing a requisite approval of Company and customer representatives.*
2. *Recognizing the above difficulties, the Company will inform those employees required to work overtime on the weekend sometime before the end of the shift on Thursday. It must be understood by all parties that this group is subject to upward or downward revisions without notice. In the event of a downward revision in the number of employees, there will be no liability on the Company's part to any of the employees who were scheduled to work and for whom there had been a change. On Friday, supervision will contact each tentatively scheduled employee (or post a list) to confirm or cancel the overtime. Employees are not to rely on the tentative schedule to determine the overtime arrangement. In the case of an upward revision in the overtime schedule, no charge will be made for the Friday refusal of the weekend overtime.*
3. *Overtime is not usually firm until the end of the employee's shift on Friday. Any employee absent the entire day on a Friday, regardless of said employee's reason for being absent, shall not work Saturday and/or Sunday overtime under any circumstances nor be charged therefor. Any employee who has been confirmed to work Saturday and Sunday of the same weekend and who, however, does not report for work on Saturday, will be charged for Saturday and will not be allowed to work that Sunday, nor be charged for Sunday, regardless of said employee's reason for his Saturday absence.*

4. Any employee who is tardy (four (4) hours or less) on a Friday will be permitted to work Saturday and/or Sunday overtime, if scheduled.
5. In the event an employee leaves work early on a Friday and said employee was scheduled to work Saturday and/or Sunday overtime, it will be the responsibility of the employee to confirm his overtime assignment with supervision prior to his early departure. If that employee's reason for leaving work early is of such a nature that may prohibit him from working the schedule overtime, then that employee will be removed from the overtime list but will not be charged with overtime worked on the department's overtime record. However, if prior to his early departure, supervision determines that said employee can work the Saturday and/or Sunday overtime and that employee fails to report for said overtime work, then that employee will be charged with a day or days, as the case might be, of overtime worked on the department's overtime record.
6. In the event an employee leaves work early on a Friday and has been told by supervision, prior to leaving, to report for work on Saturday and/or Sunday and, later, after the early departure of the employee, the overtime is altered downwardly, supervision will make a reasonable effort to contact by telegraph that employee to notify him of the overtime change and there will be no liability on the part of the Company to said employee for whom there had been a change.
7. In the event the overtime is altered upwardly after the early departure of an employee on a Friday, then that employee shall have no claim for wages due him for the overtime worked by another employee.
8. All overtime, during the week as well as on weekends, whether worked or declined, will be charged, except as provided elsewhere in these Guidelines.
9. An employee will not be charged with overtime which he is offered and cannot work due to jury duty, vacation or funeral leave.
10. When an employee is transferred into another department or to another shift, he will be charged with the average number of hours worked by the appropriate workers of the new department. If a transferred employee returns to his original department and

- shift within 30 days, he will be charged with the actual number of hours he had there if that number is higher than the average of that department and shift.
11. No employee during a trial period (probationary, transferred in lieu of layoff or assigned to a higher-rated classification) shall work any overtime unless all the employees in his new department, in the classification for which he is being considered, have been offered overtime.
  12. On Monday or Tuesday, each Steward shall be given a list of the employees within his certification who have worked overtime or been charged for overtime during the preceding week.
  13. Prior notice by memo will be issued when a department is placed on an extended workweek. This notice will include the start of the overtime scheduled workweek period as well as the anticipated end of this period. An employee absent on an overtime day when his department is on an overtime scheduled workweek will be charged on the overtime records for overtime missed but not unless he shall have at least three (3) days notice of the schedule.
  14. An employee who is absent on a leave longer than thirty (30) days will, upon returning to his department and shift, be charged with the average number of hours worked by others in his classification, if his actual hours worked are lower than that average.
  15. An employee who is gone on a road trip longer than one (1) week will, upon returning to his department and shift, be charged with the average number of hours worked by others in his classification, shift and department if his actual hours worked prior to going on the trip are lower than that average. Employees who are higher than the average number of hours worked by others in the department, shift, classification, will be charged with the average number of hours worked by employees in his classification, shift, and department, while the employee was on the road trip.
  16. Upon the request of the Directing Business Representative, the administration of these guidelines and the distribution of overtime will be reviewed by the Labor Relations Department, Supervision of the Company division concerned, and the Directing Business Representative or his designee.

- 1 17. Overtime shall be recorded in units of paid hours rather than  
2 hours worked. For example, eight (8) hours' work at time and  
3 one-half shall be recorded as twelve (12) hours; eight (8) hours'  
4 work at double time shall be recorded as sixteen (16) hours.
- 5 18. If an employee is offered overtime work in a department other  
6 than his own, he is to be charged with those hours (whether he  
7 works or declines) on the record of his own department.
- 8 19. Whenever the number of overtime hours offered differs from the  
9 number of hours actually worked, an employee who declines  
10 overtime is to be charged with the number of paid hours he was  
11 offered. Supervision is to exercise its best judgment in  
12 estimating realistically the number of hours' work which will be  
13 needed. The employee who works is, of course, to be charged  
14 with the number of paid hours actually worked.
- 15 20. Before requiring employees to work overtime, supervision will  
16 first offer that overtime to each employee in the appropriate shift,  
17 department, and job classification. Where it is necessary to draft  
18 employees to work, this will be done in reverse seniority order.  
19 For example, when "drafting" is first required, the least senior  
20 employee with the least number of drafts in the appropriate shift,  
21 department, and job classification shall be ordered to work. If  
22 subsequent drafting is required on that weekend or in the future,  
23 additional employees shall be drafted starting with the least  
24 senior man with the least number of drafts (i.e., the second least  
25 senior employee with the least number of drafts next, the third  
26 least senior employee with the least number of drafts next, etc.)  
27 within the appropriate shift, department, and job classification. If  
28 an employee is transferred to another department or shift which  
29 has had drafting, the transferred employee will be charged with  
30 the average number of drafts of that department, shift, and  
31 classification. This procedure will resume again when the  
32 rotational seniority cycle is completed. Employees are not to be  
33 drafted immediately prior to going on vacation.
- 34 21. Several provisions of the Guidelines call for charging employees  
35 with the average number of hours worked by others in the same  
36 classification, department, and shift. To calculate this average,  
37 total the number of hours charged to the other employees and  
38 divide by the number of employees. Calculate it to the nearest  
39 tenth of an hour.

22. An employee who is required to attend military reserve training on a weekend is not to be offered overtime (or charged) on that weekend, unless all employees in that classification, shift and department are needed. If the reservist falls considerably behind other employees in overtime as a result of his military obligation, this fact may be noted by entering "MR" on the record for any overtime day not offered to him because of his military reserve training.
23. Overtime is to be recorded to the nearest tenth of an hour paid. For example, if an employee works 3.6 hours overtime following his regular shift during the week, he is to be charged with 5.4 hours ( $1\frac{1}{2} \times 3.6$  hours).
24. A steward is to be permitted a reasonable amount of Company time to maintain a cumulative record of overtime hours for employees he represents. To minimize the amount of time required for this activity, supervision may furnish the steward with a xerox copy of the appropriate Overtime Distribution Record so that he need not prepare a duplicate record of his own. If this is done, the steward is to be allowed reasonable time to check this xerox copy for accuracy.
25. Should supervision determine during the first four hours of a Saturday or Sunday shift that its schedule overtime work will extend into the following shift for four or more hours, the appropriate employees for the following shift will be called in by telephone.
26. An employee who, on Thursday, declines weekend overtime and subsequently is absent on Friday, will be charged with the hours offered unless the weekend overtime is cancelled.
27. If an employee declines overtime, and that overtime subsequently is cancelled, he will not be charged.
28. Since an employee working up to eight (8) hours on a holiday actually earns only double time in addition to the straight-time pay he would receive for not working, he is to be charged at the double time rate for the first eight (8) hours, i.e., sixteen (16) hours. If he works more than eight (8) hours, he is to be charged at the rate of three (3) hours for each hour worked in excess of eight (8).

29. *Overtime is not to be offered to an employee immediately prior to going on vacation, during his vacation or following his vacation, unless all other employees in his department, shift, and classification have been asked. If overtime is offered under these conditions and it is refused, no charge will be made. but if the overtime is worked, it will be charged.*
30. An employee scheduled for vacation will be required to work on the Saturday of the workweek prior to the workweek in which his vacation begins. Such an employee will not be asked, nor allowed to volunteer, to work overtime on any Saturday that occurs during his scheduled vacation period.
31. Overtime shall not be recorded on the appropriate "Overtime Distribution Record" during those workweeks when a department is on a scheduled extended workweek (in excess of 40 hours); e.g., when a department is placed on a scheduled extended workweek of 48 hours for 4 consecutive weeks, we will freeze each employee's overtime record at the number of overtime hours worked through the last day of the workweek prior to the Monday the department commences the 48-hour workweek schedule. If Sunday overtime is worked however, it will be recorded. We will unfreeze the individual employee's record of hours worked and again begin our normal overtime recording with the first work day following the above 4 weeks.
32. Overtime hours accumulated by each employee during the life of the previous agreement will not be reduced to zero. Only the employee with the lowest overtime hours within each shift, department, and job classification will be reduced to zero and each other employee within the same shift, department, and job classification, will be reduced by a like amount.
33. Employees who have scheduled a one (1) day vacation prior to being drafted for overtime will not be required to work the overtime for which he was drafted. However, an employee who takes a one (1) day vacation after being drafted for overtime will still be required to work the overtime for which he was drafted.

## **Supplemental Understanding #9**

30 May 2001

### **GLOSSARY OF TERMS IAM JOB CLASSIFICATIONS AIRCRAFT AND MISSILES SYSTEMS - ST. LOUIS**

- Aircraft** - All types of heavier or lighter than air contrivances including guided missiles, projectiles, rockets and space vehicles.
- Aircraft Major Assembly** - The first principal division of an aircraft such as the forward fuselage, center fuselage, aft fuselage, inner and outer wing, empennage, nose, and in spacecraft such items as radar and rendezvous section, reaction control system section, crew compartment, adapter section and preliminary lit of heat shield.
- Aircraft Sub Assembly** - Assembled details up to and including the components of a major assembly, but excluding a major assembly.
- 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 Assigned or When Assigned** - Indicates the preceding statement may or may not be a requirement of everyone in the classification depending upon the area of assignment.
- 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 performance of work operations if and when such are necessary, as long as they are within the classification.   |
| Assembly              | - A unit containing a group of assembled details and parts.   |
| Contour               | - Means a curved surface having radii of different length all of which lie in parallel planes or the same plane, such planes being perpendicular to the curved surface or a curved line having radii of different lengths all of which are in the same plane.   |
| Contour, Compound     | - Means a curved surface having radii of different length which lie in non-parallel planes.   |
| Detail (Noun)         | - A single part.  |
| Drawing               | - A graphic reproduction showing detail information to be used in producing of parts or the assembly of parts or sub assemblies. The use of drawings by the employee shall be such that he can secure from the drawing such information necessary to enable him to perform the duties for his classification. Drawings may be referred to by names such as blueprints, blueprints, greenlines, blacklines, redlines or vinylites. |
| Electronic Components | - Such things as vacuum tubes, transistors, tunnel diodes and similar or equivalent devices and such things as resistors, condensers, relay coils, transformers and similar or equivalent devices when used in electronic systems.  |
| Electric System       | - A combination of units, one or more of which contains vacuum tube or its equivalent.  |
| Electronic Unit       | - Any package of components used in an electronic system.   |
| Elements:             |   |
| A.                    | - <u>Duties</u> - Describes the typical operations performed by those of the classification.  |
| *B.                   | - <u>Education and/or Training Requirements</u> - Describes   |

the knowledge and skills required to perform the duties.

- \*C. - Experience Required - Describes the time usually required for an employee to be able to perform the duties.
- \*D. - Occupation or Operation Requirements - Describes the independent action, exercise of judgment, the making of decisions, responsibility, or the amount of planning which the job requires.

\* Elements B, C, and D are elements usually required but are not necessarily a requisite to the performance of the duties described above.

- Fabricate - Forming, bending and cutting, normally to make a finished part ready for assembly.
- Fixture - Tooling designed to hold, align or coordinate work-pieces for the machining, fabrication, inspection, installation, testing, assembly, layout, or other operations.
- Layout - Means the making of points and lines which will determine location and/or dimensions.
- Machine Tool - Non-portable power driven machine used to accomplish operations such as milling, planing, turning, grinding and boring.
- Mathematics, Shop - Is that form of mathematics normally used by shop workman in the performance of the duties of his classification.
- Setup - Includes the various necessary physical work operations or steps (other than layout) which must be accomplished before actual fabrication or assembly can proceed. Setup of machines or equipment might include some operations as selecting and positioning proper tooling, positioning and making material secure, and setting speeds, feeds, stroke, travel, pressure, flow, etc.
- Shop Practice - Means the generally accepted method of performing a basic, common, or usual operation. It covers the knowledge which is common to the occupation itself. Besides knowledge and ability to use required tools and equipment, it includes knowledge of general safety

practices, good housekeeping, and care of equipment.

- |                |  |
|----------------|--|
| Specifications | - Established procedures and/or standards for work accomplishment.   |
| Such As        | - Means including but not limited to the items given which are typical examples.   |
| Tools, Hand    | - Includes those portable tools requiring hand power used <i>by the workman in the performance of duties and tasks</i> of the classification in which he works.    |
| Tools, Power   | - Portable and non-portable tools powered by utility, normally used by the workman in the performance of duties and tasks of the classification in which he works. |

## Supplemental Understanding #10

27 April 1990

Mr. Cassell Williams  
President-Directing Business Representative  
Aerospace District Lodge No. 837  
International Association of Machinists &  
Aerospace Workers, AFL-CIO  
212 Utz Lane  
Hazelwood, Missouri 63042

Dear Mr. Williams:

During the recent contract negotiations, you expressed the desire that your Union become more actively involved in the Affirmative Action Program established to further the employment opportunities of employee-members of minority groups. You mentioned specifically that you wanted the Union to participate actively in the investigating and resolving of complaints of discrimination raised by minority employees within the bargaining unit you represent, particularly where no contract violation is alleged and recourse through the grievance procedure is not appropriate. The Company wholeheartedly accepts your offer to help in this critical area of employee relations.

As you know, the Company has established at St. Louis an Equal Opportunity Department under the guidance of the Manager-Equal Opportunity Programs, MDA-St. Louis, whose duties include the investigation and resolution of complaints of discrimination. To date, this department has pursued such complaints without regard to Union representation. Beginning 1 June 1972, a new procedure will be instituted for the investigation and resolution of discrimination complaints. The Union will designate one of its Business Representatives as a specialist to assist minority employees in the pursuit of their complaints. Any complaints or reports of discriminatory treatment, which are lodged with the Union, will be brought to the attention of the Manager-Equal Opportunity Programs, MDA-St. Louis, by this Business Representative as well as by the affected employee if the employee so chooses. The Business Representative and the Manager-Equal Opportunity Programs, MDA-St. Louis, will cooperatively investigate such complaints and exercise

1 their best efforts to effect a satisfactory resolution. It is understood, of  
2 course, that where any affected employee is not satisfied with such  
3 resolution, he may seek further recourse through any appropriate  
4 governmental agency.

5 Bulletin board notices announcing this new procedure will be  
6 posted simultaneously by the Union and the Company for 30-day  
7 period beginning 1 June 1972.

8 It is our hope that this new approach to this vital aspect of  
9 employee relations will help all employees realize our mutual  
10 objective of equal opportunity and fair play.

11 Yours very truly,

12 **MCDONNELL DOUGLAS CORPORATION**

13 /s/ V. T. DeBlaze

14 Vincent T. DeBlaze  
15 Director-Human Resources  
16 McDonnell Aircraft Company

## Supplemental Understanding #11

8 May 1972

Mr. Cosimo "Gus" Troia  
President-Directing Business Representative  
Aerospace District Lodge No. 837  
International Association of Machinists  
and Aerospace Workers, AFL-CIO  
212 Ulz Lane  
Hazelwood, Missouri 63042

Dear Mr. Troia:

This is to confirm the understanding reached during the recent contract negotiations regarding coverage under our Group Insurance Plan for persons who leave the employ of the Company for full time positions with District 837.

We agreed that, effective the first Monday of the month following ratification of the Company's 8 May 1972 offer:

1. Life Insurance, Accidental Death & Dismemberment, Transition and Bridge benefits will be provided at Company expense until the end of the first full month following termination of Company employment. Thereafter, the Union will compensate the Company for the cost of such benefits, until such time as the person leaves his full time position with District 837.
2. Weekly Disability benefits (Sickness & Accident) will be provided for the duration of his employment with District 837, with the Union to compensate the Company for the cost of such benefits.
3. Health Care and Dental Care benefits will be provided at Company expense for the duration of his employment with District 837.
4. The above benefits will be available only to persons who leave the employ of the Company for full time positions with District 837 as Directing Business Representative, Business Representative or Financial Secretary-Treasurer. No more than 11 persons will be eligible for such benefits at any given time.
5. The Company will advise the Union as to the dates and amounts of contributions required from the Union for the benefits described above.

Yours very truly,

**MCDONNELL AIRCRAFT COMPANY**

/s/ N. Molinarro

N. Molinarro

Vice President-Personnel

## **Supplemental Understanding #12**

As discussed during 2001 Negotiations, if adequate attrition does not occur in Production Control, Support, and Maintenance personnel with the eventual closing of Tract I, the Union and Company have agreed to meet to seek alternatives for said employees. Any employees affected by the closure of Tract I will be entitled to Supplemental Understanding No. 24. If employees are affected as a result of Point Of Use or other outsourcing, the employees would be covered under Supplemental Understanding No. 25. The Parties understand that the use of such provisions will not apply to employees who voluntarily quit, retire or are dismissed for cause and that those employees shall not be replaced.

## **Supplemental Understanding #13**

*It is the objective of both parties to this Agreement to maintain high standards of occupational health and safety and to assist in the recovery and return to work of employees from Medical Leaves of Absence (MLOA). With this in mind the Union and the Company agree to meet within sixty (60) days after the signing of the Articles of Agreement to develop a program addressing the return to work from MLOA of IAMAW represented employees who possess temporary Medical limitations.*



1                   **Supplemental Understanding #14**

2                   **AGREEMENT**

3           Effective 21 May 2001, the parties agree that the Aircraft and  
4   Missile Systems - St. Louis Drug/Alcohol-Free Workplace Program  
5   Memorandum of Understanding signed and agreed to on 14 May  
6   2001 will be considered a supplemental understanding to the Articles  
7   of Agreement.

## **Supplemental Understanding #15**

Where appropriate, the Company agrees to offer Health Maintenance Organizations (HMOs) to employees, retirees and their dependents as an alternative to the health care benefits provided by the Point of Service and Out of Network Area plans. For purposes of this letter of understanding, the term "HMO" also includes prepaid dental plans.

In order to be offered, or continue to be offered, an HMO must be mutually acceptable to the Company and the Union. In general, the Company's basis for agreeing to offer, or continue offering HMO plans will be contingent on a review of factors such as network adequacy, size of Boeing population to be served, accreditation status by appropriate organizations, commitment to quality, and cost.

## **Supplemental Understanding #16**

### **AGREEMENT**

Effective 17 May 1993, the parties have agreed to the following:

1. The following job classifications will be merged into a new job classification titled Maintenance Worker:

Furniture Mover

Laborer

Machine & Equipment Operator - Maintenance

Office Custodian

Oiler-Maintenance

Sweeper-Janitor

2. However, all employees on the active payroll in these classifications as of 16 May 1993 will retain their current job titles and rates of pay and will be allowed to advance to the maximum rate of pay of their respective classifications in accordance with Article IV, Section 3, of the Articles of Agreement.
3. All employees in the above six classifications may be assigned to perform any of the job duties of the six classifications as well as the Maintenance-Worker classification, during the regular workweek, on overtime and during layoffs. This is recognized as an exception to Article IV, Section 7A. (Maintenance crafts may perform oiling duties if it is incidental to their job assignment.)
4. Upon ratification of the 1993 contract, the seniority for employees in the above classifications will be merged into two separate seniority lists. One list will consist of all active payroll employees and the other list will consist of all employees currently on layoff. All employees on the active payroll will continue their employment status notwithstanding their seniority status as compared to the laid off inactive employees. Any future layoffs or recalls in the above classifications, including Maintenance Worker, will be based on the above mentioned merged seniority lists.
5. New hires, or employees in the above classifications on layoff status on 17 May 1993 who are recalled, will be placed in the Maintenance Worker classification within the rate of pay identified in Schedule "A". Any employee in the above classifications who is on the active payroll on 17 May 1993 and is subsequently laid off

and recalled during the term of this Agreement, will be recalled at the same base rate of pay he was paid when he was laid off.

6. Employees in the above classifications who are on inactive layoff status on 17 May 1993 will have their seniority recall rights extended for twelve (12) additional months beyond the period established in Article XI, Sections 4B, 4F, and 9. It is understood that any future laid off employees in the above classifications will not be dropped from the seniority recall list until all less senior employees, if any, have also been dropped from the seniority recall list.
7. The above job classifications, including Maintenance Worker, will be considered as one job classification for purposes of shift bump, vacation scheduling, leadman selection, overtime, layoff and recall.
8. Volunteers will be solicited from the above job classifications, including Maintenance Worker, for a Snow Removal Crew. The duties of this Crew will be to remove snow from the MDC-St. Louis complex. It is understood that Article XXV, Section 1, will not apply to any overtime snow removal work performed by this crew.

SIGNED THIS 10 DAY OF June 1993:

**MCDONNELL DOUGLAS  
CORPORATION**

**DISTRICT LODGE NO. 837  
INTERNATIONAL  
ASSOCIATION  
OF MACHINISTS AND  
AEROSPACE WORKERS,  
AFL-CIO**

/s/ Clayton D. Burt

/s/ Cassell Williams

Clayton D. Burt  
Director - Labor Relations

Cassell Williams  
President-Directing  
Business Representative

## Supplemental Understanding #17

30 May 2001

Mr. Richard O. Smith  
President-Directing Business Representative  
Aerospace District Lodge No. 837  
International Association of Machinists  
and Aerospace Workers, AFL-CIO  
212 Utz Lane  
Hazelwood, Missouri 63042

Subject: VOLUNTARY POLITICAL CONTRIBUTIONS

Dear Mr. Smith:

It is agreed that the following understandings have been reached in connection with the Union's request that the Company make deductions for Voluntary Political Contributions from the paychecks of Company employees represented by the Union. It is also understood that the following is a continuation of Agreement that was put into effect in October 1983.

1. The Union will furnish Payroll an authorization card for each employee for whom a deduction is to be made. The card will be signed by each employee containing the following information:  
Name, Address, Employee Number, Social Security Number, Signature, Date, Amount to be deducted each week. However, upon implementation of BPS Payroll the amount will be deducted from the first paycheck in the month. Cards that cannot be processed will be returned to the Union for correction.
2. In the event a deduction cannot be made in any pay period of any month for whatever reason (no earnings, for example), such deduction will not be carried forward to any succeeding pay period.
3. The Company will issue a single check payable to the District #837 IAMAW - P.A.C. and M.N.P.L. for deductions made in the preceding month. The IAMAW represents that District #837 IAMAW - P.A.C. and M.N.P.L. is an organization which is in full compliance with the Federal Election Campaign Act. Overpayment to the Union resulting from canceled employee authorizations will be recovered in a subsequent period.
4. The Company will forward to the Union on a monthly basis a computer-generated listing and tape indicating the employee's name, employee's number, and amount deducted for those employees who are participants of the program.

5. The Union will pay the Company for all actual costs including, but not limited to, initial setup and programming costs, all general administration costs, computer and machine time, and all costs associated with the processing of new authorizations, changes, or cancellations. The Union and the Company must agree on these costs prior to the implementation of this program. A separate billing will be made for initial setup, programming, and implementation charges.
6. The amounts set forth in the above paragraph may be increased or decreased by the Company from time to time as experience dictates, upon notice to the Union.
7. Employees who wish to cancel their authorization for payroll deductions will sign a card supplied by the Union for that purpose. Refunds will be the responsibility of the Union.
8. An authorization card will be considered cancelled at time of employment termination for any reason (e.g., quit, layoff, etc.) or when an employee transfers to a job not covered by the Labor Agreement. An employee rehired or reinstated will be required to sign a new authorization card.
9. The Union will indemnify and hold harmless the Corporation from any and all liability or claims arising from administrative error resulting from the deduction provided for in this agreement.
10. Upon receipt by the Company of a signed voluntary authorization by an employee on a form approved by the Company, requesting that there be deductions made from his wages, in a weekly amount designated by the employee, such deductions will be forwarded to the Union for use by the Guide Dogs of America Committee. The Company will thereafter make such deductions and forward them monthly to the Guide Dogs of America Committee, care of the Union. Such authorization will remain in effect for the duration of this agreement unless earlier cancelled in writing by the employee.

Yours very truly,

**THE BOEING COMPANY**

/s/ D. J. Heath

David J. Heath

Director - Labor & Employee Relations

The Boeing Company

## **Supplemental Understanding #18**

The Company will convert from the current Warehousing and Inventory Staging Process to a Direct Point of Use Supplier Delivery method, which includes acquisition, delivery, receiving and dispersing of parts, materials, tools and kits to a staging area/receiving station. This process will be implemented on the F-18E/F Program during the first year of the contract; the C17 Program during the second year of the contract; and on the new Ramp area during the third year of the contract. Employees in the Support Labor Grade will be responsible for dispersing the parts, materials, tools and kits to the Point of Use.

## **Supplemental Understanding #19**

### **TRAVEL**

The Parties agree that the Company will continue to use qualified IAMAW District 837 members to perform work applicable to AS&T and other work which may require travel time away from their normal base of operation. In the event that all such qualified employees refuse travel assignments the Company may use other qualified personnel to fill a specific assignment.



## Supplemental Understanding #20

17 June 1993

Mr. Cassell Williams  
President-Directing Business Representative  
Aerospace District Lodge No. 837  
International Association of Machinists  
and Aerospace Workers, AFL-CIO  
212 Utz Lane  
Hazelwood, Missouri 63042

Dear Mr. Williams:

This will reconfirm our recent discussion about the newly bargained job classification of Mechanic-Electro-Optic when you posed two (2) questions:

First, what would happen in the event that one of your members is reclassified (i.e., promoted according to Article IV, Section 7) to the new classification of Mechanic-Electro-Optic and several months later it is learned that we are not able to secure the required Security clearance?

Second, what will happen to the incumbents should this new job classification become extinct-not needed-during the term of this Agreement?

In either event, this is to acknowledge our understanding that such employee(s) "will be returned to his previous work" (see Article IV, Section 7, last sentence).

Very truly yours,

**MCDONNELL DOUGLAS AEROSPACE**

/s/ Clayton D. Burt

Clayton D. Burt  
Director-Labor Relations

## **Supplemental Understanding #21**

During the 2001 Negotiations, the parties agreed that the following agreements and MOU's will remain in full force and effect during the term of this contract period.

1. Patuxent River 9/80 Work Schedule agreed to in 2000.
2. ACLC Instructor Agreement dated 15 April 1997.
3. All LOA Agreements for HPWO Facilitators and Technical Trainers/Instructors.
4. Labor Relations Bulletin No. 42 dated 18 September 1996.
5. Phantom Works Memorandum of Agreement

## **Supplemental Understanding #22**

### **Performance Sharing Plan**

The Parties agree to establish a Performance Sharing Plan that would provide a mechanism through which bargaining unit employees can materially benefit from improvements such as product quality, efficiencies, etc. in production process. The parties agree that the Performance Sharing Plan shall be established through a consensus of both parties within 60 days of ratification of this Agreement.

1                   **Supplemental Understanding #23**

2                   **MEMORANDUM OF AGREEMENT**  
3                   **FOR**  
4                   **HIGH PERFORMANCE WORK**  
5                   **ORGANIZATIONS**  
6                   **BETWEEN THE BOEING COMPANY AND**  
7                   **INTERNATIONAL ASSOCIATION OF**  
8                   **MACHINISTS**  
9                   **AND**  
10                  **AEROSPACE WORKERS, DISTRICT LODGE**  
11                  **NO. 837**

12                   **Mission Statement**

13                  The Boeing Company – St. Louis and the International Association  
14                  of Machinists and Aerospace Workers (IAMAW) District 837  
15                  recognize that in order for the Company to succeed in the future it  
16                  must optimize utilization of all resources to provide a competitive  
17                  advantage with affordable, quality products. MDA and IAMAW agree  
18                  that success which includes the preservation of jobs to the greatest  
19                  extent possible, requires management and union working together,  
20                  and will therefore embark on a plan to develop a High Performance  
21                  Work Organization (HPWO).

22                  The plan for the HPWO will begin with the formation of an agreed  
23                  upon number of pilot teams to assess the potential of broader HPWO  
24                  implementation through the term of the existing Collective Bargaining  
25                  Agreement.

## Implementation

- Management and Union will form a Joint Steering Team responsible for developing team expectations and the attendant support plans for team member/leader selection, initial training, multi-skilled classifications/classification skill crossover, operator verification and non-standard work schedules.
- The parties agree that HPWO team members can cross-over classifications to get the jobs done performed by various members of their specific HPWO team.
- Joint Steering Team's purpose is to provide leadership to help teams succeed.
- Actions affecting the Collective Bargaining Agreement recommended by or for individual teams can be implemented only after joint approval of Boeing and IAMAW.

## Teams

- Teams will manage their daily work activities.
- Teams will function by consensus/select team leader and coordinators (e.g., administration, schedule, training).
- Teams will define quality, schedule and performance characteristics based on their internal customer's (i.e., next assembly user) requirements/specifications consistent with the prime customer's contractual requirements.
- Teams will determine work schedules within their customer's required delivery schedules.
- Teams will develop key performance characteristics.
- Teams will determine support resources required; empowered to use established budget.
- Teams will determine skill and multi-skill training required.
- Teams will set planning and coordinating meeting times as part of their scheduled work activities.

## **Commitment to HPWO Teams**

- Team members displaced as a result of productivity improvements will be referred to Joint Steering Team for reassignment and/or other opportunities.
- Joint Steering Team will develop Employability Training Plan.
- Management will assure that all necessary information related to team performance (costs, schedules, rework, scrap, downtime, etc.) will be available to the team to enable productivity/performance improvements.
- Joint Steering Team will assign expert support (training, facilitators, business management, technical).
- The Company and Union agree that by the end of 1996 there will be 20-40% of CBU population involved and participating in HPWO teams; by the end of 1997, 50-70%; and by the end of 1998, 75-90% or above, if practicable.

## **Initial Training**

- "Team Orientation; "Facilitator Training; "Interpersonal Skills; "Customer/Business Focus; "Problem Solving;
- "Quality Concepts; "Work Team Theory

## **Team Performance Evaluation**

Major reviews will be conducted after six months by Joint Steering Team addressing:

Internal and Prime Customer Satisfaction

Metrics/Training/Feedback

- Cost, Schedule and Quality
- Other Customer Inputs

During the term of this agreement, the Parties agree to review all aspects of this memorandum of agreement and to meet and confer on any changes the Parties jointly agree to implement. Towards that end, the Union will make available a representative from the IAM's High Performance Work Organization (HPWO) Department who will provide educational assistance to the Parties.

## Joint Steering Team

Richard Smith

John Van Gels

William Brock

Gerard J. Olsen

Gordon King

Samuel P. Jenkins

Steve McDerman

Norma Clayton

Lonza Patrick

John Lockard

## **Supplemental Understanding #24**

### **MDA Employability Plan**

Productivity gains will lead to reduced product cost, and this, in turn, will lead to increased sales. Thus, the need for workers should remain constant or even grow. It is our desire to increase sales and expand our workforce because of these gains.

However, in the early stages of implementing High Performance Work Teams, it may become necessary to reduce the size of the workforce because the productivity gains have not yet led to increased sales. In addition, the mix of work may change, causing a reduction in need for some worker classifications and an increase to others.

In either circumstance, it is the intent of the Company to offer assistance to the displaced worker through this employability plan.

I. When productivity gains cause a reduction or shift in the types of workers required, the Company will provide up to one year of training at a maximum cost of \$5,000 to any displaced worker. This training will be skill-based in the areas where we are experiencing a shortage (depleted the pool of laid-off workers in that classification). The worker will be expected to satisfy all certification requirements of the new position. If a worker cannot qualify for the new work, he will be placed on layoff status until there is a need in his current classification.

II. If there are no jobs in the Company for which the displaced worker is qualified, the Company will assist the worker in his search for employment by:

1. maintaining a database of other job opportunities within the local area;
2. providing assistance in the job search process, which includes resume' preparation, letter writing support, etc.
3. providing up to one year of skills training in a field selected by the worker. This training is not to exceed \$5,000 per worker.

Displaced workers laid-off because of productivity gains must take advantage of the benefits offered in this plan within three (3) months of being laid off.



1       It is agreed and understood that this Supplemental Understanding  
2 is intended to apply to active employees on the payroll as of the date  
3 of contract ratification.

**Supplemental Understanding #25**  
**OFFSET AND SUBCONTRACTING**  
**ARRANGEMENTS**

The Company and Union agree that an increasingly productive workforce is critical to the continued success of the enterprise and that domestic and international sales represent opportunities for employment growth and stability. The parties also recognize that a variety of business factors, including the Company's ability to secure sales, may require offsets as part of such transactions. While agreeing that Company's ability to enter into offset arrangements is not diminished by this Agreement, the parties agree that the Company and the Union will meet periodically to discuss the status of offset arrangements.

Given these conditions, and in acknowledgment of Company and Union concerns regarding employment stability, the parties agree to meet periodically to discuss the impact of subcontracting on bargaining unit jobs, (except work that has been or will be transferred or assigned into St. Louis Production Operations by other MDC operating units.)

With respect to the subcontracting of work currently performed by bargaining unit employees, the parties recognize that from time to time such subcontracting may be necessary. To enable the Union to suggest competitive alternatives which might allow the retention of work within the bargaining unit, the Company will, at least seventy-five (75) days prior to signing any agreement to subcontract work currently being performed by bargaining unit employees, provide notice to the Union of its plans to subcontract work which would directly result in the displacement of bargaining unit positions. The Company will provide information related to the potential subcontracting other than information it considers to be confidential, proprietary or subject to nondisclosure provisions.

The parties recognize that some subcontracting decisions cannot be disclosed within the seventy-five (75) day period referred to above, due to confidentiality concerns. In such circumstances, the Company will provide the Union as much notice as practicable.

Following notice of specific plans to subcontract work currently performed by bargaining unit employees, the parties shall, upon the request of the Union, meet and discuss the impact on the bargaining

unit. The Company agrees to consider any proposal the Union might make which would result in a materially less costly way to retain such work in the bargaining unit. The Union must present any such proposals within 60 calendar days of receipt of the Company's plans. The parties will meet periodically to review the implementation of any such union proposals accepted by the Company. Should the Union's projected savings not be realized within any ninety (90) day review period during implementation, the Company will have the right to subcontract the work.

### **Employment Stability Income Continuation Plan**

In the event the Company subcontracts work resulting in the displacement of active bargaining unit members, affected eligible employees shall be offered (and elect) a benefit under (a) the MDA Employability Plan or (b) the Income Continuation Plan discussed above. The Employability Plan and the Income Continuation Plan shall exist only during the term of this Agreement. Employees on Company's active payroll who elect the Income Continuation benefit discussed above shall receive severance payments equal to one week's pay (which shall be defined as Base Rate plus COLA) for each year of Company service up to a maximum of 26 weeks, with medical benefits for an equal amount of time. Income Continuation payments will be made weekly and not in a lump-sum. Employees who receive Income Continuation for a number of weeks less than their number of service years and who return to employment with MDA, may, if subsequently displaced due to a subcontracting event during the life of this Agreement, draw Income Continuation against the fund of remaining weeks based on their service formula. Acceptance of the Income Continuation Plan shall have no adverse effect on an employee's recall or seniority rights.

It is agreed and understood that this provision is intended to apply to active employees on the payroll as the date of contract ratification.

The parties will meet within sixty days of contract ratification of this Agreement to develop an approach to costing out alternatives. This will include: information needed to perform make/buy analyses; access to value stream mapping tools; and, agreement on activity based costing methods.

## **Supplemental Understanding #26**

### **NEW CLASSIFICATION: HOUSEKEEPER**

**JOB DUTIES:** Combination of the 1990 Office Custodian and Sweeper Janitor job descriptions.

- The single rate of pay for the new classification will be \$8.00 per hour. Employees in this classification will be eligible for any negotiated GWIs, LSWPs, and future COLA increases.
- Laid off employees in the Maintenance Worker job classification will be given the opportunity to be TILLOED into any available openings in the Housekeeper job classification.
- The TILLO will be offered to the laid off Maintenance Worker only one time. In other words, if he/she rejects the TILLO the Company will not be required to offer it again if more openings occur at a later date.
- Laid off employees in the Maintenance Worker job classification who elect to accept a TILLO to the Housekeeper job will retain their recall rights to the Maintenance Worker job classification.

## Supplemental Understanding #27

### HEALTH CARE COMMITTEE

The Company and the Union are committed to ensuring that employees have access to cost effective, quality health care coverage. Because of their ongoing concern about the quality of health care and costs, the parties agree to a Joint Committee on Health Care Costs and Quality. The Committee will have an equal number of representatives, including a co-chair, from each party. When appropriate, health care experts and representatives from the Company's health plans will be invited to attend Committee meetings. Each party may have their benefits consultants and advisors attend Committee meetings. The Committee will meet at least twice each year to discuss issues related to the health care program. The Committee also will meet with health care providers to express the parties' interest in obtaining quality health care at affordable prices. Among the topics that the parties will consider and discuss are:

- Costs under the HMO, POS and indemnity plans available to IAM members.
- Overall plan design, including availability of adequate health care plans in remote locations. In areas where high quality managed care is not available, covered employees will enjoy the benefits provided under in-network coverage with the health care provider of their choice.
- Cost management programs to address specific cost areas, including:
  - Disease management of selected high-cost chronic diseases.
  - Targeted health risk assessment.
  - Catastrophic case management.
- Measurement tools for evaluating health plans, including accreditation from a nationally recognized group such as the National Committee for Quality Assurance (NCQA) or the Foundation for Accountability (FACCT). The Parties agree that no change in managed care providers or benefit levels will occur without review and approval by the Committee.

- Benchmark data from other employers.
- Provider performance reporting (Quality Scorecards) of standardized quality measures drawn from NCCA, Joint Commission on Accreditation of Healthcare Organizations (JCAHO) and Peer Review Organizations (PRO).
- Opportunities to work with other employers, unions or other parties interested in obtaining quality health care at affordable prices.
- The Company and the Union also will undertake initiatives to expand health care plan accountability for quality. Among these initiatives will be joint efforts in pursuit of provider programs focused on specific high-yield quality innovations shown to substantially improve patient safety:
  - **Computerized physician order entry.** Physicians will be required to enter prescriptions into a hospital database to screen for inappropriate medications and dosages and avoid potential adverse drug reactions/interactions.
  - **Evidence-based hospital referral.** Physicians will be required, where practical, to guide patients to facilities with superior outcomes (linked to significantly lower patient mortality).
  - **Closed ICU physician staffing.** Where available, only ICU physicians will provide medical care in these units, using their particular expertise in critical care.

The Company and the Union are committed through these and other initiatives to improve quality and maintain reasonable costs, and they will recognize and endorse contracting decisions with physicians, hospitals and health plans based on compliance with these joint initiatives.

## Supplemental Understanding #28

### MEMORANDUM OF AGREEMENT ON THE LABOR GRADE

During the 2001 negotiations, the Parties agreed to a new Labor Grade classification model. The model features nine Labor Grades wherein each Labor Grade contains one or more classification. An employee's classification will be maintained for purposes of layoff/recall, overtime distribution, vacation scheduling and shift bumps. An employee will be allowed to progress through automatic wage progression to the top of the rate range agreed to for the Labor Grade in which his classification resides. An employee within a Labor Grade, notwithstanding his classification, may perform work of any classification contained therein and the company will provide training if necessary to perform the duties of those other classifications. Higher rated Labor Grades may additionally perform work falling within a lower rated Labor Grade. All employees will be expected to perform general duties such as moving parts, clean-up, on-the-job training and cross training, and perform general shop duties as assigned. This flexibility may be utilized during an employee's normal workweek as well as on overtime and shall not be diminished due to layoff in any classification.

Manufacturing Self Examination/Operator Verification (MSE/OV) will be implemented plant wide. An operator that is unable to pass the required certifications to be MSE/OV certified will be given a second chance to do so. Any employee failing the second chance will be required to meet with a special review board, which will review the employee's circumstances. The special review board will determine the next appropriate action.

Overtime will be assigned in accordance with Article XXV and distributed as equally as possible by classification, department and shift. Where the majority of the work (more than half of the overtime worked) to be performed, during an overtime period, can be identified as belonging to a particular classification, then that classification would perform the work.

The parties recognize that some on-the-job-training and/or specific training may be required in order to utilize the flexibility inherent in this new Labor Grade Model. All such training decisions deemed

1 necessary will reside with management. An employee that is unable  
2 to pass cross-training necessary to effectively utilize them within a  
3 Labor Grade will be given a second chance to do so. Any employee  
4 failing the second chance will be required to meet with a special  
5 review board, which will review the employee's circumstances. The  
6 special review board will determine the next appropriate action.



## Supplemental Understanding #29

### AGREEMENT BETWEEN THE IAMAW AND THE BOEING COMPANY

#### SUBJECT: MACHINIST CUSTOM CHOICES WORKSITE BENEFITS PROGRAM

This agreement acknowledges that The Boeing Company has agreed to allow the *International Association of Machinists and Aerospace Workers* to offer the *Machinists Custom Choices Worksite Benefits program of supplemental life insurance and long term disability insurance* to its members in the bargaining unit through their designated agent, *Employee Benefit Systems, Inc. (EBS)*.

Furthermore, the Parties agree that if any other product from EBS is added as a benefit for other IAM-represented employees of Boeing, then they will meet and confer on adding those products for employees covered by this Agreement. It is understood that all policyholder service will be provided by the underwriter and EBS and that members will be given an opportunity annually to spend up to fifteen minutes with an EBS Counselor at the worksite during normal working hours. This service will begin as soon as practicable. It is understood that the Company is not the plan sponsor and is not responsible for plan administration, enrollment, or communication.

It is further agreed as a condition of offering this payroll deduction service that EBS will comply with Company Payroll administration and procedures that will include the following basic requirements:

Each participating employee will complete a Deduction Authorization card that contains the employee's name, social security number, deduction name(s) or type(s), employee signature, and date.

Information affecting account activity, including, but not limited to enrollment, policy cancellations, deduction changes, premium rate changes, and other changes affecting the employee deduction amount, must be received by Boeing Payroll by the 20<sup>th</sup> of the month preceeding the month in which the deduction will be effective.

1 Any deduction amount not collected due to lack of earnings will  
2 be the responsibility of EBS. Boeing payroll will not collect  
3 amounts in arrears or provide an account reconciliation service.

4 Deductions will be made from the employee's first paycheck  
5 each month.

## **Supplemental Understanding #30**

### **AGREEMENT**

#### **Employment Security**

All employees covered by the IAM collective bargaining agreement on the active payroll as of May 20, 2001 at the St. Louis facility (including those on an authorized leave) will be provided employment during the duration of the contract unless they voluntarily quit, retire or are dismissed for cause. Such employment security is conditioned on the nonoccurrence of catastrophic changes in the operating environment of the Company, including natural disasters, cancellation of a major contract or contracts, work stoppages, offsets or reductions in present production quantities or reschedules.

The 2001 Baseline is approximately 3.5M production hours and will decrease to approximately 3.0M production hours to build the following products:

- F/A-18 E/F multi-year contract at 38 aircraft in FY00, 39 in FY01, and 48 thereafter
- C-17 program at 15 aircraft per year
- T45 program at 12 aircraft per year
- Missile programs at current production levels
- F-15 program at 5 aircraft per year

Prior to any layoff, the Vice President Production Operations will meet and confer with the President/Directing Business Representative of the Union to discuss the implications of the catastrophic event.

## **Supplemental Understanding #31**

### **A Special Retirement Proposal**

In an effort to reach agreement with the International Association of Machinists and Aerospace Workers District Lodge 837, Boeing is offering a one-time, lump-sum payment of \$3,000 to retirement-eligible employees who elect to retire in the near term.

To be eligible for this offer, IAMAW-represented employees must:

- be in the active bargaining unit on May 20, 2001
- meet the regular requirements for retirement by their retirement date. In general, this means that an employee must be at least age 55 and have 10 or more years of Credited Service or be at least age 50 and have 30 or more years of Aggregate Benefit Service as of the date of retirement.
- announce their intent to retire by June 30, 2001 on a company-prescribed form.
- agree to leave the workforce at a time to be determined at the company's discretion. This would be no earlier than August 31, 2001 and no later than November 30, 2001.

This offer extends to IAMAW-represented employees who retired under special retirement agreements extended in July 1999 and in July 2000.

## **Supplemental Understanding #32**

### **Safety Trainer Position**

03 May 2001

Mr. Richard D. Smith  
President Directing Business Representative  
District 837, I.A.M.A.W.  
212 Utz Lane  
Hazelwood, MO 63042

Dear Rick:

This confirms our understanding regarding the Military Aircraft and Missile Systems Division's intent to create a Union Safety Trainer position at the St. Louis site. The individual will be jointly selected by the Union and the Company for the Safety Trainer position and given the following compensation, status, and duties:

- a. He/she will retain his/her current job classification title and seniority.
- b. The employee will be paid at the maximum of the Tool and Die Maker classification rate while serving as a Safety Trainer and will continue to receive automatic wage progression increases as provided in the Articles of Agreement.
- c. The employee will remain on the overtime list of their "home" department and "loaned" to the Safety Department.
- d. If the Safety Trainer is a safety committee member, he/she will resign their safety committee membership.
- e. Placement under this agreement will begin within a month of ratification and continue for the term of the agreement.
- f. The scope of the Union Safety Trainer position shall be consistent with actions performed by the Union Safety Trainer between April 1997 and May 1998.

1 g. The Union and the Company will meet within sixty (60) days  
2 of ratification and discuss other duties, which the Safety  
3 Trainer may conduct.

4 Please sign below indicating concurrence.

5 Sincerely,

6 THE BOEING COMPANY

I.A.M.A.W. District 837

7 \_\_\_\_\_  
8 David J. Heath  
9 Director Union and Employee Relations  
10

\_\_\_\_\_  
Richard D. Smith  
President Directing  
Business Rep.

**SCHEDULE A**  
**LABOR GRADE MODEL**  
 Effective 21 May 2001

LABOR GRADE	CLASSIFICATION	FROM	TO	Beginners Learners or Helpers
<b>TOOLING</b>			<b>25.85</b>	
	Inspector - Metrology	12.72		
	Inspector - Tool & Die	12.72		5.15
	Tool & Die Maker	11.38		5.15
	Machinist - All Around	18.05		
	Builder Mock Up & Tooling	12.38		5.15
	Machinist - General	11.38		5.15
	Welder - Tooling	12.05		
	Heat Treater - Tool Room	12.05		
<b>FLIGHT</b>			<b>24.82</b>	
	Inspector - Aircraft	12.72		
	Mechanic - Electrical & Electronics	12.72		
	Mechanic - Flight	12.72		
	Mechanic - Electro-Optic	11.48		
<b>MAINT A</b>			<b>24.41</b>	
	Mechanic - Machine Repair	12.38		
	Maintenance Mechanic - All Around	10.38		
	Pipefitter - Maintenance	12.05		
	Mechanic - Automotive	11.71		
	Painter - Maintenance	9.63		
<b>ASSEMBLY</b>			<b>24.30</b>	
	Inspector - Assembly	8.72		
	Subassembler - Precision	10.38		5.15
	Mechanic - Aircraft Production	9.28		5.15
	Mechanic - Electrical & Radio	8.00		5.15
	Sheet Metal Assembler & Riveter	9.28		5.15
<b>PROCESS</b>			<b>24.15</b>	
	Welder - Production	10.38		
	Sheet Metal Fabricator	8.28		5.15
	Painter - Sign	9.63		
	Mechanic - Tube & Cable	9.28		5.15
	Painter - Spray	8.08		5.15
	Plater Precision	8.98		5.15
	Operator - Chemical Processor	8.62		
	Operator - Heatplate Processing	8.62		
	Machine & Hand Sewer	7.18		
<b>SUPPORT</b>			<b>23.38</b>	
	Production Material Coordinator	8.63		
	Crafter & Pecker	8.62		
	Material Handler - Specialist	7.95		

LABOR GRADE	CLASSIFICATION	FROM	TO	Beginners Learners or Helpers
UTILITY			20.32	
	Worker - Utility	8.85		
MUNITIONS			18.82	
	Mechanic - Munitions			
MAINT B			14.13	
	Garage Attendant	8.00		
	Maintenance Worker *	8.00		
	Housekeeper	8.36		
	Grinder - Precision Tool & Cutter	12.39	24.32	5.15
	Heat Treater - Dual	8.62	22.35	
	* Maintenance Worker			
	Furniture Mover	8.85	12.34	
	Laborer	6.85	19.36	
	Machine & Equipment Operator	7.19	18.96	
	Mechanic-Office Equipment	12.05	23.94	
	Office Custodian	4.79	15.04	
	Over-Maintenance	7.19	19.89	
	Sweeper-Janitor	6.52	18.55	
	Operator - Hydraulic Press & Hammer	8.96	23.81	5.15
	Parts Finisher - Machine Shop	7.19	20.83	
	Sand Blaster	7.95	21.45	
	Template Maker	7.95	21.31	5.15
Rates Effective 21 May 2001 Field Grade Classifications				
Classification		To	From	
BUILDER - Mock up & Tooling - Field Grade		26.10	19.23	
INSPECTOR - Aircraft - Field Grade		25.37	13.27	
MECHANIC -				
Aircraft Production - Field Grade		24.85	18.30	
Electrical & Electronics - Field Grade		25.37	13.27	
Electrical & Radio - Field Grade		24.85	18.30	
Flight - Field Grade		25.37	13.27	
SHEET METAL ASSEMBLER & RIVETER - Field Grade		24.85	18.30	



**SCHEDULE A  
LABOR GRADE MODEL  
Effective 17 May 2002**

<b>LABOR GRADE</b>	<b>CLASSIFICATION</b>	<b>FROM</b>	<b>TO</b>	<b>Beginners Learners or Helpers</b>
<b>TOOLING</b>			<b>26.56</b>	
	Inspector - Metrology	12.72		
	Inspector - Tool & Die	12.72		5.15
	Tool & Die Maker	11.38		5.16
	Machinist - All Around	15.05		
	Builder Mock Up & Tooling	12.39		5.15
	Machinist - General	11.38		5.15
	Welder - Tooling	12.05		
	Heat Treater - Tool Room	12.05		
<b>FLIGHT</b>			<b>25.82</b>	
	Inspector - Aircraft	12.72		
	Mechanic - Electrical & Electronics	12.72		
	Mechanic - Flight	12.72		
	Mechanic - Electro-Optic	11.48		
<b>MAINT A</b>			<b>25.39</b>	
	Mechanic - Machine Repair	12.39		
	Maintenance Mechanic - All Around	10.38		
	Pipfitter - Maintenance	12.05		
	Mechanic - Automotive	11.71		
	Painter - Maintenance	9.83		
<b>ASSEMBLY</b>			<b>25.27</b>	
	Inspector - Assembly	8.72		
	Subassembler - Precision	10.38		5.15
	Mechanic - Aircraft Production	9.29		5.15
	Mechanic - Electrical & Radio	6.00		5.15
	Sheet Metal Assembler & Riveter	9.29		5.15
<b>PROCESS</b>			<b>25.12</b>	
	Welder - Production	10.38		
	Sheet Metal Fabricator	8.28		5.15
	Painter - Sign	9.83		
	Mechanic - Tube & Cable	9.29		5.15
	Painter - Spray	8.96		5.15
	Plater Precision	8.96		5.15
	Operator - Chemical Processor	8.62		
	Operator - Namaplate Processing	8.62		
	Machine & Hand Sewer	7.19		
<b>SUPPORT</b>			<b>24.32</b>	
	Production Material Coordinator	9.83		
	Crate & Packer	8.62		
	Material Handler - Specialist	7.95		

LABOR GRADE	CLASSIFICATION	FROM	TO	Beginners Learners or Helpers
UTILITY			21.13	
	Worker - Utility	8.85		
MUNITIONS			17.48	
	Mechanic - Munitions			
MAINT B			18.70	
	Garage Attendant	8.00		
	Maintenance Worker *	8.00		
	Housekeeper	8.36		
	Grinder - Precision Tool & Cutter	12.39	25.29	5.15
	Heat Treater - Dural	8.52	23.24	
	* Maintenance Worker			
	Furniture Mover	8.85	20.16	
	Laborer	8.85	20.14	
	Machine & Equipment Operator	7.19	20.76	
	Mechanic-Office Equipment	12.05	24.84	
	Office Custodian	4.79	16.68	
	Over-Maintenance	7.19	20.66	
	Sweeper-Janitor	8.52	18.30	
	Operator - Hydraulic Press & Hammer	8.96	24.77	5.15
	Parts Finisher - Machine Shop	7.19	21.66	
	Sand Blaster	7.95	22.91	
	Template Maker	7.95	22.16	5.15

**Rates Effective 17 May 2002  
Field Grade Classifications**

Classification	To	From
BUILDER - Mock up & Tooling - Field Grade	27.13	19.23
INSPECTOR - Aircraft - Field Grade	26.37	13.27
MECHANIC -		
Aircraft Production - Field Grade	25.82	16.30
Electrical & Electronics - Field Grade	26.37	13.27
Electrical & Radio - Field Grade	25.82	16.90
Flight - Field Grade	26.37	13.27
SHEET METAL ASSEMBLER & RIVETER - Field Grade	25.82	16.30

**SCHEDULE A  
LABOR GRADE MODEL  
Effective 16 May 2003**

<b>LABOR GRADE</b>	<b>CLASSIFICATION</b>	<b>FROM</b>	<b>TO</b>	<b>Beginners Learners or Helpers</b>
<b>TOOLING</b>			<b>27.64</b>	
	Inspector - Metrology	12.72		
	Inspector - Tool & Die	12.72		5.15
	Tool & Die Maker	11.38		6.16
	Machinist - All Around	15.05		
	Builder Mock Up & Tooling	12.39		5.15
	Machinist - General	11.38		5.15
	Welder - Tooling	12.05		
	Heat Treater - Tool Room	12.06		
<b>FLIGHT</b>			<b>25.65</b>	
	Inspector - Aircraft	12.72		
	Mechanic - Electrical & Electronics	12.72		
	Mechanic - Flight	12.72		
	Mechanic - Electro-Opac	11.49		
<b>MAINT A</b>			<b>26.40</b>	
	Mechanic - Machine Repair	12.39		
	Maintenance Mechanic - All Around	10.38		
	Pipelitter - Maintenance	12.05		
	Mechanic - Automotive	11.71		
	Painter - Maintenance	9.63		
<b>ASSEMBLY</b>			<b>26.28</b>	
	Inspector - Assembly	8.72		
	Subassembler - Precision	10.38		5.15
	Mechanic - Aircraft Production	8.29		5.15
	Mechanic - Electrical & Radio	8.00		6.16
	Sheet Metal Assembler & Riveter	9.29		5.15
<b>PROCESS</b>			<b>28.12</b>	
	Welder - Production	10.38		
	Sheet Metal Fabricator	8.28		5.15
	Painter - Sign	9.63		
	Mechanic - Tube & Cable	9.29		5.15
	Painter - Spray	8.96		5.15
	Plater Precision	8.96		5.16
	Operator - Chemical Processor	8.62		
	Operator - Nameplate Processing	8.62		
	Machine & Hand Sewer	7.19		
<b>SUPPORT</b>			<b>25.39</b>	
	Production Material Coordinator	9.63		
	Crafter & Packer	8.62		
	Material Handler - Specialist	7.95		

LABOR GRADE	CLASSIFICATION	FROM	TO	Beginners Learners or Helpers
UTILITY			21.58	
	Worker - Utility	6.85		
MUNITIONS			16.19	
	Mechanic - Munitions			
MAINT B			15.28	
	Garage Attendant	8.00		
	Maintenance Worker *	8.00		
	Housekeeper	8.36		
	Grinder - Precision Tool & Cutter	12.39	25.30	5.15
	Heat Treater - Dural	6.62	24.17	
	Maintenance Worker			
	Furniture Mover	6.85	20.97	
	Laborer	6.85	20.94	
	Machine & Equipment Operator	7.19	21.59	
	Mechanic-Office Equipment	12.05	25.93	
	Office Custodian	4.79	17.34	
	Oiler-Maintenance	7.19	21.51	
	Sweeper-Janitor	6.62	20.07	
	Operator - Hydraulic Press & Hammer	8.96	26.76	5.15
	Parts Finisher - Machine Shop	7.19	22.53	
	Sand Blaster	7.95	23.30	
	Template Maker	7.95	23.06	5.15
Rates Effective 16 May 2003 Field Grade Classifications				
Classification		To	From	
BUILDER - Mock up & Tooling - Field Grade		28.19	19.23	
INSPECTOR - Aircraft - Field Grade		27.40	13.27	
MECHANIC -				
Aircraft Production - Field Grade		26.83	18.30	
Electrical & Electronics - Field Grade		27.40	13.27	
Electrical & Radio - Field Grade		26.83	18.30	
Flight - Field Grade		27.40	13.27	
SHEET METAL ASSEMBLER & RIVETER - Field Grade		26.83	18.30	

# 2001

S	M	T	W	T	F	S
<b>JANUARY</b>						
	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			

S	M	T	W	T	F	S
<b>FEBRUARY</b>						
				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			

S	M	T	W	T	F	S
<b>MARCH</b>						
				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

S	M	T	W	T	F	S
<b>APRIL</b>						
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					

S	M	T	W	T	F	S
<b>MAY</b>						
		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		

S	M	T	W	T	F	S
<b>JUNE</b>						
				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

S	M	T	W	T	F	S
<b>JULY</b>						
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				

S	M	T	W	T	F	S
<b>AUGUST</b>						
			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	

S	M	T	W	T	F	S
<b>SEPTEMBER</b>						
						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						

S	M	T	W	T	F	S
<b>OCTOBER</b>						
	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			

S	M	T	W	T	F	S
<b>NOVEMBER</b>						
				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	

S	M	T	W	T	F	S
<b>DECEMBER</b>						
						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					

# 2002

S M T W T F S  
JANUARY

		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		

S M T W T F S  
FEBRUARY

					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		

S M T W T F S  
MARCH

					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						

S M T W T F S  
APRIL

	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				

S M T W T F S  
MAY

			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	

S M T W T F S  
JUNE

					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						

S M T W T F S  
JULY

	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			

S M T W T F S  
AUGUST

					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						

S M T W T F S  
SEPTEMBER

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					

S M T W T F S  
OCTOBER

		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		

S M T W T F S  
NOVEMBER

					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

S M T W T F S  
DECEMBER

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				

# 2003

S	M	T	W	T	F	S
JANUARY						
			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	

S	M	T	W	T	F	S
FEBRUARY						
						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	

S	M	T	W	T	F	S
MARCH						
						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					

S	M	T	W	T	F	S
APRIL						
		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			

S	M	T	W	T	F	S
MAY						
				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

S	M	T	W	T	F	S
JUNE						
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					

S	M	T	W	T	F	S
JULY						
		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		

S	M	T	W	T	F	S
AUGUST						
					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						

S	M	T	W	T	F	S
SEPTEMBER						
	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				

S	M	T	W	T	F	S
OCTOBER						
			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	

S	M	T	W	T	F	S
NOVEMBER						
						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						

S	M	T	W	T	F	S
DECEMBER						
	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			

# 2004

S	M	T	W	T	F	S
JANUARY						
				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

S	M	T	W	T	F	S
FEBRUARY						
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						

S	M	T	W	T	F	S
MARCH						
	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			

S	M	T	W	T	F	S
APRIL						
				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	

S	M	T	W	T	F	S
MAY						
						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					

S	M	T	W	T	F	S
JUNE						
		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			

S	M	T	W	T	F	S
JULY						
				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

S	M	T	W	T	F	S
AUGUST						
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				

S	M	T	W	T	F	S
SEPTEMBER						
			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		

S	M	T	W	T	F	S
OCTOBER						
					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						

S	M	T	W	T	F	S
NOVEMBER						
	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				

S	M	T	W	T	F	S
DECEMBER						
			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	