

AGREEMENT

BETWEEN

**L-3 COMMUNICATIONS,
LINK SIMULATION & TRAINING**

AND

LOCAL UNION 933

**INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS**

**F-16 CLS
TUCSON AIR NATIONAL GUARD (ANG)
TUCSON, ARIZONA**

April 1, 2009 through March 31, 2012

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PREAMBLE

The Parties have entered into this Agreement for the purpose of setting forth in writing the understandings they have reached with respect to wages, work hours, and working conditions of the employees covered hereby, as well as to the rights of the Company and the Union, and to provide a peaceful means for the settlement of any disputes which may arise with respect to the interpretation or application of their understandings and agreements as set forth herein.

For purposes of simplicity, the masculine gender is used throughout this agreement although it is understood that all references to gender include both sexes.

AGREEMENT

This Agreement made and entered into this March 11th, 2009 to be effective April 1, 2009 by and between L-3 Communications, Link Simulation & Training (hereinafter referred to as the Company) and the International Association of Machinists and Aerospace Workers and its Local 933 (hereinafter jointly and severally referred to as the Union).

This agreement shall remain in effect for three years until midnight on March 31, 2012 without reopening rights for any purpose by either party. This agreement shall automatically renew itself from year to year thereafter unless written notice of desire to terminate the Agreement is given by either party at least sixty (60) calendar days prior to March 31, 2012 or at least sixty (60) calendar days prior to any annual expiration date thereafter. If such written notice of desire to terminate is given, the parties may nevertheless mutually agree in writing to extend this Agreement for a specified length of time beyond the expiration.

ARTICLE 1 - RECOGNITION

Section 1. The Company hereby recognizes the Union as the sole and exclusive bargaining representative for all full time and regular part-time Simulator Technicians employed by the employer on the F-16 CLS Program at its facility located at Tucson Air National Guard (ANG), Tucson, AZ. This agreement excludes office clerical employees, guards, janitorial and temporary employees, managers, professional employees and supervisors as defined in the Act.

Section 2. If any of the specific provisions of this Agreement are rendered unlawful by changes in State or Federal law, the Company and the Union will meet and discuss any changes that may be necessary to conform to the terms of the contract with the requirements of the law. All other provisions not affected shall remain in full force and effect.

ARTICLE II - NON-DISCRIMINATION

This Agreement shall be applied fairly and shall not in any way be used to discriminate against employees on account of race, color, religious affiliation, sex, age, national origin, veteran or disability status.

The Company agrees not to interfere with the rights of its employees to become members of the Union, and there shall be no discrimination, interference, restraint, or coercion, by the Company or any of its agents against any employee because of Union membership or because of acting as an officer of or in any other bona fide activity on behalf of the Union.

ARTICLE III - MANAGEMENT RIGHTS

Section 1. Except as specifically limited by this Agreement, the management of the Company and the direction of the work force, including but not limited to the service performed, the location of the work force, the schedules and fair standards of employee performance, the methods, processes, and means of providing services, materials to be purchased, determine staffing levels, hiring, promoting, transferring, assigning and reclassifying, the establishment of reasonable rules of conduct, the discharge or discipline of employees for just cause, and the maintenance of efficiency of employees, are the sole and exclusive rights and responsibilities of the Company.

Section 2. The Union and employees shall be notified prior to the enforcement of new work rules or changes in existing work rules. The Union reserves the right to pursue through the Grievance and Arbitration procedures, as spelled out in this Agreement, rules which it believes to be unreasonable.

ARTICLE IV - UNION ACCESS TO OPERATIONS

Section 1. The Company agrees that the Grand Lodge Representative, Business Representative or acting Business Representative (hereinafter referred to as Union Representative) will be allowed to visit employees while they are on the job in the Company's operations for the sole purpose of investigating specific grievances or complaints related to the provisions of this Agreement or insuring the terms and conditions of the Agreement are being complied with. Prior approval must be obtained from the Site Manager or his designee and such visits shall not interfere with production of work being performed. The union representative shall notify the Site Manager or his designee when he is leaving the Company's operations.

Section 2. The Company, if it desires, may have a Company representative accompany the business representative while he is visiting its operations recognizing that the Union Representative is entitled to private conferences with any represented employee.

ARTICLE V - GRIEVANCE PROCEDURE

Section 1. "Grievances" shall mean, and be limited to disputes of differences between the Company and the Union, or employees so represented, with respect to the interpretation or application of any specific provision of this agreement. Both parties agree to use their best efforts, including informal meetings involving management, supervision, Shop Steward, and the grievant, to resolve matters without resorting to the grievance procedure except that any such meetings shall not extend the time limits set forth in this Article. In the event such informal methods do not resolve the grievance, all grievances shall be reduced to writing and processed in accordance with the following steps:

Section 2. All grievances beyond Step 1 involving employee claims shall be in writing on grievance forms and shall be signed by all employees claiming rights thereunder. In an effort to adjust employee grievances by mutual agreement, they shall be presented in the following order and within the following time limits;

Step 1: The employee(s), with or without their steward, shall promptly bring a grievance to their supervisor within five (5) working days following the event or discovery of the event giving rise to the grievance. In the event an employee is unavoidably absent due to illness or injury, or unavailable due to vacation or other approved reasons, the employee's shop steward may bring the grievance to the supervisor. If such grievance is not settled within five (5) working days then:

Step 2: Within fifteen (15) working days following the event or discovery of the event giving rise to the grievance a written grievance containing the article or section which is claimed to be violated and the remedy requested, must be signed by the employee and submitted by the Shop Steward and taken up with the Program Manager/Site Manager, or his designee. A meeting will be scheduled within five (5) subsequent working days. If no agreement has been reached within ten (10) working days, the Company will reply in writing. If the written reply is not satisfactory, it may be moved to Step 3.

Step 3: Within five (5) working days of the Step 2 reply, the grievance may be moved to Step 3 by written appeal to the Company Labor Relations Representative. The Company Labor Relations Representative or designee, and the Business Representative of the Union, shall meet within ten (10) working days after receipt of the grievance into a third step. A written reply from the Company Labor Relations Representative will be given to the Union within ten (10) working days after the meeting. If no agreement has been reached within ten (10) working days from the Step Three meeting, either party may submit the grievance or dispute to arbitration as covered in the "Arbitration Procedure" article.

Section 3. Any aggrieved employee and Union representative shall have the right to be present at any stage of the grievance procedure in which the grievance is being considered. No employee may leave the job, take up, or settle a grievance without requesting permission from the immediate supervisor. Such permission will be granted provided it does not retard or interfere with operations or create a hazardous condition. If permission cannot be granted, time limits will be waived until permission is granted. Witnesses called by either party may attend the grievance meeting at any step, subject to the same provisions outlined above.

Section 4. The Local Union or its authorized representative shall have the right to examine time sheets and other records pertaining to the computation of compensation of any individual or individuals whose pay is in dispute or other records pertaining to a specific grievance. Compensation will be paid for reasonable time spent discussing or investigating grievances during normal work schedules.

Section 5. It is understood that the time limits specified herein may be extended by mutual agreement of the parties hereto.

Section 6. Nothing in this article precludes the union from filing a grievance on behalf of an employee or employees in the event of unusual or unforeseen circumstances.

ARTICLE VI - ARBITRATION PROCEDURE

Section 1. The party choosing to arbitrate shall give written notice to the other party setting forth the matter to be arbitrated. If said notice is not served within the thirty (30) working day period specified in Step 3 of the "Adjustments of Grievance" section, it shall be deemed that the grievance has been satisfactorily adjusted and the right to arbitrate waived.

Section 2. In the event the Union or the Company submits a grievance to arbitration, a panel of seven (7) arbitrators will be requested from the Federal Mediation and Conciliation Service. The petitioner has the first right to strike a name; the other party shall then strike a name. This procedure shall continue alternately until one (1) name remains.

Section 3. The decision of the arbitrator shall be final and binding on all parties. However, the arbitrator shall not have jurisdiction or authority to add to, subtract from, modify or in any way change the provisions of this agreement. The expense and fees of the arbitrator will be borne equally by both parties.

ARTICLE VII - NO STRIKE/NO LOCKOUT

Section 1. The Union agrees that neither it nor any of the employees in the bargaining unit, covered by this Agreement will collectively or individually engage in or participate in any strike, slowdown or stoppage of work during the term of the Agreement and the Company agrees that during the term of this Agreement it will not lock out any of the employees covered by the Agreement.

Section 2. In the event of any violation of Section 1 of this Article, it shall be the duty and obligation of the Union, its officers, agents, or representatives (employee or non-employee) to immediately take all reasonable steps required to bring an end to such misconduct.

ARTICLE VIII - BULLETIN BOARDS

The Company agrees to provide one (1) bulletin board for the posting of legitimate Union notices pertinent to the Union at the facility. Only notices concerning Union meetings, Union elections, results of Union elections, etc., which a representative of the Union has authorized, will be posted. The Union agrees that all notices will be submitted to the Site Manager, or his designee, for review and approval prior to their posting.

ARTICLE IX - BARGAINING UNIT WORK

Company employees in job classification not covered by this Agreement shall not perform work normally performed by employees in the bargaining unit, except in cases of emergency, research work, audit, experimental, or work of a special mechanical nature, (e.g. installation of modifications, when necessary), special training of employees from other locations, or to instruct employees properly. The term "Emergency" is defined to mean an unforeseen combination of circumstances. This Article shall not be construed to prevent employees outside the bargaining unit from performing work normally within their regular duties as historically performed, so long as they do not cause a bargaining unit employee to be laid off or excluded from overtime if they are willing to work.

ARTICLE X - SENIORITY

Section 1. Probationary Period: Any employee who has been in the employment of the Company for ninety (90) consecutive calendar days shall be considered a Seniority Employee of the Company. During the probationary period the employee shall be subject to layoff, discipline, or discharge at the sole discretion of the Company, and such action shall not be subject to the grievance procedure. Except as specifically mentioned in this section, the employer is required to maintain all provisions of this agreement for probationary employees.

Section 2. Definitions:

- a) Seniority shall be established upon entrance into the F-16 CLS Program, Tucson, AZ bargaining unit.
- b) Seniority will not be broken for: (1) periods of approved absence with leave, (2) periods of layoff due to lack of work, (3) periods of absence due to injury or illness. Periods of absence set forth in (2) and (3) shall not exceed 12 months. In the case of occupational injuries, continuous employment will be for the length of the disability.
- c) Part time employees are not eligible for any contractual seniority rights as specified except within a group consisting of other part time employees.
- d) When two or more employees are hired on the same day, the last four digits of their Social Security number shall then be used for purposes of lay off, recall and promotion; i.e., if two employees have the same seniority date, the employee that has the lowest number shall be considered to be the most senior of the employees hired on the same day.

Section 3. Loss of Seniority: All seniority of any employee shall terminate if the employee:

- a. Voluntarily resigns.
- b. Is discharged for cause.
- c. Is on layoff status in excess of 12 months.
- d. Is barred by the customer's written order or whose security clearance has been revoked and is not legally reinstated within ninety (90) days.
- e. Refuses recall.

Section 4. Seniority List: A seniority list will be maintained by the Company and will be made available to the Union semi-annually. The Company will also furnish a list to the Union reflecting new-hires or rehires, their classification, their date of hire, and termination or layoff dates.

Section 5. Layoff: It is recognized that applying straight seniority in a layoff situation is not

practical in all situations and it may be necessary for the Company to deviate in order to retain or recall employees of exceptional qualifications or who may be considered essential because of the nature of the operations involved. It is understood that the Company shall not act arbitrarily, whimsically, capriciously or otherwise abuse the rights entailed in this paragraph.

The company shall notify affected employees and Union as soon as the facts are known to the Company of upcoming layoffs, but not less than two (2) weeks notice or two (2) weeks pay in lieu thereof.

Section 6. Recall: Employees will be recalled in reverse order of layoff. The Company will send recall notices, by certified mail, to employee's last official address. The employee has five (5) working days after receipt by employee of the notice to accept re-employment. If no laid off employees in a job classifications who are recalled accept reemployment, then laid off employees outside the classifications, who are qualified in the classification, will be recalled as stated above.

Section 7. Transfer Seniority: Employees who may be transferred onto the contract from another company location will have their seniority date established as the date of transfer. Such employees will have their service maintained for vacation eligibility and benefit determination purposes.

ARTICLE XI - BUSINESS TRAVEL

Management will select candidates for temporary assignments based on the qualifications required to perform the tasks. The most senior qualified employees will be asked to volunteer for the temporary assignments. If no volunteers are available, Management may require the least senior qualified employee to take the temporary assignment.

Employees who travel more than 25 miles from the work site to perform work for the Company will be furnished transportation designated by the Company. Air travel will be on the carrier designated by the Company. All air travel will be in accordance with Company Policy. Employees may be authorized to use their personal cars (POV) and will be reimbursed for travel as specified by the Joint Travel Regulations (JTR).

Employees traveling on days other than their regularly scheduled work days or on the same day after working their regularly scheduled workday will be paid for hours worked and any associated travel time. Associated travel time will conclude upon the employee reaching their destination hotel.

Travel expenses will be reimbursed in accordance with the Company operational procedure for Expense Reporting.

ARTICLE XII - FILLING OF VACANCIES

Section 1. If the Company determines to fill a new or existing job within the bargaining unit, the Company will post a notice of vacancy or job opening for a period of not less than five (5) working days. Subject to the provisions of Section 3, any employee may submit a bid for the job to the Company's Site Manager, in writing, during the posting period. The notice posted declaring that such vacancy or job opening is to be filled shall contain at least the following information:

- a. The date the notice is posted and the date and time the notice will be removed;
- b. The job to be filled and the classification;
- c. Job Specifications;
- d. Rate of Pay;
- e. Effective date the job is to be filled.

The Union's Steward will be furnished a copy of any bid upon request.

Section 2. The Company will award the job to the most senior qualified employee in the Program, as determined by management, with respect to:

- 1) related experience;
- 2) previous training; and
- 3) ability to perform the work.

If two or more employees bidding the job are essentially equal with respect to 1, 2, and 3, then the most senior employee will be awarded the job. The Company retains the discretion to utilize external sources to staff unit positions when qualified individuals do not respond to the job posting during the posting period or are found not to exist within the unit employees that responded to the job posting.

Section 3. Restrictions on Bidding. An employee who is awarded a job for which he bid must accept it providing the award is made within fifteen work days of the effective date that the job is scheduled to be filled as provided in Section 1e of this Article, otherwise the employee shall have the option of withdrawing his bid. If the employee's designated job classification was in the same labor grade as, or a higher paid labor grade than the posted job being awarded, the employee may not bid for another job for a period of twelve (12) months after being awarded the job, unless agreed upon by both parties.

Section 4. Disqualification of Bidder. An employee who is unable to perform the job to which he bid to the satisfaction of the Company within thirty (30) calendar days after being awarded the job shall be returned to the job classification and labor grade he held at the time of submitting the bid. The employee will be told the reasons for such disqualification.

ARTICLE XIII – HOURS OF WORK

Section 1. The purpose of this Article is to define the normal hours of work but nothing in this Agreement shall be construed as a guarantee of hours of work or pay for any period.

Section 2. The employee's regular assigned workweek may consist of:

- a) Five (5) consecutive eight and one half (8 1/2) hour days, which includes a thirty (30) minute unpaid meal period, normally beginning on Monday or no earlier than 10:00 PM Sunday. The unpaid meal period will be taken as work permits.
- b) Other schedule as agreed to by both parties.

Section 3. The employee's assigned workweek shall begin with the starting of the employee's first twenty-four hour period as defined in Section 2 and shall end 168 hours later.

Section 4. Determination of starting time and hours of work shall be made by the Company and such schedules may be changed with a minimum of one week notice or to support customer needs . The starting time of the various shifts will be as follows:

First Shift: Beginning at or after 4:00 a.m. but before 11:00 a.m.

Second Shift: Beginning at or after 11:00 a.m. but before 7:00 p.m.

Third Shift: Beginning at or after 7:00p.m. but before 4:00 a.m.

Section 5. If no regular work is available the Company will give the employees the option to do any available work or take time off, the employees affected shall have the option to perform the available work, use vacation or take time off without pay.

Section 6. An employee who is scheduled and reports for work at the scheduled time without having been notified not to so report, shall be given 4 hours work of any type which is available, or if no such work is available, he shall be given 4 hours pay at the applicable rate; provided, however, that if work is not available as a result of circumstances beyond the control of the management, the Company shall not be so obligated.

Section 7. An employee who is called and reports back for work after he has completed his regularly assigned shift and departed from the premises shall receive a minimum of 4 hours pay at the applicable rate.

Section 8. When an employee is not scheduled, and is called and reports for work, outside his scheduled workweek, he shall receive a minimum of 4 hours work or 4 hours pay at the applicable rate unless the employee opts to leave when the work is completed.

Section 9. If an employee is specifically notified and scheduled to start work 4 hours or less before the starting time of his regularly scheduled shift, within his assigned workweek as set forth in Section 4, he shall be given the opportunity to remain at work until the end of his regular shift.

ARTICLE XIV - OVERTIME

Section 1. When the Company determines that an employee must perform work on an overtime basis, the following shall apply:

- a) Overtime will be paid at the rate of one and one-half times the regular rate of pay for all authorized hours worked in excess of forty (40) hours in the employee's assigned workweek, for which overtime has not previously been paid, as described below, provided that, for the purpose of this Section, hours worked shall include hours paid for but not worked, to include paid holidays and vacation hours.

Section 2. There shall be no pyramiding of premium or overtime pay, and nothing in this Agreement shall be considered to require the payment of premium or overtime pay more than once for the same hours worked.

Section 3. Available overtime shall be rotated and equalized among the volunteers. If no volunteers are available to work the necessary overtime, it will become mandatory and assignment shall be made by reverse seniority order.

Section 4. Prior notice must be given by end of shift on Thursday for mandatory scheduled weekend work.

ARTICLE XV - SHIFT DIFFERENTIAL

Section 1. Each employee working on the second or third shift shall be paid in addition to his regular rate of pay \$0.60 per hour for each hour worked on such shift to a maximum of 40 hours per week.

Section 2. Employees temporarily transferred from their normal shifts will be compensated at the rate applicable to the shift actually worked.

ARTICLE XVI - LEAVE OF ABSENCE

Section 1. Personal Leave. The Company may approve a leave of absence without pay up to ninety (90) calendar days for personal reasons. The ninety (90) day limit may be extended by the mutual agreement of the parties. Such leave must be requested in writing and approved by the Program Manager through the employee's supervisor. Said request must also state the reason for the unpaid leave. Employees must request such leave at least five (5) calendar days prior to the date the leave would commence, except in cases of emergency.

Section 2. Benefit Date Adjustment. An employee whose leave(s) of absence exceed(s) ninety (90) regular working days in a benefit year or whose leave of absence continues from one benefit year to another shall have their benefit date adjusted to the number of work days he/she was absent in excess of the ninety (90) regular work days, except for leaves resulting from occupational illness, injury and leaves for Union activities.

Section 3. Failure to Return to Work from Leave of Absence. Failure to return from a leave of absence on the first scheduled workday following the expiration date of said leave, will result in termination of the employee, except in extenuating circumstances involving reasons acceptable to the Company.

Section 4. Short Term Military Annual Leave. Employees ordered to active duty for annual training with the National Guard or organized military reserve units, shall be granted a leave of absence not to exceed a maximum of ten (10) working days each fiscal year, provided the employee furnishes the Company a copy of their military orders at the time the leave is requested. Such leave of absence shall be referred to as military leave. Employees may request vacation pay while on an approved military leave. Employees will be paid the difference between their regular base pay and their military pay, provided a Leave and Earnings Statement is submitted.

Section 5. Military Service, Duty and Payment. Any employee of the Company who is inducted into the military service of the United States and who by reason of such service is entitled under law to be regarded as a veteran, shall, upon discharge and receipt of a certificate of the satisfactory completion of his military obligation, be accorded all rights of the Uniformed Services Employment and Reemployment Rights Act of 1994.

Section 6. The Company agrees to comply with the Federal Law regarding the Family Medical Leave Act and bargaining unit employees will comply with all appropriate procedures regarding the Act.

ARTICLE XVII - ASSIGNMENT OF SHOP STEWARDS

Section 1. It is hereby understood and agreed that the Union may assign one (1) Shop Stewards to represent Bargaining Unit employees and one (1) alternate Shop Steward. The alternate Shop Steward shall only act in the absence of the Shop Steward.

The Union shall notify the Company in writing on Union letterhead of the individuals so selected in this capacity.

Section 2. It is agreed that Stewards have full-time job duties to perform as employees and that they shall keep time spent in handling grievances to a minimum.

Section 3. Should a Steward be required to leave the job to handle a grievance, he shall first request the permission of his Supervisor, and shall report to his Supervisor upon returning to work. When a Steward makes the effort to comply herein, permission to leave the job to handle a grievance shall not be unreasonably withheld.

ARTICLE XVIII - CHECK OFF

During the existence of the Agreement, the Company, insofar as permitted by State and Federal law, shall deduct out of the current net earnings payable biweekly to an employee covered by the

Agreement, applicable service fees or Union dues, initiation fees and reinstatement fees, upon receipt of and in accordance with a deduction authorization, duly executed by the employee, on a card as agreed upon between the Company and the Union and shall continue deductions until such authorization is duly revoked by the employee.

ARTICLE XIX- SAFETY AND SECURITY

Section 1. Health, Safety and Security. The Company will continue to make reasonable provisions for the comfort, safety and health of employees. The Union shall have the right to confer with the Company regarding these matters. Meetings between the parties will be held as needed to address, discuss and mutually resolve Safety and Security issues. It is understood that circumstances may arise where customer requirements may result in some safety or security issues that are beyond the control of the employee. In the event an employee believes a task may result in a compromise of Security or Safety protocol, the employee must report this concern to the Site Manager as soon as circumstances permit.

Section 2. Requirement of Medical Examination. In the interest of continued safety of individuals and their fellow employees, any applicant for employment or any employee returning to work following a Medical Leave of Absence or extended medical leave or documented substantial inability to perform the majority of the employees assigned duties and responsibilities, may be required through Government regulations or by the Company to undergo a medical examination by a doctor of the Government's or the Company's selection. If the diagnosis or examination results furnished by the Company doctor are not satisfactory to the employee, he may obtain an opinion from his own doctor. If a disagreement still exists, an additional doctor, mutually agreed upon by the Company and the Union, will be acquired for his analysis. If the mutually agreed upon doctor's diagnosis agrees with the employee's doctor, the Company shall only pay for the services of the mutually agreed upon doctor. The cost incurred for services of all other non-Company physicians shall be the sole responsibility of the employee who gave rise to the dispute.

Section 3. Other Required Physical Examinations: Physicals required by the employer or the customer will be at no cost to the employees, during company time.

ARTICLE XX - SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors and assigns; but in the event the Company ceases to perform on the contract as identified in Article 1, the Company shall be released from all obligations on the project(s) so affected under this Agreement.

ARTICLE XXI - SUBSTANCE ABUSE POLICY

The Company and the Union are committed to providing employees with a drug-free and alcohol-free workplace. It is our goal to protect the health and safety of employees and to

promote a productive workplace, and protect the reputation of the Company, Union and employees.

Consistent with these goals, the Company prohibits the use, possession, distribution or sale of illegal drugs, drug paraphernalia or alcohol on Company premises. A program of testing, if necessary to comply with Federal or State regulations, will be instituted upon mutual consent of the Company and the Union.

Pre-employment drug testing is a condition of employment.

ARTICLE XXII – WAGES

Section 1. The wage rates listed below will be effective for the term of this Agreement and apply to all Bargaining Unit employees at the Company’s F-16 CLS Tucson ANG, Tucson, AZ facility. An employee’s regular rate of pay shall be defined as his straight time hourly rate. This straight time hourly rate will be increased annually as designated below.

Classification	Current	Oct 3, 2009	Oct 2, 2010	Oct 1, 2011
Technician III	\$27.06	\$27.87	\$28.71	\$29.57
Technician II	\$22.92	\$23.61	\$24.32	\$25.05
Technician I	\$18.46	\$19.01	\$19.58	\$20.17

ARTICLE XXIII - HOLIDAYS

Section 1. Each year the following ten (10) days are to be paid holidays:

New Year’s Day	Labor Day
Martin Luther King, Jr.’s Birthday	Columbus Day
President’s Day	Veteran’s Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

Section 2. Any holiday falling on a Saturday or Sunday will be celebrated on the day set by the Federal Government.

Section 3. If an employee is on an approved vacation in a week in which a Holiday falls, the day the Holiday falls on will be charged to Holiday rather than vacation.

Section 4. If an employee is required to work on any holiday, he will be paid eight (8) hours pay at their regular rate of pay for the holiday, plus the applicable rate for all hours worked on that day.

ARTICLE XXIV - VACATION

Section 1. Allowances. The vacation year for eligibility and service credit shall be from employee's Company benefit date to Company benefit date. Paid vacation will be awarded as follows:

- a. An employee with one (1) year of service, but less than five (5) years of service will be awarded 80 hours (2 weeks) of vacation annually.
- b. An employee with five (5) years of service, but less than fifteen (15) years of service, will be awarded 120 hours (3 weeks) of vacation annually.
- c. An employee with fifteen (15) or more years of service will be awarded 160 hours (4 weeks) of vacation annually.
- d. Employees may carry over a maximum of 40 hours from one benefit year to the next.

Section 2. Pay in-Lieu of Time-off. There will be no pay in-lieu of time-off for vacation. The intent of this provision is to cause each employee to use the vacation awarded for time-off. Terminating employees will be paid for all unused-awarded vacation.

Section 3. Scheduling. Vacation requests must be made in writing to their supervisor and no prior notification is necessary. However, the Company reserves the right to approve or deny vacation requests based on reasonable business operations. Vacation requests will be approved based on seniority. Vacation may be used in increments of no less than one (1) hour.

Section 4. Vacation will be paid at base rate of pay.

ARTICLE XXV - JURY DUTY

Employees summoned to serve on jury duty will be granted time off not to exceed the limits of the prevailing state law or up to 10 days of service, whichever is greater. The Company shall compensate the employee for each regular workday so spent, as specified by the governing statute regarding jury duty. If no compensation provision is specified by statute, the employee will receive the difference between gross fees received and the employee's regular earnings that would have paid for an eight (8) hour shift for each day of service. Notice of jury duty must be given to the Company upon receipt of a jury summons, and proof of such service must be submitted to the satisfaction of the Company before this Article shall apply.

Any employee scheduled to work third shift when he is called for jury duty shall not be requested to work the night before he is required to report for jury duty, and shall receive payment as outlined above.

Employees summoned to jury duty that are released by the Court with less than four (4) hours of service shall return to work.

ARTICLE XXVI - BEREAVEMENT LEAVE

Section 1. An employee with the Company shall be given up to three (3) paid workdays off to attend the funeral of his immediate family. Up to two (2) additional unpaid workdays may be authorized upon request, for out-of-state travel in conjunction with a bereavement leave. An employee may elect to use vacation time in lieu of the unpaid days.

“Immediate family” shall be considered as follows:

Spouse, parent, parent of spouse, legal guardian, child, brother, sister, including step and in-law relationships, grandchild, grandparent, and grandparent of spouse.

Section 2. Employee may be required to provide proof of claim.

ARTICLE XXVII – EDUCATION REIMBURSEMENT

The Company will provide employees reimbursement of pre-approved educational expenses to a maximum of \$3,400 per year per company policy.

ARTICLE XXVIII - SICK LEAVE

Section 1. The use of sick leave is provided to cover personal or illness issues. Four (4) days/thirty-two (32) hours of sick leave will be awarded upon employment and every benefit date thereafter. Sick leave may be taken in increments of no less than one hour. Unused sick leave during any benefit year will not be carried into the next year and unused sick leave balances will not be paid out. Terminating employees will not receive payment for unused sick leave. Sick leave will be paid at an employee’s regular rate of pay.

ARTICLE XXIX - INSURANCE

Section 1. On October 3, 2009, the Company will provide each employee the amount of \$4.15 per hour paid, to a maximum of forty (40) hours per week, to be used for the purchase of Health and Welfare benefits. This amount will increase on October 2, 2010 to \$4.45 and increase on October 1, 2011 to \$4.70. All benefits will be offered in accordance with the Company’s negotiated plans for the Tucson, AZ location. Any unused monies will remain with the employee.

Section 2. Employees may also purchase the following Optional Group Insurance benefits offered by the Company. The current package of Optional Group Insurance benefits in which the premium cost is borne by the employee, shall be provided for the term of this Agreement, including:

- 1) Flexible Spending Accounts,

- 2) Group Universal Life Insurance (GUL);
- 3) Accidental Death & Dismemberment Insurance;
- 4) Short Term Disability (STD) Insurance and
- 5) Long Term Disability (LTD) Insurance.

The benefit levels available are described in the respective plan documents.

Section 4. The Company shall provide Travel and Accident Insurance to employees traveling on authorized company business at no cost to the employee.

Section 5. All Group Insurance coverage will begin after enrollment as specified in each plan document.

ARTICLE XXX - SAVINGS PLAN

Section 1. The Company's L-3 Communications Master Savings Plan shall be made available to those eligible employees covered by this Agreement. In accordance with provisions of the plan:

- a) Employees may elect to participate in the plan after completing ninety (90) calendar days of service.
- b) An employee hired on or after 4/1/09 who becomes eligible to participate in the 401K plan shall automatically be enrolled at the default contribution level as defined by the plan, unless he elects some other level of participation in accordance with the terms of the plan.
- c) Employees may contribute from one percent (1%) up to and including twenty-five percent (25%) of their qualifying compensation in increments of one percent (1%);
- d) The employee's contribution may be invested in any offered option;
- e) Employees are always fully vested in their pre-tax, after-tax and rollover contributions and investment earnings to these amounts.

Section 2. The Employer shall qualify, re-qualify and amend the L-3 Communications Master Savings Plan and any administrative procedure or operational rule relating thereto as necessary and at such times as may be necessary in order to comply with the requirements of the Employee Retirement Income Security Act of 1974 as it may be amended, and any regulation or other administrative ruling issued thereunder, or any other present or future law regulation or ruling issued under such law requiring amendment or administrative modification of the L-3 Communications Master Savings Plan or which are either necessary or desirable in order to qualify the Master Savings Plan under the applicable provisions of the Internal Revenue Code.

Section 3. Employee's enrollment becomes effective once they elect a deferral percentage, which initiates deductions of contributions from pay. These contributions will generally begin

within two pay periods from the time one enrolls, or as soon as administratively possible. The Company match will be effective October 4, 2003. Current employees who have completed ninety (90) calendar days of service with the Company and are participating in the plan on October 4, 2003 or later will receive a Company matching contribution of one dollar for each dollar of the employee's combined pre-tax and after-tax contributions up to 4% of compensation. Pre-tax and after-tax contributions that exceed 4% of the employee's contribution are not matched. New hires are eligible to participate in the plan and receive the Company match following the completion of ninety (90) calendar days of service.

Employer matching contributions will be made in the form of common stock of L-3 Communications Holding, Inc. ("L-3 Stock"), the parent company of L-3, and will be invested in the L-3 Stock Fund.

Employees currently employed by the Company will become vested in the employer's matching contributions based on the following schedule: 25% after one (1) year of service; 50% after two (2) years of service; and 100% after three (3) years of service. Prior Company service will count toward the vesting schedule for the Company match. New hires will have the same vesting schedule.

Section 4. Bargaining unit employees will be eligible to participate in the L-3 Communications Corporate Employee Stock Purchase Plan.

ARTICLE XXXI - TERM AND NOTICE OF CHANGE OR TERMINATION

This Agreement shall be effective April 1, 2009 and shall continue in full force and effect through midnight on March 31, 2012 and therefore be automatically renewed from year to year unless the party desiring termination or modification of the agreement serves written notice, by certified mail, upon the other party at least sixty (60) days prior to the expiration date of the agreement.

In witness whereof, the parties have caused this agreement to be executed by their authorized representative on the March 31, 2009.

For L-3 Communications,
Link Simulation & Training

For the International Association of
Machinists and Aerospace Workers

Rick Magill
Labor Relations Manager

Steve Taylor
Business Representative

Michael Bennett
Program Manager

Richard Stanley
Committee Member

Craig Van Wormer
Site Manager