



Summary of **2013** Contract Between IAM District 751, Local 86 & Triumph Composite Systems

NOTE: This is the fourth contract between IAM and Triumph.

Economic Issues

Lump Sum Bonuses – each year

Lump sum bonus of \$5,000 paid as soon as possible after ratification.

Lump sum bonus of \$2,000 - 2014.

Lump sum bonus of \$1,500 - 2015

Seniority Progression Increases -

- Fourteen (14) SPI steps accepted with new Base Rates; result in max rate at seven (7) years
- 65¢ every six months.

Shift Differential

- 3rd shift - 10 cent increase

COLA

- Formula remains the same. 100% inflation protection based on six month average by paying 1¢ for each .075% change in the average BLS Consumer Price Index. COLA will be paid out twice yearly in a lump sum and will be cumulative based on new peg point.

Base Rates After Reclassification

- Employees who are promoted will have their base rate increased by \$1.00 or to the minimum for the job classification, whichever is greater. Downgraded employees will have their base rate decreased by \$1.00 or to the maximum of the job classification.

Pension/401(k) Benefits -

IAM National Pension contributions, increase 5 cents in 2014 to \$1.75 per compensable hour. This is only for employees on payroll effective 05/11/2013.

New hires will have a new 401(k) formula - For employees hired after 05/11/2013: 100% on the first 2% employee contribution and 40% on the remaining employee contribution up to a 6% max (corporate standard)

WAGES/MAXIMUM RATES

WAGES: Those at the maximum rate on May 10, 2013 will receive a 2% General Wage Increase.

RATE TABLE for those hired before 5/11/2006

JOB CLASSIFICATION (TABLE 1)	Minimum Rate of Pay	5/13/2013 Maximum + 2%
Team Lead	\$13.36	\$27.48
Production Mechanic A	\$13.36	\$27.48
Production Mechanic B	\$11.00	\$24.78
Maintenance Mechanic A	\$15.91	\$30.19
Maintenance Mechanic B	\$14.21	\$28.42
Inspection Mechanic A	\$14.21	\$28.42
Inspection Mechanic B	\$12.51	\$26.59
Tooling Mechanic A	\$15.21	\$29.44
Tooling Mechanic B	\$13.51	\$27.61
Development Mechanic A	\$16.91	\$31.31
Development Mechanic B	\$15.21	\$29.55

RATE TABLE for those hired after 5/11/2006

JOB CLASSIFICATION (TABLE 2)	Minimum Rate of Pay	5/13/2013 Maximum
Team Lead	\$13.36	\$23.57
Production Mechanic A	\$13.36	\$23.57
Production Mechanic B	\$11.00	\$21.25
Maintenance Mechanic A	\$15.91	\$25.89
Maintenance Mechanic B	\$14.21	\$24.38
Inspection Mechanic A	\$14.21	\$24.38
Inspection Mechanic B	\$12.51	\$22.80
Tooling Mechanic A	\$15.21	\$25.25
Tooling Mechanic B	\$13.51	\$23.67
Development Mechanic A	\$16.91	\$26.85
Development Mechanic B	\$15.21	\$25.34

Gain Sharing -

- Continues and has paid between \$800 and \$1,600 per year.

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Health Care/Dental/Vision

Medical and Dental will go to 85%/15% contribution rate beginning year 2014 through year 2015. Contribution rates will go to 80%/20% in year 2016. Year-over-year premium increases cannot exceed 8% and are not cumulative.

Wellness Credits - The Company will fund a Health Reimbursement Account (HRA) for employees who are enrolled in the PPO plan.

Physical Exam Credit - \$200 for employee; \$200 for spouse (spouse must participate in medical plan). Must provide evidence of a physical exam between 1/1/12-11/1/13 to the Company's wellness vendor for 2014 and 2015 credits. Physicals are only required every two years.

Biometrics Credit - \$100 for employee; \$100 for spouse (spouse must participate in medical plan). Must provide biometric numbers taken in 2013 to Company's wellness vendor by 11/1/13 for 2014 credit. Requirements are on an annual basis. Health Questionnaire - \$50 for employee; \$50 for spouse (spouse must participate in medical plan). Must complete questionnaire available on Company's wellness vendor's website by 11/1/13 for 2014 credit. Requirements are on annual basis.

Non-smoker credit - \$150 for employee; \$150 for spouse (spouse must participate in medical plan). Must certify during annual enrollment that employee or spouse has been "smoke-free" for past six months for 2014 credit. Requirements are on an annual basis.

- Vision coverage \$10.00 co-pay
- Dental - benefits are subject to \$2000 annual maximum per person for Type A, B and C Services

Paid Time Off

Vacation

Vacation credits may be used in 2 hour increments with 24-hour advanced notice. Currently had to be used in full or half day increments.

- Company will respond to a vacation request within 7 calendar days. If employee requests vacation within 24 hours, the Company will answer before the end of the shift.
- Employees on vacation on a Friday preceding or a Monday following shall not be designated overtime on that weekend.

Personal Time Off

- Personal time off (PTO) is paid off at a premium rate depending upon your usage or non-usage.
- No restrictions on what you use PTO for.
- PTO can be used in one-hour increments.
- For FMLA, PTO usage is at employee's choice. Still require 50% vacation usage first for FMLA.

Jury Duty

- Members no longer have to report for work before jury duty. The only time they have to go back to work following jury duty is if they are released before noon.

Holidays

- Same as previous contract.

Hours of Work

Overtime

- Employees shall not be required to work more than 32 hours of voluntary or designated overtime in a calendar month.
- The Company will not assign designated overtime to an employee on more than two consecutive or two weekends total in a calendar month.
- Employees shall not be required to work overtime on a contract holiday weekend or on a weekend where vacation has already been prescheduled.
- Any overtime in excess of these rules shall be on a voluntary basis.
- Any overtime in excess of 128 hours in a calendar shall be compensated at a double time rate.

- Employees shall be paid for time worked in 15 minute increments rounded off on the basis of 7-1/2 minute increments. Previously employees were computed to nearest 10th of an hour.

Shift Preference

- If employee is displaced from their preferred shift, Company will provide in writing a date of return to the preferred shift no later than 7 calendar days.

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Job Classifications

Team Lead – NEW CLASSIFICATION – Will be required to assign, assist and communicate instructions to other production mechanics and lead or train other production mechanics in daily work. Must demonstrate leadership, training and communications skills. Can be assigned to perform all Production Mechanic B functions. Promotional process for Team Lead will be subject to Section 22.1(b).

Production Mechanic A* – can be assigned to operate precision specialty machines such as three (3) and five (5) axis routers, plastic rotomold machine operator, pattern making, forklift operators who handle hazardous materials, shaper set-up, and water jet.

Seniority, Recall Rights, Bump Rights

Recall Rights/Seniority on Layoff

- Upon layoff recall rights and accumulation of seniority extended from a maximum of 3 years to 6 years.

Bumping Rights

- Employees will have bump rights for up to 7 years to a job they held for 100 or more consecutive calendar days.

Promotions, Employee Reviews, Temp Assignments

Company may promote or transfer employees covered by this agreement to any non-IAM position within Triumph Composite Systems and they will retain their bargaining unit seniority, but not accumulate any additional seniority. This would only occur with employee concurrence.

TEMPORARY ASSIGNMENTS - Used to be temp assignment remain for not more 30 days revised to 60 days.

EMPLOYEE REVIEWS

- Upon request, employees will be given a copy of their individual reviews within 5 working days.
- The Company will notify the Union in writing within 5 working days of any changes to HR policies, procedures or changes to the employee handbook that affect the collective bargaining unit employees.

Job Security

Lean Process Improvement (LPI) Guidelines

- Only IAM employees will manufacture production parts, tools or assemblies. All activities, such as clean up floor configuration and moving of equipment after an LPI event has been completed, which has customarily and historically been performed by IAM employees, will continue to be performed by IAM employees.

The Company will not assign Spokane plant work, which has customarily and historically been performed by IAM-represented employees to non IAM employees working at the plant (including management employees) except for training, safety, lean process improvement, and emergencies.

Successor/Sale of Company Asset

In the event of a sale of Company assets is being considered, the Company will give 180 days minimum notice to the Union, if possible in light of the proposed structure of the sale and confidentiality considerations, and a minimum of 60 days notice regardless, in order to facilitate discussions of the impact of such sale on bargaining unit employees.

The Company will likewise make any potential buyer fully aware of the current IAM labor agreement.

The Company will comply with all state and federal laws with respect to employee rights in connection with the sale of the business. There will be expedited bargaining on all issues related to the sale and its effects on employees.

It is likewise recognized that in the normal situation of a transfer of operations/assets structured as a stock sale, the labor contract and all employee rights thereunder will continue unchanged and be binding on the purchaser.