



Summary of **First** Contract Between IAM District 751 & Jorgenson Forge Corporation

Your vote is your voice! Committee recommends acceptance!

Your negotiating team has worked for months getting JFC to address your issues. The process has taken some time, but substantial progress has been made. On Thursday, April 2, 2015, a tentative agreement was reached for a first contract to present to the membership.

Members identified set pay increases, 401(k) matching contributions, medical coverage/costs and sick leave as some of your top priorities. Your negotiating team made gains in set wage increases, defined leaves, new Paid Time Off system that combines additional time for sick leave and vacation, established a grievance and arbitration procedure and seniority provisions. Your Union is also working with the Company on job descriptions/placement into a new classification system.

This proposal creates a foundation for the future, which we can build upon in future negotiations. If approved, the proposed three-year Agreement would be effective April 9, 2015 through April 8, 2018.

Highlights of the offer include the following:

SET WAGE INCREASES

- Wage increases each year of the contract. First year increase is 1.5%. Second years' increase is 2%. Third year increase is 3%. During the first year, several employees may see wage increases when they are slotted into their new job classification/levels. This is still a work in progress and will be completed no later than 9/1/2015 or each employee will receive another 1% wage increase.

MEDICAL COVERAGE

- Current rates and coverages are locked in this first year.

PAID TIME OFF

- Your previous "vacation" benefit is now called Paid Time Off and includes additional time to be used for sick leave. Certain rules apply when using PTO for sick leave.

GRIEVANCE & ARBITRATION PROCEDURES

- No longer an "at will" employee. Management must show just cause for any disciplinary action. Grievance and arbitration procedure gives employees a fair and equitable system to resolve disputes.

401(k) COMPANY MATCHING

- Locked in Company match at 100% up to a maximum employee contribution of 4%. Capped at \$2,400 per year.

Remember, only members of the IAM get to vote; non-members and Union Representatives don't vote on your contract. If you have not filled out a membership application, contact one of your negotiating committee members and ask for an application. We will also have them available at Tuesday's meeting and at the contract vote on Thursday, April 9th from 1:30 PM to 6:00 PM.

Your negotiating committee, working on your behalf, recommends you accept this proposal. Study the proposal and discuss it with your family prior to the vote. While the negotiating committee makes a recommendation, ultimately it is up to each member to decide if the proposal adequately addresses the issues of the group. We will continue working on your behalf and welcome your input and feedback throughout the life of the Agreement.

Thanks again for your support,
IAM Negotiating Team

View a copy of the complete contract
language at www.voteyesiam.com/JF

This is your Union, and it works best when we are all involved!

Economic Issues

Wage Increases - each year of contract

Guaranteed wage increases in each year of the contract for every employee on the payroll. Effective first pay period after ratification, 1.5%. Second year increase 2% and third year increase 3%.

Job Slotting to Proper Classification/ Skill Level

The Company and the Union are working to finalize the Skill Level Progression Chart which will include agreement on placement and rates of pay for each employee. ***No one will have their pay rate decreased going into this new system.*** Pay rates will increase (separate from the general wage increases) as an employee progresses through the levels if core skills associated with progression are achieved. The Skill Level Progression project (except for agreement on rates of pay for each employee) will be completed and in operation no later than 9/1/15. If that date is not met, then each employee will automatically get another 1% wage increase. Once agreement for the method is reached, if the Union and the Company are unable to informally agree on the pay rates and increases, the dispute over the Company's decision is subject to the grievance procedure.

Shift Differentials and Premium Pay

Shift differential for second and third shift maintained at \$1.00/hr. Lead pay \$2.00/hr above base rate of pay. Employees, while performing duties of a trainer, shall receive \$1.00/hr premium added to their base rate of pay.

Defined Promotion System to Another Level

Article 8, Section 9 spells out the parameters for Promotions to another level. Pay will be increased by a minimum of \$1.00/hr but in no case lower than the minimum of the level of the opening.

Production Bonus

Union and Company will work on parameters of a production bonus and start discussions no more than 90 days after ratification.

Workweek

Established definition of workweek so no changes can be made later on. Consists of 40 hours, 5 consecutive days and 2 consecutive days off. Or, four 10's with 3 consecutive days off. Ability to later establish three 12's and pay 40 hours.

Overtime

Overtime shall be paid at 1.5 times the regular rate of pay for every hour worked in excess of 40 hours during a pay week. Paid time off for a holiday shall be counted as time worked for purposes of computing overtime pay. (Refer to Article 7, Section 8 for more information regarding Overtime requirements).

Call Back Pay

Each time an employee is called back to work after he/she has completed their work shift for the day, they will be paid a minimum of 4 hours at their working rate of pay. This time shall apply for the computation of overtime, if applicable.

Report Time

If an employee reports for work in accordance with instructions and is subsequently sent home for lack of work, they will receive a minimum of 4 hours' pay at their working rate of pay. (Refer to Article 7, Section 6 for more information).

Probationary Period

Probationary period is 90 days of work from date of hire not to exceed 160 calendar days. Employees shall serve only 1 probationary period during their term of employment with JFC. (Previously, management could extend at will). (Refer to Article 6, Section 1 for more information).

Job Categories, Grievance Procedure, Seniority

Skill Level Progression

Four defined Levels: Helper, Specialist, Journey, Mastered which are already in place. A follow-on project will be completed no later than 9/1/2015 with all current employees "slotted" into their appropriate skill level positions.

Grievance and Arbitration

Established grievance and arbitration procedure so employees have a fair and equitable system to resolve workplace issues and contract violations.

Just Cause

No longer an "at will" employee. Management must show just cause for any disciplinary action and a grievance can be filed and taken to arbitration.

Seniority

Established a seniority system for all employees after they have completed a probationary period (which reverts back to original hire date if completed) for layoff and recall. (Refer to Article 14 for more information). We have already seen how this worked in the last lay-off and the Article in the Agreement is what was agreed upon and used then.

Benefits

Medical

Current Company health and welfare insurance programs (medical, dental, vision, life, AD&D, Supplemental Life and Supplemental AD&D) are maintained at the 2015 rates already in effect. Flexible Spending Accounts and Short-Term Disability plans are still offered. Although the Company retains full discretion and authority to modify benefits covered by this Article, the Company has committed that benefits provided will NOT, for the term of this Agreement, be less than provided for non-bargaining unit employees!

401(k)

Locked in current Company practice of matching 100% up to a maximum employee contribution of 4%. Capped at \$2,400/per year.

Leave and Paid Time Off

Paid Time Off (PTO)

Upon ratification all employees will receive 24 hours added to their vacation time currently shown. Beginning January 1, 2016, PTO will accrue based on the following chart for all purposes including absences for vacation and illnesses. Refer to Article 10 for benefit usage allowances.

PTO accrual chart:

Year(s) of Service	Paid Time Off	Per Pay Period	Maximum Accual
0-5	104 hours / year	4.00 hours	184 hours
6-13	144 hours / year	5.538 hours	184 hours
14+	184 hours / year	7.077 hours	184 hours

Holidays

Current Company holiday schedule locked in.

Lunch Periods/Break Periods/Time Between Shifts/Wash-up Time

Lunch period: 30-minute unpaid lunch period before the 5th hour of shift. If requested to work beyond 12 hours, a second unpaid lunch period is to be taken after the initial 12 hours have been worked. If a supervisor requests an employee to continue working through their normal lunch period, they will be paid for that time and be allowed a reasonable 30-minute time span to eat their lunch during work.

Break Periods: Paid rest periods of not less than 10-minutes for each 4 hours of working time.

Time between shifts: Minimum of 8 hours' rest before starting the next shift.

Wash-Up Time: If assigned to exceptionally dirty work, the Company, at its discretion, may allow the employee 5 minutes or more to clean up.

Miscellaneous

Field Work

Defined as work done outside of the normal place of business but does not apply to work done on job sites or premises owned or operated by the Company or on Company equipment or vehicles. Work may include the repair, maintenance, inspection and/or installation of machinery or parts. For applicable compensation, refer to Article 17.

Stewards

Two stewards plus 1 alternate on day shift; one plus an alternate on 2nd and 1 on third if head count is over 5 employees. Will be able to enter any area and investigate on company time.

Bereavement Leave

Up to 3 days bereavement leave with pay at an employees' straight base rate including shift differential and/or lead pay where applicable, will be granted for the death of immediate family members. (See Article 11, Section 5 for definition of immediate family). (Previously number of days off was not guaranteed). Additional time off will be granted using PTO or Personal Leave.

Leaves of Absence

Refer to Article 11 for language pertaining to Industrial Leaves of Absences, Family and Medical Leave Act, Personal Leave of Absence, Jury and Witness Duty, Military Leave, Military Family Leave and Domestic Violence Leave.

Safety

Safety Committee is established and will meet on a monthly basis at a minimum and will allow participation from employees working all shifts and will be responsible for resolving safety concerns. Company will furnish appropriate safety devices for all employees working on potentially hazardous work. Company shall replace Company-required safety shoes accidentally and irreparably damaged while performing their job assignment. Company will maintain emergency first aid stations/service.

Training

Current Company Education Assistance plan is locked in. Refer to Article 18 for eligibility and benefits.

VOTING THE PROPOSAL

WHEN: Thursday, April 9, 2015

TIME: 1:30 p.m. to 6 p.m.


WHERE: IAM 751 Seattle, Hall C, 9135 15th Pl. S., Seattle, WA 98108

1 What is on the Ballots

There are two separate ballots:

- One to accept or reject the contract.
- One to authorize a strike


**Jorgensen Forge
Strike Vote - April 9, 2015**

 **I VOTE TO STRIKE**

Yes..... ☐

No..... ☐

Failure to obtain a two-thirds (2/3) YES in this section of the ballot will result in the acceptance & ratification of the Company's last and final offer.

 **Jorgensen Forge
CONTRACT VOTE
April 9, 2015**

I ACCEPT the Contract.... ☐

I REJECT the Contract.... ☐

BALLOT 1:
Do you wish to accept or reject the contract offer?
Vote for one.

BALLOT 2:

IMPORTANT: The IAM Constitution requires two-thirds YES vote on this ballot to strike. Without two-thirds, even if a majority of the members reject the contract - the contract will be accepted by default.

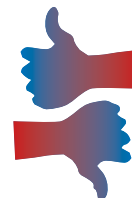
NOTE: You must have filled out a membership application to vote on the offer!

2 How Are the Ballots Counted?

Members who volunteer to count the ballots will tabulate them and validate the numbers.

3 What Do the Results Mean?

- ✓ If a majority of voting members vote to **ACCEPT** the contract, negotiations end and the contract is signed.
- ✓ If a majority of voting members vote to **REJECT** the contract, but **LESS THAN TWO-THIRDS VOTE TO STRIKE**, the contract is automatically accepted by default. The Union cannot call a strike.
- ✓ If a majority of voting members vote to **REJECT** the contract, and **MORE THAN TWO-THIRDS VOTE TO STRIKE**, a strike can be called.



Again, ONLY MEMBERS can vote on this proposal so if you want your voice heard, fill out a membership application at the meetings.