



# Summary of **New Proposed Contract** **Between Machinists Union & L-3** **Communications Vertex Aerospace LLC** **UNION RECOMMENDS ACCEPTANCE**

## **YOUR NEGOTIATING TEAM RECOMMENDS: ACCEPT**

Building on the strength in numbers philosophy, Union negotiators joined with members from other locations to get a master agreement covering 14 Western sites. Union negotiators focused on the issues you indicated were important. Your negotiating team made gains in wages, pension, benefits, opt-out pay, vacation, personal paid time and other areas.

Some highlights of the offer include the following:

### **GENERAL WAGE INCREASES & RATIFICATION BONUS**

- General wage increases every year of the contract: 3%, 3%, 3%, 3.5%
- Wage adjustments in the first year for members working at Lewis-McChord bringing first year raises to \$2.10 (including the first year 3% GWI).

### **PENSIONS**

- Increase pension contribution each year of the contract from current \$1.35 an hour. Contributions to the IAM Pension plan will be as follows:
  - \$1.55 an hour effective 2/1/11
  - \$1.70 an hour effective 2/1/12
  - \$1.85 an hour effective 2/1/13
  - \$2.00 an hour effective 2/1/14

### **HEALTH CARE**

- New medical plan that will be less expensive than the Dynecorp medical plan previously offered.
- Increased the opt-out cash option to \$6 per hour.

### **PAID TIME OFF**

- Negotiated one additional holiday each year (day after Thanksgiving).
- Increased sick leave to 6 days a year.
- Improved vacation formula so employees now earn 4 weeks vacation at 10 years seniority (previously earned 4 weeks at 12 years seniority).
- Secured a method for payout of sick leave and vacation hours.
- Increased maximum days per calendar year allowed for jury duty from 20 days to 30 days.

While the negotiating committee makes a recommendation to accept the proposal, ultimately it is up to each member to decide if the proposal adequately addresses your issues. We will continue working on your behalf and welcome input and feedback throughout the life of the contract. Only by receiving your input can we address your concerns.

Thanks again for your support,  
IAM Negotiating Team

# Wages

## Wage Increases – Each year of Agreement

General wage increases effective February 1 each year as follows:

2011 - 3%                      2012 - 3%                      2013 - 3%                      2014 - 3.5%

In addition, workers at Lewis-McChord will have an additional first year wage adjustment to bring the first year increase to \$2.10 (including the 3% GWI). Wage rates will be as follows:

Job Classification	Current Wage	2/1/1/2011 3% GWI+ adjust.	2/1/2012 3% GWI	2/1/2013 3% GWI	2/1/2014 3.5% GWI
Aircraft Mechanic	\$30.21	\$32.31	\$33.28	\$34.28	\$35.48
Avionics Tech	\$31.71	\$33.81	\$34.82	\$35.87	\$37.12

# Benefits

## Pension

Increase pension contribution each year of the contract from current \$1.35 an hour.

Contributions to the IAM Pension plan will be as follows:

\$1.55 an hour effective 2/1/11

\$1.70 an hour effective 2/1/12

\$1.85 an hour effective 2/1/13

\$2.00 an hour effective 2/1/14

## Opt Out Allowance

Increased the cash opt-out feature to \$6 per hour.

## Health Care

New medical plan that will be less expensive than the Dynecorp medical plan previously offered.

# TDY, Call-in Time, Overtime, Shift Preference

## Temporary Duty Assignment (TDY)

Secured language for TDY accommodations per diem and method of reimbursement.

Employees on TDY assignment will now earn 8 hours of paid time off for TDY assignments of 10 days or more. (Previously earned 4 hours for TDY assignments of 5 days or more).

## Call-in Time

Increased call-in time to a minimum of four hours of pay (previously three hours of pay). Also added language that an employee that leaves work because of incapacity due to industrial injury will be paid 8 hours pay at their current rate(s).

## Shift Preference

Added language for employees to exercise seniority within the job classification to bid a shift preference four times a year. Also language to allow employees within the same classification on different shifts who agree to exchange shifts for a period of time with pre-approval of management.

## Overtime

Revised notice to employees to work overtime. Now management required to give as much notice as possible with at least one hour notice of required overtime that occurs at the end of a shift.

For scheduled overtime on an employee's Saturday or Sunday, management must notify employee of such requirement by the end of their shift on Thursday preceding such overtime (24 hours' notice shall be provided for the weekend shifts).

Also added restriction that no employee will be required to work more than two consecutive weekends overtime unless operations require the employee to do so.

## Paid Time Off

### Vacation

Improved so that employees will now earn 4 weeks vacation at 10 years of seniority (previously 4 weeks at 12 years of seniority)

### Sick Leave - (Personal Paid Time)

Increase sick leave (personal paid time - PPT) to 6 days a year by changing accumulation rate to 1.85 hours.

Secured a method for payout of sick leave and vacation hours.

### Jury Duty

Increased maximum days per calendar year allowed for jury duty from 20 days to 30 days

### Holidays

Added one additional holiday per year (the day after Thanksgiving) for a total of 11 holidays per year:

New Years' Day	Columbus Day
Martin Luther King's Birthday	Veterans Day
President's Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Day
Labor Day	

### Bereavement

Standardized bereavement to be 4 days for each family member (no variation for distance traveled to attend service).

Also expanded family definition to include: domestic partner, in loco parentis (in place of a parent; one who substantially performed rights duties and responsibilities of a parent, i.e. foster parent) and anyone you have legal guardianship over.

## Miscellaneous

### Successor Clause

Added successor clause that provisions of this Agreement shall be binding upon the Company and its successors, assigns or future purchasers.

### Uniform/Safety Boot Reimbursement

Increased reimbursement for safety boot/shoe from current \$85 per contract year to \$90 per contract year.

An agreement for providing work attire service – either \$200 per year or contract with Aramark to provide and clean.

### Tool Replacement Insurance

The Company will replace tools and tool boxes that are shipped to an employee TDY (at any location) or deployed to an overseas location and the tools or tool box becomes lost, damaged, or stolen while in control of a third party shipper for up to \$2,500. The Company will also pay for the cost of the liability insurance to cover the tools being shipped.

### Duration

Four-year Agreement to expire 12/1/14.

## Voting the Offer

**WHEN:** Wed, Nov. 24, 2010,  
At shift change

**WHERE:** Joint Base Lewis McChord,  
C-12 Hangar

### What Is on the Ballots

There are two separate ballots:

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

### 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.

