

AGREEMENT

Between

LOCKHEED MARTIN SPACE SYSTEMS COMPANY
and

THE INTERNATIONAL ASSOCIATION
OF MACHINISTS AND AEROSPACE WORKERS

and

Aerospace Defense Related District Lodge 725, and affiliated Local
Lodge 2228 (Santa Clara and Santa Cruz County Plants)

California Central Coast Lodge 2786
(Santa Barbara County Plants)

Missile and Electronics District Lodge 166 and affiliated Florida
Missiles System Local Lodge 610
(Brevard County, Florida, Plants)

Effective Date: March 3, 2014
Anniversary Date: March 4, 2018

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PART A

GENERAL AGREEMENT

ARTICLE I

GENERAL CONDITIONS OF THE CONTRACT

Section 1. Application, Amendment, Modification and Termination of the Agreement

A. Recognition for Bargaining Unit

For the term hereof the Company recognizes and accepts the Union, as defined in Section 1B, for the purposes of negotiation of this agreement and of proposing and negotiating amendments or modifications hereto. The Union is the exclusive collective bargaining representative with regard to rates of pay, wages, hours of employment and other terms and conditions of employment applicable to LMSSC employees employed to work in the classifications set forth and new classifications established in Parts B, C, D and E hereof.

(1) Part B Lodges

Aerospace Defense Related District Lodge 725, Area 5, and affiliated Local Lodge 2228 (Santa Clara County plants).

(2) Part C Lodges

Aerospace Defense Related District Lodge 725, Area 5, and affiliated Local Lodge 2228 (Santa Cruz County plants).

(3) Part D Lodge

California Central Coast Lodge 2786 (Santa Barbara County plants).

(4) Part E Lodges

Missile and Electronics District Lodge 166 and affiliated Florida Missiles System Local Lodge 610 (Brevard County, Florida plants).

For the purposes specified above, the employees designated in this Subsection A shall constitute one bargaining unit.

B. Definitions

The following definitions shall apply to the Agreement unless otherwise indicated:

(1) The term "Union" shall mean the IAM&AW and its District and/or Local Lodges designated in Subsection A above.

(2) The term "Local Union" shall mean the particular District and/or Local Lodge(s) designated in a particular Part hereof.

(3) The term "Contract Enforcement Group" (C.E.G.) shall mean only the group of employees designated in Section 1 of a particular Part hereof as being included in that particular Contract Enforcement Group.

- (4) The terms "employee" or "employees" shall mean only those designated in the Parts hereof pertaining to the C.E.G.s, including those in the new classifications established in Parts B, C, D and E, hereof and, for Application of the Agreement, shall be as defined in Subsection C (2) of this Section.
- (5) A "part-time employee" shall mean an employee, as defined above, who is regularly scheduled to work a minimum of twenty (20) hours per week (but less than full-time).
- (6) References in this Agreement to the masculine gender shall include the feminine gender. As contractual language is modified, gender references will be eliminated.
- (7) The term "Company" shall mean only the LMSSC plant or plants identified in the Part covering the C.E.G. to which the Agreement is being applied.
- (8) The following terms shall apply to employee placement:
 - a. The term "higher-rated job" refers to a job in a higher labor grade. Movement into a higher-rated job shall constitute a promotion.
 - b. The term "lower-rated job" refers to a job in a lower labor grade. Movement into a lower-rated job shall constitute a downgrade.
 - c. Movement between two jobs of the same labor grade shall constitute a lateral.In accordance with the above provisions, differences in maximums between rate ranges shall not be a factor in determining what constitutes a promotion, a downgrade, or a lateral, except for out of labor grade classifications.

C. Application of the Agreement

- (1) This Agreement, except as otherwise specifically provided, shall be applied separately and uniformly to each C.E.G. In applying such Agreement to a particular C.E.G., the terms "employee" or "employees" shall be restricted to mean only those included in the Part applicable to that C.E.G. Each Part applicable to particular C.E.G.s shall be applied separately to each of the C.E.G.s covered by such Part.
- (2) For the purposes of application, administration, interpretation and enforcement, the governing Agreement for each C.E.G. shall consist of this Part A and the Part applicable to that Group. In applying such Agreement to a particular C.E.G. the term "Company" shall mean only the LMSSC plant or plants identified in the Part applicable to that C.E.G. In applying such Agreement to the particular C.E.G., the term "employee" or "employees" as used in Section 1, C, of Article II, Sections 3, 4, 5, 6 and 7 of Article IV, Sections 1, 2 and 3 of Article III, and Section 1, D, of Article VII shall mean only those included and identified in the Part applicable to that C.E.G.
- (3) The administration, interpretation and enforcement of this Part A as it applies to each C.E.G. shall be by LMSSC and the IAM&AW and its Local Union representing such Group.

(4) The interpretation, administration and enforcement of this Section 1 shall be exclusively by the Company and the IAM&AW (on its own behalf and on behalf of its Local Unions).

D. Effective Date and Period of Agreement

This Agreement, including all Parts hereof, shall remain in full force and effect from March 3, 2014 until and including March 4, 2018 and thereafter from year to year until modified, amended or terminated, as hereinafter provided.

E. Amendment or Modification

Either LMSSC or the IAM&AW (on its own behalf and on behalf of all its Local Unions) may notify the other party of its desire to amend or modify the Agreement by written notice served after December 1, 2017 but before January 1, 2018, or no more than ninety (90) days or less than sixty (60) days prior to March 1 of any subsequent yearly period. Such notice shall specify the modifications or amendments proposed and it is the intent of the parties to confine negotiations thereto.

F. Negotiation of Amendments or Modifications

In the event notice is served as provided in Subsection E of this Section, negotiations shall commence not later than fifteen (15) days after such service. However, time limits may be extended by mutual agreement.

The Committee representing the Union for the purpose of negotiating any modifications or amendments proposed pursuant to this Article I, Section 1, shall be composed of not to exceed one (1) employee from each C.E.G. for those Parts C, D and E, not to exceed four (4) employees from C.E.G. B and one (1) additional representative who shall be the Business Representative, District 725, and not to exceed one (1) additional member who shall be a representative designated by and for the International Association of Machinists and Aerospace Workers.

The Committee representing the Company for the purpose of negotiating any modifications or amendments proposed pursuant to this Article I, Section 1, shall not exceed the total number of Committee members authorized for the Union.

Observers or specialists may participate in the above referenced negotiations if mutually agreed upon by the parties.

G. Agreement-Acceptance and Ratification

After the Company and Union Negotiation Committees have reached agreement on all amendments and modifications to the Agreement, all such amendments and modifications must be accepted or rejected as a whole (without acceptance or rejection of parts thereof) by the Company and the Union. Ratification of such amendments or modifications by the membership of the Local Unions shall be by a majority of the pooled votes as one bargaining unit of all employees in all C.E.G.s who are eligible to vote.

H. Termination

If, after entering negotiations, the parties fail to reach agreement on modifications or amendments by midnight March 3, 2018, or midnight, March 3 of any subsequent year during which the Agreement remains in full force and effect, either the Company or the IAM&AW (for itself and its Local Unions) may terminate the Agreement.

I. Governmental Requests

In the event of instructions from the Federal Government to alter or change the working schedule prescribed by the Agreement, upon fifteen (15) calendar days written notice to the IAM&AW from the Company, the Company and the Union shall reopen negotiations to amend such sections of the Agreement as pertain to hours of work and/or overtime payments for the sole purpose of considering objectives desired by the Government. Such negotiations shall be conducted by the Company and Union committees as described in Subsection F of this Section.

J. Notices

Any notice under this Section of the Agreement shall be effective only if mailed, postage prepaid, registered or certified mail, return receipt requested, and addressed as follows:

To LMSSC:

Vice President of Human Resources
Lockheed Martin Space Systems Company
P.O. Box 179
Denver, Colorado 80201-0179

To Union:

General Vice President
International Association of Machinists & Aerospace Workers
620 Coolidge Drive, #130
Folsom, CA 95630

The date of registered or certified mail return receipt shall be the controlling date for all purposes under this Agreement.

Each employee shall have the responsibility to keep the Company informed of his or her current address, by updating the appropriate Human Resource system. Employees without access to the Human Resource system shall contact their Labor Relations Representative or the Employee Service Center for guidance. An employee may request an acknowledgement of their address change by contacting their Labor Relations Representative or the Employee Service Center at 866-562-2363.

Section 2. Performance Required-Waiver

The Company and the Union agree that they will administer this Agreement in accordance with the true intent of its terms and provisions and will give each other fullest cooperation to the end that harmonious relations may be maintained in the interest of both the Company and the Union. It shall be the duty of the Company and its representatives and the Union and its representatives to comply with and abide by all of the provisions of this Agreement.

The parties to this Agreement, subject to the provisions of Section 1 of this Article I designating which of the parties may interpret, administer and enforce the particular provisions of this Agreement, shall be entitled to require performance of said provisions of this Agreement.

Time is of the essence in the application of this Agreement.

The waiver of any breach or condition of this Agreement by any party thereto shall not constitute a precedent for any further waiver of such breach or condition.

Section 3. Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of any successor or assignee of all or substantially all of the Company's business or assets unless prohibited by law or regulation; however, this Agreement is not otherwise assignable without the mutual consent of the parties.

Section 4. Right to Manage the Plant

The Company has and will retain the right and power to manage the plant and direct the working forces, including the right to hire, discipline, suspend or discharge for just cause, to promote, demote and transfer its employees, subject to the provisions of this Agreement. Any claim that the Company has exercised such right and power contrary to the provisions of this Agreement may be taken up as a grievance, subject to Article III as such Article is applicable to the particular C.E.G. involved, by the party designated in Section 1 of this Article I as entitled to enforce the particular provisions alleged to have been violated.

Section 5. Strikes and Lockouts

For the duration of this Agreement, the Union agrees that it shall not cause or engage in, nor permit its members to cause or engage in, nor shall any employee covered by this Agreement take part in any strike, picketing, sympathy strike, slowdown or stoppage of work, and the Company agrees that it shall not cause or engage in any lockout. Either party hereto shall be relieved of this obligation in the event of failure of the other party to comply with an arbitration award made within the authority of this Agreement.

Section 6. Union Responsibility

The Union agrees with the objective of achieving the highest level of employee performance and efficiency consistent with safety, good health and sustained effort, and will not take, authorize, or condone any action which interferes with the attainment of such objective.

In the event of a breach by the Union of the provisions of Article I, Section 5, of this Agreement, the Company may abrogate this entire Agreement. Any action by a Union Steward which is not authorized, concurred in, or supported by the Union, will not constitute a breach of this Agreement on the part of the Union for purposes of this Paragraph.

Section 7. Union Security

A. Conditions of Employment

- (1) An employee in a C.E.G. on the effective date of this Agreement shall be required as a condition of continued employment to tender Union dues for the duration of this Agreement.
- (2) Employees or persons entering a C.E.G. after the effective date of this Agreement shall be required, as a condition of continued employment, to tender an initiation/reinstatement fee where required and Union dues for the duration of this Agreement, on the 30th day following such entry into the C.E.G.
- (3) Any employee who fails to satisfy the conditions outlined above shall be given a 15 calendar day notice of his/her failure to comply with the above paragraphs, with a copy to the Company. If the condition is not corrected within the specified period of calendar days, the Company will terminate such employee within three working days, after receipt of written notice from the Union consistent with federal and state law.

B. Initiation Fee

The term "initiation fee" as used in this Section 7, shall include original initiation fees or reinstatement fees of employees rehired by the Company, without seniority, when such employees are reinstated in or rejoin a Local Union; but neither "Union dues" nor "initiation fee" shall include fines, penalties or assessments.

C. Dues Deductions

The Company will deduct from wages and turn over to the appropriate Local Union, initiation fees and/or Union dues of each employee who individually and voluntarily authorizes the Company in writing to make such deductions. Such deductions shall be made in accordance with the following provisions:

- (1) Such deductions shall be made only in accordance with instructions upon authorization cards which shall be in a form mutually agreed to between the

1 Company and the particular Local Union. In order to be effective, such
2 authorization cards shall be delivered by the Local Union to the Payroll
3 Department of the Company. Such authorization shall be irrevocable for a period
4 of one (1) year from their effective date, or the termination of the Agreement,
5 whichever occurs sooner.

- 6 (2) Deductions for Union dues, or reinstatement fees, as provided above, shall be
7 made from the employee's paycheck for each pay period in the amount and from
8 the number of such checks as authorized by the employee on the authorization
9 card.
- 10 (3) In the case of a new employee, dues plus initiation fee will be collected during the
11 first pay period following conclusion of the employee's 30th calendar day of
12 employment. Subsequent dues deductions will be made during each pay period.
- 13 (4) Deductions for the above referenced Union dues shall be made from the
14 employee's paycheck for each pay period in the amount authorized by the
15 employee on the authorization card. In the event a deduction for such dues is not
16 made on one or more consecutive regular payroll deduction dates, due to lack of
17 earnings or insufficient earnings by the employee, or clerical error, on the next pay
18 period that the employee has sufficient earnings, or upon successive pay periods, if
19 necessary, such deduction(s) shall be made. No more than one pickup will be
20 collected in any week.
- 21 (5) The Company's obligation to make such deductions shall terminate in the event the
22 employee ceases to be an employee in the C.E.G. at which employed when the
23 authorization was executed, or upon receipt by the Company of written revocation
24 by the employee of the payroll deduction authorization.
- 25 (6) If a dispute arises in connection with the application of this Section 7 and a
26 settlement is not reached between the Labor Relations Department of the Company
27 and the Union, such dispute shall be referred to arbitration without pursuing
28 intervening steps in the grievance procedure.

30 **D. New Employees**

31 Consistent with recognition of the Union as exclusive bargaining agent of employees
32 as set forth in the Agreement, the Company, on the first day of employment shall give
33 each new employee a copy of the Agreement. The Company shall allow each
34 employee to meet with his/her Business Representative as part of his/her new
35 employee orientation. It is understood that the Union can cover the following topics:

- 36 1. The history of the IAM
37 2. The employee's responsibilities in an industrial environment, and
38 3. The privileges afforded an IAM Member.

39 The Union's presentation will occur at the discretion of the Company on the scheduled
40 orientation date. The union will be notified by the Company the Friday before a
41 scheduled orientation.

Section 8. Separability

Any portion of the Agreement which is rendered invalid by legislation or decree of a court of competent jurisdiction shall not invalidate the remaining portions of such Agreement.

Section 9. Security Regulations

The Union recognizes that the Company has security agreements with the Government and agrees that nothing contained in this Agreement is intended to place the Company in violation of such security agreements.

In the event that the U.S. Air Force, U.S. Navy, or other government agency duly concerned with Lockheed Martin Corporation security regulations advises the Company in writing that any employee is restricted from work on or access to classified information and material, the Union will not contest such action as the Company may take pursuant to such advice to comply with its security obligations to the Government.

It shall be the responsibility of an employee to submit, when required, the necessary paperwork for a clearance or access within a reasonable period of time.

In the event any such government agency, following the taking of such action, advises the Company in writing that such an employee is no longer restricted from work on or access to classified information and material, the Company promptly shall reinstate such employee, with seniority, to the same classification and rate of pay held at the time such action was taken, subject to the applicable seniority provisions of the Agreement, if such employee promptly applies for such reinstatement. At such employee's request, the employee, with seniority, to the same classification and rate of pay held at the time such action was taken, subject to the applicable seniority provisions of the Agreement, if such employee promptly applies for such reinstatement. At such employee's request, the Company will join such employee and/or the Union in applying to the appropriate government agency for restoration by the Government of lost pay.

Section 10. Sole Agreement

This Agreement, when accepted by the parties hereto, shall constitute the sole Agreement between them, except for the agreements between the parties with respect to a retirement plan, savings plan, basic benefit plan and agreements related thereto, and certain letters of understanding dated the effective date of this agreement. All letters of understanding, coded and uncoded, dated prior to the effective date of this agreement are null and void, except letters agreed to in the proposal ratified on March 2, 2014.

Section 11. Apprenticeship Agreement

Any apprenticeship agreement shall be the subject of a separate agreement between the Company and the Union and the California State Apprenticeship Council. This Section 11 shall apply to California C.E.G.s covered by the Agreement.

Section 12. Non-Discrimination in Employment

- A. Union membership or legitimate Union activity will not jeopardize an employee's standing with the Company or opportunity for advancement.
- B. The Company and the Union agree to use their best efforts and cooperation to comply with government laws dealing with discrimination and harassment in employment.

**Section 13. Non-Bargaining Unit Employees Performing Bargaining Unit Work
(See coded letter E-10)**

It is the intent of the Company that non-bargaining unit personnel shall not perform work normally performed by employees in the bargaining unit except in the following types of situations: (1) in the instruction or training of employees; (2) in emergency or critical conditions, in order to prevent injury to employees or damage to Company or customer property or equipment; (3) in circumstances where technical or scientific personnel perform duties that are a necessary part of the procedures they must follow in order to carry out their job function.

The Company will use its best efforts to insure that the terms of this provision are understood and applied throughout the Company in keeping with the intent herein.

Section 14. Maintenance Subcontracting

The Company agrees that it will not subcontract maintenance work to be done on Company premises when the work operations involved have normally been performed by bargaining unit employees, except in the following instances:

- (1) Where peculiar skills or specialized equipment are involved which are not available within the Company.
- (2) Where short-term or peak requirements necessitate the need for additional assistance because of an insufficient number of employees then available possessing the necessary maintenance skills to perform such work operations within the time required.
- (3) Where unusual or one-shot jobs are required which are not usually performed by the Company.
- (4) Where the volume of work on any particular job precludes the possibility of its completion within scheduled time limits.
- (5) Where it would be more cost-effective. However, the Company agrees that the subcontracting of any such maintenance work, where it would be more cost-

1 effective than utilizing LMSSC personnel under the provisions of this Section 14,
2 will not result in the surplus or layoff of any employee within any classification
3 that presently performs such work.

4 The application of this section shall be reviewed at the request of either party. Such
5 review will be performed by a management representative from the Facilities
6 organization, a Labor Relations Representative, a union steward, and union business
7 representative. Additional parties may participate upon mutual agreement.

8 9 **Section 15. Machinists Non-Partisan Political League**

10
11 The Company will deduct from the employee's wages and turn over to the Treasurer of
12 the Machinists Non-Partisan Political League (MNPL) contributions by any employee,
13 who desires to make such contributions to said MNPL and who individually and
14 voluntarily authorizes the Company in writing, on an authorization form mutually agreed
15 to between the Company and the Union, to make such deductions. All funds so deducted
16 shall be forwarded monthly to the Treasurer of the MNPL as soon as reasonably possible
17 after the end of each month in which deductions are made, accompanied by a record
18 stating the name of employee, social security number, and amount contributed and so
19 deducted.

20 (1) Such deductions shall be made in accordance with instructions on said
21 authorization cards which have been delivered by the Union to the Payroll
22 Department of the Company.

23 (2) Such deductions shall be made each week from the employee's pay check for that
24 week while an employee, as defined in Article I, Section 1, of said Agreement.

25 This section 15 shall be terminated in the event cognizant administrative authority
26 determines that the cost of implementing the withholding procedure for the MNPL
27 program must be borne by the Union unless the Union agrees to bear such costs.

ARTICLE II
UNION-COMPANY RELATIONS AND
EMPLOYMENT CONDITIONS

Section 1. Union Stewards

A. Number of Stewards (See coded letters B-3, D-16 and E-1)

- (1) As designated by the Local Union, there shall be Union Stewards for each shift, in each department in accordance with the following:

Number of Employees	Maximum Number of Stewards	
	Group	Senior
1 - 49		1
50 - 75	1	1
76 - 125	2	1
126 - 175	3	1
176 - 225	4	1
226 - 275	5	1
276 - 325	6	1 etc.

- (2) In circumstances such as may arise where a department is decentralized or where there are varied day shift hours or workweeks, the number and location of stewards may be adjusted by mutual agreement.
- (3) In the event there are more Union Stewards on a shift in a department than are provided for in this Section, the Company shall furnish the Local Union a list of all stewards where the surplus exists and the Local Union shall promptly notify the Company in writing of those employees who are to remain as stewards. Should the Local Union fail to notify the Company within four (4) working days after receiving Company notification, the Company will reduce the number of Stewards by inverse seniority, first by elimination of Group Stewards, and then by elimination of Senior Stewards, if necessary.

B. Selection, Status, and Responsibility of Stewards

- (1) Each steward must have acquired seniority and must be an employee, regularly assigned to work in the same department and on the same shift as the employees he/she represents.
- (2) As necessary, at a time mutually agreed upon, the Company shall permit employees to vote for or endorse stewards on Company property during working hours, in accordance with agreed upon rules and regulations.
- (3) It is agreed that since each steward has a regular work assignment to be performed, contacts, as provided herein, will be no more frequent and no longer than the matter for discussion reasonably requires. Where necessary, a steward's work schedule or assignment will be adjusted, insofar as is practical, to allow for work time off to transact Company-Union business specified herein.

Article II, Section 1

When necessary, stewards will be permitted to take time off from work, without loss of pay, for the following Company-Union business:

- a. Senior Stewards and Group Stewards will be permitted to take up to one-half hour of the shift, or up to two and one-half hours per week at a time mutually agreed upon between the Senior Steward and the Department Head (normally the last half hour of the shift), to contact each other and to contact employees who have complaints or grievances.
 - b. Senior and Group Stewards will be permitted to discuss within the department with an authorized Union Business Representative employee complaints or grievances or matters arising out of the application of the Agreement.
 - c. Steward activity will be confined to discussion of actual or potential grievances or complaints arising out of application of this agreement.
 - d. When it is necessary for a steward to leave his/her immediate work area, he/she shall first request permission from his/her immediate supervisor. Such request shall not be unreasonably denied.
 - e. Senior and Group Stewards will be permitted time off to discuss complaints, grievances, personnel changes, or other matters affecting Bargaining Unit personnel with the Department Head. The Department Head and the appropriate Stewards shall, whenever there are such matters to discuss, meet once each week at a mutually convenient time and place.
- (4) The Company shall not transfer a steward from one department to another or one shift to another without concurrence of such steward provided the steward is competent to perform the work remaining within the classification, on the shift and in the department. A steward shall not be transferred from the geographical location of the main group for which originally selected unless he/she possesses a needed skill which is not otherwise available in the main group.
- (5) The Union shall notify the company in writing of a steward's selection. Company recognition of that steward shall be effective on the first Monday following receipt of such notice by the Company.
- (6) In the event a Union Steward handles the responsibilities as steward improperly, the matter will normally, through Labor Relations, be called to the attention of the affected Business Representative, in order that the Business Representative may take appropriate corrective measures. However, should the Company in any instance elect to take immediate disciplinary action, the Union will be promptly advised.

C. Base Stewards (Applicable only to C.E.G.s covered by Parts C, D and E)

- (1) The Union may appoint a Base Steward in each of the above noted C.E.G.s. With respect to the C.E.G.s covered by Parts D and E, the Base Steward shall be appointed by a Grand Lodge Representative of the Union. With respect to the C.E.G. covered by Part C, the Base Steward shall be appointed by the Business Representative, District 725. Such Base Steward shall be an employee who is

1 regularly assigned to the plant or plants covered by the applicable C.E.G. and who
2 has at least one year's seniority.

3 (2) When necessary, the Base Steward will be permitted time off from work, without
4 loss of pay, for the following activities:

5 a. The Base Steward may use as much time as may be reasonably necessary and
6 agreed to with the Resident Director/Site Manager, or designee, to consult with
7 stewards relative to employee complaints or grievances.

8 b. The Base Steward will represent the Local Union at Step II of the grievance
9 procedure as provided in Article III, Section 3; additionally, the Base Steward
10 may contact Company Labor Relations Representatives on other matters arising
11 out of the application of this Agreement.

12
13 **Section 2. Business Representatives and Union Officials**
14 **(See coded letter B-7)**
15

16 Union Business Representatives shall have access to the Company's plants to which they
17 are assigned to contact stewards and/or employees concerning employee complaints or
18 grievances or matters arising out of the application of the Agreement. Such visits will be
19 subject to the established Company and/or Governmental rules and regulations in effect at
20 the particular plant; however, the Company shall not impose regulations which will
21 render ineffective the intent of this provision. Prior to entering the Company's plants, full-
22 time Union officials or Business Representatives shall notify the Labor Relations office
23 as to the date, time and building where they will contact the steward. Such Union
24 representatives shall notify the steward's supervisor, Departmental Office or Department
25 Manager before contacting the steward.

26 Contacts by such Union representatives with employees other than stewards shall be
27 limited to the employees' free time. Such Union representatives shall not discuss any
28 problem with supervision or employees other than provided herein.

29
30 **Section 3. Cooperation**
31

32 This collective bargaining Agreement has been jointly entered into by the Company and
33 the Union. Each member of management and each represented employee shall cooperate
34 in the implementation of the Agreement both as to its provisions and its intent.

35 The Union and its members agree to report to the Company any acts or known threats
36 of sabotage, subversive activities, theft, damage to or taking of any employee, Company
37 or Government property or work-in-process or materials. The Union further agrees, if any
38 such acts occur, to use its best efforts in assisting the Company and the Government to
39 determine and apprehend the guilty party or parties.
40

Section 4. Health and Safety
(See coded letter C-1)

The Company agrees to maintain sanitary, safe and healthful conditions in all its plants and working establishments in accordance with applicable laws and to maintain procedures for prompt resolution of safety and industrial hygiene problems in keeping with the degree of the hazard involved.

The Company, its employees and the Union will comply with applicable local, State and Federal Laws, support a properly established Company Safety Program and utilize properly established and published Company procedures for the correction of unsafe conditions.

When possible, the Safety manager shall notify the Union Safety Committee Chairperson when a Bargaining Unit employee has been injured.

The Union may select representatives to serve on the Company's General Occupational Safety and Health Committee for each C.E.G. as follows:

For Part B (Sunnyvale).

For C.E.G.s of District Lodge 725, Area 5, and its Local Lodge 2228, a maximum of four (4) representatives for the General Occupational Safety and Health Committee, and an alternate for each identified representative may be appointed. Committee minutes will be distributed to the appointee(s) and the alternate(s). The Union shall notify the Company of any changes in the appointed representatives and designated alternates. The information shall include the employee's name, organization and work shift. Likewise, the Company will appoint four (4) members to the General Occupational Safety and Health Committee, plus technical advisors, when required. The Committee will be chaired by a Company representative. The purpose of the Committee is to serve as a focal point for communication regarding health and safety issues at all levels of the Company.

For Parts C, D, & E

Contract Enforcement Group	Number of Representatives
District Lodge 725, Area 5, and Local Lodge 2228 Santa Cruz	One (1)
California Central Coast Lodge 2786 Vandenberg	Two (2)
District Lodge 166 and Local Lodge 610 Cape Canaveral	Two (2)

The designated Union Safety Committee representative shall notify the respective Committee secretary, prior to the meeting, when the appointed alternate will be attending a meeting for the designee.

1 The Union's representation and participation on the Company's General Occupational
2 Safety and Health Committee shall be advisory only. The Company retains the exclusive
3 right to make final decisions on all safety matters. The Union's General Occupational
4 Safety and Health Committee representatives shall not be denied the right to attend
5 committee meetings to which they are designated members (or alternates) and may
6 participate fully in discussions concerning the safety and health of the Company's
7 employees; but no Union representative shall take part in or otherwise take responsibility
8 for the final decision to implement procedures or programs to prevent or correct unsafe
9 practices or conditions. The Company shall retain sole and exclusive responsibility for
10 maintaining a safe and healthful workplace and for determining and implementing all
11 safety procedures and programs.

12 Physical examinations will be provided for employees in certain classifications when
13 and where the Company deems it advisable. A written explanation for these examinations
14 will be provided upon request to each employee selected for a physical examination.
15 Copies of the Company required physical exam results will be given to the employee's
16 personal physician, provided a written request is made by such physician and the
17 employee signs a Company medical information release form.

18 In the event an employee becomes ill or injured while at work, the Company shall
19 arrange for appropriate transportation to the hospital or the employee's home.

20 No employee shall be discharged or otherwise disciplined for refusing to work on a
21 job not made reasonably safe or sanitary or that might endanger health. The Company will
22 provide each employee safety related training which includes, as appropriate, information
23 related to the hazardous substances to which an employee may be exposed related to
24 his/her job. Proper and modern safety devices shall be provided by the Company for all
25 employees working on hazardous and/or unsanitary work. Clothing and other safety items
26 required for protection of the employees against bodily harm will be furnished. Company
27 approved safety shoes or industrial safety prescription glasses broken or irreparably
28 damaged during the performance of an employee's job duties shall be replaced by the
29 Company.

30 Employees who are required by the Company to wear safety shoes to perform the
31 duties of their regular job shall be eligible for reimbursement at an actual and reasonable
32 cost by the Company for one pair of Company approved safety shoes not more frequently
33 than once in 12 months. This cost is subject to review annually by the General
34 Occupational Safety and Health Committee. Safety shoes are defined as shoes which
35 contain an internal steel cap covering the toe area and meet ANSI Standard Z41-1991 for
36 the purpose of protection against objects falling on the foot. This definition does not
37 apply to other types of shoes or protective clothing that may be required by other
38 conditions.

39 For industrial safety prescription glasses, any employee who requires prescription
40 glasses and is required by the Company to wear eye protection to perform his/her regular
41 job, shall be eligible for one pair of Company provided industrial safety prescription
42 frames, normally not more frequently than once every 24 months, but shall be eligible for

lenses every 12 months provided there has been a documented change in prescription. The glasses, available through a Company contracted supplier, will consist of a Company specified case, frame and two single vision, non-blended bifocal or trifocal clear or dark-tinted sunglass lens corrected as required by a current prescription. Added costs resulting from deviations from those specified by the Company will be paid by the employee.

Safety evaluation of ladders, scaffolding, hoisting equipment and other such equipment as well as the evaluation of work environments, when and where the Company deems advisable, or as required by governmental safety regulations, may be conducted by personnel in the Occupational Safety and Health organization of the Company at reasonable intervals. Results of the safety and health evaluations will be available for review upon request by the Union Safety and Health Committee. The Company shall inform any employee who has been exposed to radioactive materials above those concentrations prescribed by law. Through communication with employees' supervision, the Company shall inform affected employees of the reasons for and the results of exposure measurements for chemicals or noise.

Section 5. Bulletin Boards and Posting Notices

Space shall be provided on Company property at locations agreed upon and the Company will install and maintain Union-supplied bulletin boards for the posting of the following types of notices:

- (1) Union recreational, social and welfare activities.
- (2) Union elections.
- (3) Union appointments and results of Union elections.
- (4) Union meetings.
- (5) Such others as may be mutually agreed upon by the Union and the Company.

The Union shall not distribute or post, or authorize its members to distribute or post, any material anywhere on the Company's property except as herein provided.

The Company may remove such bulletin boards in the event of repeated violation of this Section or for reasons such as alterations in plant facilities, etc., and will inform the Union whenever it removes such bulletin boards.

Section 6. Solicitation of Memberships

Employees and Union representatives shall not solicit Union memberships or collect dues on Company property on the Company time of any employee, although such activities may be conducted on Company property on the free time of the employees.

Section 7. Information to be Furnished to the Union

A. Information to be Furnished Upon Request

- (1) The Business Representative, District 725 or Financial Secretary of a Local Union (Or Base Steward for C.E.G.s C, D, and E) may request the following reports pertaining to its C.E.G. and they shall be furnished by the Company as soon as possible:
 - a. The number of employees by classification within the C.E.G.
 - b. A list of employees by department showing pay rates, classifications, dates of hire and shifts. Such lists shall be coded in a manner which will indicate employees who have, since the last previous such list:
 1. received promotions within their departments,
 2. received promotions other than under 1,
 3. been recalled from layoff or from downgrade in lieu of layoff,
 4. been downgraded in lieu of layoff,
 5. received lateral transfers involving a change in classifications, or
 6. been downgraded other than in lieu of layoff.
- (2) Upon request from a Senior Steward to the Department Head or to Human Resources, reasonable and pertinent information (such as information from attendance records, Job Action Requests, changes of status, Reviews and Employee Performance Notice) concerning a grievance will be made available.

B. Information to be Furnished on a Regular Basis

- (1) Upon hiring an employee, the Company, within twenty-four (24) hours of the commencement of his/her employment, shall mail a copy of the hiring notice to the office of the Local Union.
- (2) The Company shall furnish the following to the Local Union in whose C.E.G. a general layoff occurs:
 - a. At the time of the application of the general layoff a copy of the seniority roster used by the Company in applying such layoff. Such seniority roster will list employees in the affected classification in order of their seniority.
 - b. Seniority roster by classification of all laid-off employees as of a date immediately after the application of the general layoff.
 - c. Insofar as is practicable prior to the date of layoff, the anticipated date, the approximate size and the probable classification affected.
 - d. A monthly list of employees dropped from list b. above, by reason of loss of seniority.
- (3) In addition to the above listed information, the Company will provide:
 - a. A monthly list of employees, in alphabetical order, listing their departments.
 - b. A monthly list of employees and their home addresses.
 - c. A weekly list of bargaining unit requisition openings within the C.E.G.

C. Reports on Computer Media

Where the Union requests the reports specified in this section on computer media, the Company will provide the reports in this format. The Union will reimburse the Company for all additional associated development costs, excluding any development cost not unique to the Union's information request. There will be no charge for present reports provided in a computer-readable format where the Company is able to provide the reports without additional developmental costs. If there is a cost to the Company to accommodate any media change, the Union will pay the cost.

**ARTICLE III
GRIEVANCES**

**Section 1. Employee Grievances – General
(See coded letter E-1)**

- A. The term "grievance" (other than "Union grievance") as used in the Agreement shall mean a written claim by an employee that the Company, at the time such written claim is filed, denies to that employee a right given to him/her under a specific provision(s) upon which the claim is based.
- B. The Company shall not confer with an employee with respect to a grievance filed by him/her without notifying the Senior Steward and giving him/her an opportunity to be present.
- C. Failure of the Local Union, the Senior Steward or the employee to proceed within any time limit set forth in this Article shall constitute a waiver of the grievance. Failure of the Company to act within any time limit set forth herein shall entitle the Local Union to proceed to the next step. However, time limits may be extended by mutual agreement.
- D. If a retroactive pay adjustment based upon a change in classification is involved in a grievance settlement, such adjustment shall not be made retroactive prior to the date the grievance was presented to the Department Head, unless the employee, the Union Steward(s) and the supervisor discussed the complaint as provided in Section 2 of this Article. In that event, the adjustment may be made retroactive to the date of that discussion, however in no event shall the adjustment be retroactive prior to twenty-three (23) working days before the grievance is filed.
- E. Grievance forms and grievance answers will not be filed in the employee's departmental or personnel folders, except when, upon mutual agreement between the Union Business Representative (except at C.E.G. D where the Base Steward and Union Labor Relations Committee Chairperson may approve) and the Labor Relations Representative, a grievance settlement provides future and/or additional instructions regarding the employee's rights/case; further, such items previously placed in such folders shall be removed as folders are reviewed.
- F. A grievance shall be dated and signed by the employee and shall set forth a statement of the grievance, the facts on which it is based, the time of occurrence and the correction desired. If a grievance involves a job classification matter, the employee is also required to submit a written statement of the specific duties on which the grievance is based.

Section 2. Grievance Procedure for Employees on the Active Payroll
(See coded letters C-2, D-2, D-16, E-1 and E-2)

The procedure for processing a grievance or complaint for an employee on the active payroll shall be as follows:

A. Pre-Step 1 Grievances/Complaints

It is the intention of the parties that employee grievances/complaints regarding wages, hours or working conditions be resolved through oral discussion between the employee, their supervisor or manager, and the Senior or Group Steward. Prior to submission of a written grievance, the employee must attempt to resolve the grievance/complaint through such oral discussion.

B. Step 1 Grievances

- (1) An employee who wishes to present a grievance shall state his/her grievance in writing on an electronic form mutually agreed upon by the union and the company. The grievance shall be delivered to the department head, either by the employee or his/her senior steward, within twenty-three (23) working days after the occurrence upon which the grievance is founded. ("Working days" as used in this article shall mean the first five (5) days in an employee's workweek, except where one of those days is a holiday as specified in Article V, Section 4 and shall not include the sixth or seventh day of the workweek or such holiday even if worked.)
- (2) The responsible Department Head, Senior Steward and the Labor Relations Representative or the Human Resources Representative shall meet at a mutually convenient time and shall use their best efforts to settle the grievance with the Labor Relations Representative or Human Resources Representative acting as an advisor only. The Senior Steward may ask one of his/her Group Stewards to be present at this meeting if he/she so desires. If, after a thorough discussion of all facts known to both parties, it becomes apparent that the matter is in dispute, the Company and the Union shall agree in writing on the facts and issues. Such Statement of Facts and Issues form shall be signed by the Department Head and Senior Steward and attached to the copies of the grievance. Subsequent to the first step meeting, but within five (5) working days after receipt of the grievance, the Department Head shall deliver a written answer to the Senior Steward. If a settlement has not been reached, the Local Union may proceed to the next step of the grievance procedure within ten (10) working days after receipt of such written answer.
- (3) A Grievance Form which is not considered eligible for processing as a grievance because it lacks specificity or otherwise fails to meet requirements set forth in the grievance procedure, will be returned to the Senior Steward with a written explanation on the grievance form regarding the reasons therefore. The Union shall

1 have ten (10) working days after receipt by the Steward to process such grievance,
2 including necessary specificity, to the next Step of the grievance procedure.

3 (4) The department's findings regarding a grievance will normally be discussed by the
4 Manager with the Senior Steward before the Manager formulates a position and
5 presents a written reply on the grievance form. During the discussion it is expected
6 that all pertinent facts known to the Manager and to the Senior Steward will be
7 disclosed.

8 (5) Grievances or complaints arising from the application of Article I, Section 13 of
9 the Agreement (Non-Bargaining Unit Employees Performing Bargaining Unit
10 Work) will normally be processed by the alleged violator's Manager who will be
11 responsible for coordinating with the complainant's Manager and preparing the
12 Statement of Facts and Issues if the issue remains in dispute. By mutual agreement
13 the matter may be processed by the complainant's Manager.

14 (6) A grievance or complaint arising from disqualification on a Placement Request
15 Card which involves a classification not currently used in the employee's present
16 department shall be returned to the Steward with a written statement to such effect,
17 along with a copy of the disqualified Placement Request Card. The Union shall
18 have ten (10) working days after receipt by the Steward to process such grievance
19 or complaint to the next Step of the grievance procedure.
20

21 **C. Step 2 Grievances**

22 (See coded letters C-2, D-2 and E-2 for the procedure to be followed at C.E.G.s C, D
23 and E.)

24 (1) The unsettled grievance shall be delivered to the Labor Relations office by the
25 Union and listed on the Open Grievance Status Report according to date received.
26 A priority status will be assigned in accordance with Paragraph D (2) to facilitate
27 timely processing of the issue. Representatives of the Company and the Local
28 Union shall meet and use their best efforts to reach a settlement. The Company
29 shall deliver its answer at Step 2 in writing to the Local Union within twenty (20)
30 working days after the date of the receipt by the Company at Step 2; within twenty
31 (20) working days from the date the grievance was filed in the case of a "Union
32 Grievance." If a settlement is not reached, the Local Union, within five (5)
33 working days after receipt of the Company's written answer, may proceed in
34 accordance with Step 3; however, complaints may not be advanced beyond Step 2.
35

36 **D. Step 3 Grievances - Labor Relations Committee**

37 See coded letters C-2, D-2 and E-2 for the procedure to be followed at C.E.G.s C, D
38 and E.)

39 (1) The Union shall deliver a written notice to the Labor Relations Office listing the
40 grievances they desire to present to the Labor Relations Committee, no more
41 frequently than one (1) time per month. Once the grievances are presented to the
42 Company, the grievances will remain in Step 3 until presented to the LRC. The

grievances shall be heard within thirty (30) days of receipt of such notice by the Company. The parties may modify the time limits or the frequency of LRC meeting by mutual agreement.

(2) Grievances will be scheduled in the chronological order received at Step 2 within the following priority order:

a. Grievances arising out of discharge, layoff, recall from layoff and others involving reinstatement.

b. Grievances concerning classification, promotion, downgrade or other grievances involving rates of pay.

c. Grievances held over from a previous LRC.

d. All other scheduled grievances.

(3) Union representation on the LRC shall consist of four (4) employees of the C.E.G., one additional employee representative from CEG C may be added only when there are cases involving CEG C, the Business Representative of the Local Union or an authorized representative and another Union Official. The Company committee shall be at the sole discretion of the Labor Relations Manager. The total number shall not exceed the number of members of the Union committee. The number of participants may be modified by mutual agreement.

(4) The decision of the LRC shall be considered final if the Union representatives and the Company representatives concur. If the LRC fails to settle a grievance, either party may proceed in accordance with Step 4 of this Article.

E. Step 4 Grievances - Arbitration Procedure

Any grievance, as defined herein, which involves interpretation or application of a provision of this Agreement, remaining unsettled after the preceding Steps may be referred to arbitration. The party seeking to have the grievance referred to arbitration shall deliver written notice to that effect to the other party and select and schedule an arbitrator within eight (8) working days following the decision rendered by the LRC, or such longer time as necessitated by vacation, or by accident, illness, or similar emergency, in accordance with the following schedule:

The parties, by mutual agreement, shall select an arbitrator. For Parts D and E, refer to coded letters D-2 and E-2 respectively.

(1) Notice of Intent to Arbitrate.	Within two (2) working days of the LRC decision.
------------------------------------	--

(2) Selection of the arbitrator.	Within five (5) working days of the LRC decision.
----------------------------------	---

(3) Scheduling of the arbitrator.	Within three (3) working days after the selection of the arbitrator.
-----------------------------------	--

(1) Selection of Arbitrators

- a. Each party shall nominate ten (10) arbitrators, who shall be members of the FMCS, the American Arbitration Association or the National Academy of Arbitrators. Each of these arbitrators will have been jointly contacted and asked for a response to the following questions:
 1. Will the arbitrator agree to serve as one of the arbitrators who may be selected during the next year to hear cases presented by LMSSC and the IAM&AW?
 2. Will the arbitrator agree to hear cases where a transcript is not prepared if the two (2) parties mutually agree it is not necessary?
 3. Will the arbitrator render a written decision within thirty (30) days following the submittal of post-hearing briefs?
 4. What is the arbitrator's fee schedule?
- b. The names of the twenty arbitrators nominated by the parties and from whom appropriate responses to questions a. 1, 2, 3 have been received shall constitute the panel of arbitrators from which during the following year individual arbitrators will be selected. On the first and second anniversary dates of the Agreement a new panel may be selected in a manner mutually agreeable to the parties.
- c. The affected Business Representative for the Union and Labor Relations Representative for the Company shall meet to select an arbitrator. Arbitrators shall be selected for an individual case by placing the twenty (20) names from the panel into a container from which seven (7) shall be drawn at random. The parties shall alternately strike one (1) name from the list of seven (7) (the right to strike the first name having been determined by lot) until only one (1) name remains and that person shall be the arbitrator.
- d. The Business Representative and Labor Relations Representative shall then immediately telephone the arbitrator and establish a date on which the case will be heard. If the selected arbitrator is unavailable within the time period specified in Paragraph 2 below, another arbitrator shall be selected, using the procedure set forth above.

(2) Arbitrations will be scheduled on a mutually agreeable date.

(3) If the parties fail to agree on a joint submission, each shall present a separate submission, and the arbitrator shall determine the issue or issues to be heard provided that said issue is arbitrable in accordance with this Article. The joint or the separate submissions shall state the issue and the specific clause or clauses of this Agreement which the arbitrator is to interpret or apply.

(4) The arbitrator shall have the authority to interpret and apply the provisions of this Agreement including the authority to determine a basic rate of pay for a modified or newly-established job under the governing provisions of this Agreement, and to settle disputes which arise in connection with the

application of Article I, Section 7. The arbitrator shall not have the authority to amend or modify this Agreement or to establish new terms and conditions of this Agreement. The decision of the arbitrator shall be final and binding on the Company, the Union and the employee.

(5) Transcripts of arbitration proceedings may be requested and used at the discretion of either party.

(6) Rebuttal briefs will not be filed by the parties, except on the basis of mutual agreement.

(7) Post-hearing briefs will not be filed by the parties in dismissal or disciplinary cases except on the basis of mutual agreement. In other types of cases a brief may be filed at the election of either party.

(8) The compensation and expenses of the arbitrator and arbitration shall be paid by the Union if the Company prevails, by the Company if the Union prevails, or divided equally between the parties if a split award is received. Each party shall bear the expense of its own witnesses. The cost of any report or transcript shall be divided equally only if mutually requested. Each party shall pay one-half of the aggrieved employee's time lost from work for appearance in the arbitration hearing.

Section 3. Grievance Procedure Concerning Discharge, Layoff, Termination, Recall to the Payroll and Any Other Grievances Involving Reinstatement to the Payroll

The procedure on grievances arising out of discharge, termination under layoff procedure, recall to the payroll and other issues involving reinstatement to the payroll shall be as follows:

The employee shall deliver the grievance to the Local Union which may submit it to the Labor Relations or Human Resources office of the Company and proceed as set forth in Step 2 of Section 2 of this Article. Such grievance shall be delivered to the Labor Relations or Human Resources office within ten (10) working days following the date of the occurrence as described above upon which the grievance is founded or date of receipt of notice in the case of a by-pass while on layoff, otherwise such grievance shall be deemed to be waived.

An employee who voluntarily terminates in lieu of discharge may file a grievance. Such grievance will be considered a discharge grievance for time limit purposes.

Section 4. Union Grievances

The term "Union grievance" used herein shall mean any written grievance which the Union may have with the Company pertaining to the application or interpretation of the provisions of Article I (except Section 1 and Section 4), Article II (except Section 4), Sections 6 and 9 of Article V, and Section 1 of Article VII where said Section 1 is involved in the application of a job description which is the subject of a Union grievance

1 and Subsections C and D of Section 1 of Article VII of this Agreement. A Union
2 grievance shall be submitted to the Labor Relations office within twenty-three (23)
3 working days after the occurrence upon which the grievance is founded; otherwise, the
4 grievance shall be deemed to be waived.

5 6 **Section 5. Written Criticism Review**

7
8 Employees shall be notified in cases where written notations of oral criticisms are
9 recorded on the personnel records maintained in the Department files. Supervision will
10 prepare a memorandum notifying the employee that the oral criticism has been recorded
11 on the employee's personnel file.

12 Supervision may issue oral criticisms as necessary which are not recorded on
13 personnel records.

14 An employee may request that a memorandum in a personnel file referencing verbal
15 criticism be reviewed by the employee's current Department Manager after one (1) year
16 from the date of issuance. If it is determined that there has been no recurrence of the
17 stated deficiency, the Manager may make the decision to remove such memorandum from
18 the department folder. If the Manager is not agreeable, the employee may appeal to the
19 next higher level of management. If the next higher level of management is not agreeable,
20 the employee may appeal to the Labor Relations Committee. The Labor Relations
21 Committee may make the decision to remove such memorandum by mutual agreement.
22 The decision not to remove the memorandum will not be grievable.

23 An employee may also request that an Employee Performance Notice (EPN), not
24 involving suspension, be reviewed by the employee's current Manager after two (2) years
25 from the date of issuance. If the Manager agrees that there has been no recurrence of the
26 stated deficiency, the Manager may request by IDC that Labor Relations remove the EPN
27 from the employee's personnel folder. If the Manager does not agree, the employee may
28 appeal to the next higher level of management. If the next higher level of management is
29 not agreeable, the employee may appeal to the Labor Relations Committee. The Labor
30 Relations Committee may make the decision to remove the EPN by mutual agreement.
31 The decision not to remove the EPN will not be grievable.

32 An employee may request that an Employee Performance Notice (EPN) involving
33 suspension be reviewed by the Labor Relations Committee after three (3) years from the
34 date of issuance. Such request shall be made in writing to the Department Manager who
35 shall forward the request with a recommendation to the Manager of Labor Relations. The
36 Labor Relations Committee may make the decision to remove the EPN (with suspension)
37 by mutual agreement. A decision not to remove the EPN (with suspension) will not be
38 grievable.

ARTICLE IV
EMPLOYEE PLACEMENT
(See coded letter B-13)

Section 1. General Seniority Provisions

A. Basis of Seniority

- (1) An employee's seniority shall be based on the length of service with the Company, subject to the conditions in this Article. Subject to the provisions of Subsection B (1) of this Section governing establishment of seniority, an employee's seniority shall date from the date the employee starts work after original hire by the Company, except that a rehired employee's seniority shall date from the date the employee starts work after the latest rehire by the Company. Seniority shall not be carried from other facilities of the Lockheed Martin Corporation except as specifically provided in this Agreement; however, seniority credit for service in a subsidiary corporation or other Division of Lockheed Martin Corporation granted to employees and persons prior to the date of this Agreement shall be continued in effect.
- (2) A part-time employee shall be entitled to seniority in the same proportion that time regularly worked by such part-time employee bears to the time regularly worked by a full-time employee. Part-time employees shall be eligible for health care benefits upon payment of 40% of the health care premium after ninety (90) calendar days of continuous service time from the date the employee starts work after hire or rehire without seniority.
- (3) A full-time employee may be assigned as a part-time employee for up to 120 calendar days by mutual agreement between the Company and the Union and will retain full-time employee placement and layoff rights.

B. Probationary Period

- (1) Ninety (90) working days after an employee reports to work at the Company, the employee shall acquire seniority rights there, and seniority shall be retroactive to the starting date. During the first ninety (90) working days of employment (except for part-time employees who shall be required to work one hundred eighty (180) working days), the employee shall be considered probationary, and retention as an employee shall be entirely within the discretion of the Company. On matters other than discharge or layoff, such employee shall be entitled to the same representation as other employees. By request of the Company, an employee's probationary period may be extended by mutual agreement of the Company, the Union Business Representative (Base Steward for C.E.G. C, D, or E), and the probationary employee. Such extensions apply solely to the provisions of this paragraph herein.

The Union will not unreasonably oppose extension of the probationary period where, because of lack of a security access, management has been unable to evaluate an employee on the work for which they have been hired.

- (2) If an employee is laid off during the employee's probationary period and subsequently rehired at the Company where laid off, any seniority accumulated there during the twelve (12) months immediately preceding the rehire date shall be counted toward the probationary period. If such service is not continuous, the employee's seniority date shall be established as of a date ninety (90) working days prior to the completion of the probationary period.

C. Seniority on Transfers and Rehires

- (1) An employee shall retain seniority in the following instances:

- a. On any voluntary or operationally required transfer/movement between C.E.G.s.
- b. Layoff from one C.E.G. and rehire into any C.E.G. while such employee has maintained recall rights at the C.E.G. from which laid off.

- (2) An employee, transferred from a classification covered by this Agreement to an hourly classification represented by another bargaining agent (which is not the IAM&AW) and thereafter transferred to a classification covered by this Agreement, shall have the seniority which had accumulated on the date of transfer to such other unit.

- (3) A person hired within a salaried classification or into an hourly classification represented by another bargaining agent (which is not the IAM&AW) or into a non-represented hourly classification and thereafter transferred into a classification covered by this Agreement, shall have seniority from the date of transfer.

- (4) A person who has acquired seniority in accordance with the provisions of this Agreement and who was or is transferred to a salaried or non-represented hourly classification within the Company, shall continue to accumulate seniority. Such seniority shall apply in case of transfer to a classification covered by this Agreement.

- (5) An employee promoted to a supervisor or salaried position from the bargaining unit will be considered by the Company for return to the bargaining unit provided the employee has not accumulated more than a total of four (4) years as a supervisor or salaried employee.

D. Code 'D' Rehires

An employee who was terminated from a plant of Lockheed Martin Corporation or from a subsidiary of Lockheed Martin Corporation and who, thereafter, was or is hired by the Company shall acquire seniority on the same basis as a newly hired employee. However, such an employee who either: (1) begins work at the Company within thirty-one (31) calendar days beginning with the day after the employee's termination from such plant or, (2) begins work at the Company during the period the employee is

1 eligible for recall at such plant shall be designated as a Code 'D' rehire and receive the
2 following benefits:

3 (1) Such employee shall not be required to serve the probationary period provided in
4 Subsection B of this Section if the employee has previously held the classification
5 at such subsidiary or plant. All other rehires must serve a ninety (90) working day
6 probationary period for retention purposes only.

7 (2) For the sole purpose of determining the length of vacation with pay, such
8 employee's seniority shall be based on the employee's Corporate service date.

9 (3) Such employee shall be entitled to elect, without serving a new waiting period, the
10 same type (employee or employee and dependent) of group insurance coverage as
11 in effect at the time of termination or layoff. Such employee's right to additional
12 group life insurance benefits is subject to provisions of Article V, Section 10
13 hereof. Employees who are rehired following retirement will be designated as
14 Code 'D' Rehires if they are rehired within sixty (60) months after their date of
15 retirement.
16

17 **E. Code 'H' Rehires**

18 An employee who voluntarily terminates or is laid off after having accumulated two
19 (2) or more years of seniority at any plant or subsidiary of Lockheed Martin
20 Corporation and who, after the effective date of this Agreement, is hired by the
21 Company and serves a 90 working day probationary period, shall be designated a
22 Code 'H' rehire and receive the following benefits:

23 (1) Such employee shall be entitled to group insurance coverage without serving a
24 waiting period, except where the provisions of the health insurance plan may
25 otherwise provide.

26 (2) Such employee shall be eligible for participation in the Savings Plan without
27 serving a waiting period.
28

29 **F. Restoration of Seniority**

30 Except as provided above, seniority shall be restored only by mutual agreement of the
31 Union and the Company. Consideration for restoration of seniority shall be given by
32 | the Business Representative, District 725, a Business Representative of the Union and
33 the Manager of Labor Relations for the Company, and such mutual agreement shall be
34 recognized only on written evidence of their mutual approval.
35

36 **Section 2. Loss of Seniority**

37

38 An employee shall lose his/her seniority if any of the following occurs:

39 (1) Resignation. A five-day unreported absence (or four-day unreported absence for
40 employees on a 4x10 workweek or 9/80 workweek) on scheduled workdays
41 without a reasonable explanation for failure to report shall be considered a
42 resignation.

- (2) Discharge for just cause.
- (3) Failure to retain place on recall list in accordance with the provisions of the Agreement, entitled, "Recall". Failure to report for work on the date designated by the Company or to furnish to the Company a reasonable excuse for failure to report.
- (4) Layoff from the active payroll for a period of sixty (60) consecutive months.

Section 3. Employee Placement **(See coded letters B-11 and B-16)**

A. When Opening is Filled

An available opening shall be considered to have been filled when:

- (1) The Company makes a job offer to an employee or an applicant and the offer is accepted, or
- (2) Move action is initiated by a Job Action Request.

B. Priority in Filling Available Openings

(See coded letter C-6)

Available openings in a classification shall be filled by employees in the following categories in the order stated below:

- (1) Employees who are being downgraded from a higher-rated classification in lieu of layoff and who are scheduled for placement in the classification in which the opening exists.
- (2) Employees on the recall list of the classification in which the opening exists.
- (3) Employees eligible for promotion as provided in Section 4 of this Article.
- (4) Employees who volunteer for downgrade from one classification to another in a lower labor grade.
- (5) Employees requesting transfer from one classification to another in the same labor grade.
- (6) Employees requesting a shift transfer within a classification.
- (7) Part-time employees requesting placement in full-time positions.
- (8) Employees requesting transfer to one C.E.G. from another C.E.G. or rehire from layoff to a classification in which the employee has recall rights.

C. Placement Exclusive of Priority

Certain placements which may be made without reference to the placement priority provision are set forth in:

- (1) Paragraph D of this Section entitled "Placement of Employees in Lower-Rated Classifications",
- (2) Paragraph F of this Section entitled "Temporary Assignments",
- (3) Section 5 of this Article entitled "Transfer",
- (4) Section 8 of this Article entitled "Placement of Employees with Disabilities".

D. Placement of Employees in Lower-Rated Classifications by Mutual Agreement.

- (1) Downgrading into classifications which have recall lists may be made upon mutual agreement of the parties for the following groups of employees, provided such employees have greater seniority than any employees on the recall list for such lower classification:
 - a. Physically limited employees who are unable to do the work of their current classification but are able to do the work of a lower-rated classification.
 - b. Employees who are unable to remain in a classification because of substantial personal hardship.
 - c. Employees who, after normal instruction, are trying to perform their job assignments but are unable to do so, and whose work records indicate that they would be satisfactory employees in a lower-rated classification.
- (2) In the event no job opening exists, an employee included in Paragraph (1) of this Subsection D, upon mutual agreement of the parties, may displace the least-senior of any less-senior employees in a lower classification if qualified to perform the work in such lower classification.

E. Placement Requests

- (1) Submission of Placement Request Cards is the designated manner by which employees may request promotion, lateral or lower placement, and shift or department changes, except as specified in Section 5 of this Article. The Company shall not be required to consider an employee's Placement Request for ninety (90) calendar days from the effective date of the last placement which was the result of action requested on a Placement Request other than a shift change. When a Placement Request is filed with the Company, the employee shall be given a receipt setting forth the date the request was received by the Central Placement Unit of the Labor Relations Department and showing the classification requested. Such requests shall remain active until the employee is placed, as requested, or until withdrawn by the employee, but in no event for more than twelve (12) months.
- (2) Employees with a seniority date subsequent to the effective date of this Agreement, and one year of seniority or less, may file Placement Requests only for promotion. Such promotion requests for jobs within their current major organizations reporting to the Company's President's office shall be considered and have placement priority in accordance with other provisions of this Agreement. Further, such promotion requests shall have placement priority for any other openings ahead of new hires.
- (3) An employee shall not be permitted to have more than five (5) Placement Requests on file at one time. **(C.E.G. B only):** Employees may submit up to five (5) Placement Request cards in one (1) calendar year. If the action on a Placement Request Card is denied, employees will have the opportunity to request one (1)

1 additional consideration per year for the original action listed on each of the five
2 (5) Placement Request Cards submitted.

3 (4) Employees must respond to any offer of placement (resulting from an action
4 requested on a Placement Request Card) within two (2) working days. Refusal by
5 an employee to accept the action requested on a Placement Request Card within
6 two (2) working days shall cancel that request and such request may not be refiled
7 for a period of ninety (90) calendar days.

8 (5) Prior to filing a Placement Request, employees are required to read the job
9 description for the classification to be requested.

10 (6) **(C.E.G. B only)**: A copy of the job description for the requested classification
11 shall be attached to the Placement Request Card by the employee. Employees are
12 also required to fill out the Placement Request Supplemental Form when filing the
13 Placement Request Card.

14 (7) The Company will preliminarily consider employees who have filed a request for
15 promotion (under the terms of the Agreement) at the time the request is filed to
16 determine if the employees' qualifications meet the basic requirements of the
17 requested classification.

18 At the time of such preliminary consideration, and within forty-five (45)
19 working days following receipt of a valid Placement Request, the Company will
20 notify employees whether they are found to be qualified for promotion in
21 accordance with the provisions of the Agreement. In the event employees are
22 found not to be qualified, a written explanation will be provided.

23 (8) Prior to filing a complaint regarding a disqualification, the employee must request
24 and participate in a counseling interview with a Labor Relations representative, or
25 their designee.

26 (9) In the event that the employees' qualifications are found to meet the basic
27 requirements of the requested classification, such preliminary decision will be
28 reviewed at the time a specific opening is filled to determine whether the
29 employees' qualifications meet the requirements of the classification as related to
30 the duties of the specific opening.

31 (10) Should an employee wish to alter conditions specified on a Placement Request
32 Card (such as department, facility, shift), a new Placement Request Card must be
33 filed to implement such a change. If the request is for a promotion to the same
34 classification for which the employee is deemed qualified, the new Placement
35 Request Card will not be re-evaluated with respect to qualifications for the
36 requested position. The duration of the original Placement Request shall be
37 extended by receipt of a modifying request.

38 (11) Except as otherwise provided in Article IV, Section 3(E), Placement Requests
39 become inactive during periods when employees are on layoff or prolonged
40 absence.

41 (12) Physically limited employees who are on prolonged absence for medical reasons
42 and are unable to perform the work of their current classification, but are able to

Article IV, Section 3

1 physically perform the duties of other classification(s), may file Placement
2 Requests. Such requests may be submitted to the Central Placement Unit any time
3 upon determination of physical limitations by the Company's Medical Department.
4 All such requests will be considered/processed in accordance with the provisions
5 of Article IV Section 3 of this Agreement. A disqualification of such a Placement
6 Request will be considered as a complaint and shall be eligible for processing
7 through Step 2 of the grievance procedure.

- 8 (13) Placement Requests for Trainee classifications and requests for transfer between
9 C.E.G.s remain active while employees are on layoff.
- 10 (14) A Placement Request must be filed for an employee to be considered for
11 placement in any Trainee position.
- 12 (15) A probationary employee may not file a Placement Request.
- 13 (16) In order to receive consideration for promotion, an employee's Placement Request
14 and all factual information bearing upon the qualifications for promotion must be
15 on file at least seven (7) calendar days prior to the date such promotion is made.
- 16 (17) Promotions will automatically cancel Placement Requests for jobs lateral to or
17 lower than the new position on the date the promotion is effective.

18 19 **F. Temporary Assignments**

- 20 (1) An employee temporarily assigned to a higher-rated classification to replace
21 another employee who is absent for a short period of time due to vacation, illness,
22 or similar reasons, shall be paid ten cents (\$.10) per hour above their normal base
23 rate or the minimum of the higher-rated classification, whichever is higher, or in
24 cases where the employee previously held the higher-rated classification, the same
25 rate of pay as such absent employee, but not to exceed the maximum of such
26 classification. Such payment will be made upon termination, quarterly, or when
27 the accumulation of hours total forty (40), whichever occurs first. Employees shall
28 be provided documentation of such temporary assignment.
- 29 (2) Temporary replacements will normally be selected from within the affected
30 department when the required skills and qualifications are available.
- 31 (3) Seniority will be a consideration in the selection of temporary replacements.
- 32 (4) Such temporary assignment or reassignment shall not be considered as filling an
33 opening under paragraphs A and B of this section.
- 34 (5) Completion of a temporary assignment does not necessarily qualify an employee
35 for that classification.
- 36 (6) An employee temporarily assigned as a Lead, including a "training" Lead, shall be
37 paid in accordance with Article VI, Section 5.

38 39 **G. Leads**

- 40 (1) Selection or removal of leads, including temporary, shall be at the sole discretion
41 of the Company, based on the provisions in (2) below.

- 1 (2) Leads will be selected or removed within a department based on job-related
2 criteria, including but not limited to, leadership ability, job knowledge, technical
3 competence, education, experience, and interpersonal skills. Where, in the opinion
4 of management, the candidates are substantially equal, seniority will be
5 considered. Non-job-related considerations will not be used in lead selection or
6 removal. Employees shall be provided documentation of such lead assignments
7 including temporary leads.
8 (3) It is understood that the provisions of this Section do not modify those provisions
9 of Article VII, Section 1, Subsection B, (Interpretation and Application of Job
10 Descriptions), which provide that any employee may assist in the training of
11 another employee by giving assistance to another employee on work operations or
12 giving guidance and instruction to any employee and do not provide for classifying
13 as a Lead.

14 **Section 4. Promotion**
15 **(See coded letters B-9 and C-3)**
16

17
18 **A. General**

19 In selecting an employee for promotion to an available opening, the following
20 standards shall apply:

- 21 (1) Availability for release. Operational requirements will be considered insofar as
22 they pertain to the release of an employee from the employee's present job. The
23 Company will not unreasonably deny an employee a release for promotion.
24 (2) Where ability, skill and efficiency are substantially equal, preference shall be given
25 to the most senior qualified employee, within the applicable unit.
26

27 **B. Promotion to Higher-Rated Jobs**

28 **(See coded letters C-3, D-13 and E-6)**

29 Promotions to higher-rated jobs, except Lead, shall be made from among those
30 employees who have filed requests for such higher-rated jobs provided such
31 employees are qualified to perform the work.

32 Consideration shall first be given to those employees within the department where
33 the opening exists plus employees outside the department who have at least forty eight
34 (48) months more seniority than those employees within the department.
35 Consideration shall next be given to other employees with requests on file.

36 Employees with a hire date subsequent to the effective date of this Agreement and
37 one year seniority or less may be considered for promotion to any job ahead of new
38 hires.

Section 5. Transfer
(See coded letter D-1)

A. General

Transfers Within the C.E.G.:

- (1) A transfer for purposes of this Subsection A does not apply to promotion to higher-rated classifications or to downgrading to lower-rated classifications.
- (2) Transfers will be made on the basis of operational requirements of the Company, with first consideration being given to employees in the department where the opening exists, then within the next larger organizational unit, then within the Company.
- (3) The following placements may be made without reference to Priority in Filling Available Openings (Section 3 of this Article).
 - a. Operational requirements transfers within a classification.
 - b. Operational requirements transfers from one classification to another in the same Labor Grade, provided the employee so transferred possesses greater seniority than employees specified in Article IV Section 3 B (1) and (2).

B. Operational Requirement Transfers and Loans-Within Contract Enforcement Group

(1) Employee Notification of Lateral Transfer or Loan

- a. The fundamental basis for the selection of employees to be transferred is "operational requirements". Written transfer requests filed by employees will be considered. The Company will give as much advance notice as possible to the employee and, upon request, the supervisor will furnish an explanation to the employee or Union the reasons for the selection. Any complaint regarding the alleged improper selection of an employee for transfer, which is not resolved as the result of informal discussion, may be processed through the second step of the grievance procedure.
- b. In some instances a number of available employees may be substantially equally qualified to handle jobs to be filled by transfer or loan. When time considerations permit, the Company will request volunteers from such group to fill the vacancies.
- c. An employee who is loaned from one department of a plant to another department of that plant will be given written notice at the time loaned. Such loans will be for a reasonable period of time and any loan extended beyond ninety (90) calendar days will be reviewed by the next higher level of management. Any employee complaint regarding the duration of a loan may be processed through the second step of the grievance procedure.

(2) Shift Transfers

- a. Vacancies involving shift transfers will be filled in seniority order among qualified employees within the classification and department where the opening exists. First consideration shall be given to employees who have filed written requests with their manager within the preceding twelve (12) months and next by seniority among qualified volunteers.
- b. If an insufficient number of employees accept the transfer, the Company may then transfer the required number of qualified employees in inverse seniority first from the same classification from within the department, then within the next larger organizational unit and then within the Company.
- c. Consistent with the need for maintaining skills on the swing shift and with our ability to train new employees on that shift, available openings on the day shift will be filled by transfer of swing shift personnel who request such transfer.
- d. An employee who has been involuntarily transferred from one shift to another for ninety (90) calendar days shall, upon written request, be assigned to the former shift (within the department) assuming a less senior qualified replacement is obtained and the operational requirements are such that the transfer may be made, but in no event later than thirty (30) calendar days from receipt of such request unless there is no less senior qualified replacement (within the department) on the former shift.
- e. If an employee is required to transfer shifts, it is the intent of the Company to notify such employees as soon as possible, prior to the effective date of the shift change.

C. Employee Requested Transfers - Within Contract Enforcement Group

- (1) Such consideration for transfer will be given on the basis of seniority to employees who are competent to fill the vacancy and who have filed written requests with the Company at least seven (7) working days prior to the date that such transfer is made.
- (2) Transfer requests shall be in writing on a form provided by the Company. When filed with the Company, the employee shall be given a signed receipt setting forth the date the request was received by Human Resources and showing the transfer requested. Such request shall remain active until the employee is transferred, as requested, or until withdrawn by the employee, but in no event for more than twelve (12) months unless renewed in writing by the employee.

D. Operational Requirement Transfers - Between Contract Enforcement Groups

- (1) Operational requirement transfers to one C.E.G. from another C.E.G. or rehire from layoff during the period when the employee has recall rights at another C.E.G. may be made without reference to priority in filling available openings. Such employee may be placed in the same or lower-rated classification or in a higher-rated classification so long as the employee has recall rights to that

1 classification at the C.E.G. from which transferred, provided such employee
2 possesses greater seniority than employees specified in Subsection B (1) and B (3)
3 of Article IV, Section 3.

4 (2) The following placement priority applies to employees laid off following
5 operational requirement transfers:

6 a. An employee transferred at the request of the Company from a C.E.G. to any
7 other C.E.G., and who is scheduled for layoff or has been laid off, shall be
8 entitled to elect to return to the C.E.G. from which transferred, provided he/she
9 so elects within sixty (60) calendar days after date of layoff.

10 b. If such an employee makes such election, he/she shall be given preferential
11 consideration over employees eligible for promotion for an available opening
12 in the same classification from which laid off or a lateral classification for
13 which qualified at the C.E.G. from which transferred; however, if there is no
14 such available opening, the employee shall be placed on the recall list for the
15 same classification from which laid off.

16 c. Such an employee returning to the C.E.G. for placement pursuant to the
17 provisions of this Subsection will be reimbursed in accordance with the then
18 established Company policy for the following:

- 19 1. Actual costs incurred in moving household goods from the place where laid
20 off to the home plant.
- 21 2. Transportation costs for the employee and family.
- 22 3. Per diem allowance for the days of normal time by means approved by the
23 Company.

24
25 **E. Employee Requested Transfers - Between Contract Enforcement Groups**

26 (1) An employee on the active payroll, or an employee who is on layoff and eligible
27 for recall with less than five (5) years' seniority, may request transfer to another
28 C.E.G. in any classification for which he/she has recall rights at the C.E.G. where
29 laid off. Laid off employees must file such request within sixty (60) calendar days
30 from date of layoff. Such request will be considered when filling available
31 openings in classifications requested for which qualified. Requests shall remain
32 active for twelve (12) months unless renewed in writing.

33 (2) An employee with five (5) or more years' seniority who is scheduled for layoff or
34 who is on layoff with recall rights may request transfer to any C.E.G. in any
35 previously-held classification. Such requests shall list the classifications and
36 C.E.G. in order of preference; requests shall be given preferential consideration
37 ahead of new hires; requests become invalid when any placement covered by this
38 Agreement is accepted, or upon expiration of six (6) months (unless renewed in
39 writing) or until withdrawn. Renewal must be made prior to expiration of each six
40 month period and may continue during the period eligible for recall. Notices are to
41 be sent to the Labor Relations office at the plant where laid off.

- (3) Employee must accept or reject transfer offer within five (5) working days and must report at new location within seven (7) working days (plus authorized travel time) from date of release if on active payroll or from date of acceptance if on layoff.

F. Transfers to Represented Classifications

(See coded letter C-6)

- (1) The Company may:

- a. Retransfer an employee to a C.E.G. from which transferred, or
- b. Retransfer a salaried person (transferred from a classification covered by this Agreement to salary), such placement to be in the C.E.G. at the facility to which currently assigned in case of displacement, or in any C.E.G. if placed in an available opening, or
- c. Retransfer a person (transferred from a classification covered by this Agreement to a non-represented hourly classification), such placement to be in the C.E.G. at the facility to which currently assigned in case of displacement, or in any C.E.G. if placed in an available opening, if such person has greater seniority than the least-senior of any less-senior employee displaced, or if such employee or person has greater seniority than the most-senior qualified employee on the recall list at the C.E.G. to which retransfer or placement is being considered, ability, skill and efficiency being substantially equal.

- (2) For an employee or person identified in Paragraph (1) above:

- a. If such employee or person has at least one (1) year of seniority, he/she may be placed in the highest classification previously held in any plant covered by any Part of this Agreement, provided such classification is listed in the Part of this Agreement applicable to the C.E.G. in which placed; or
- b. If such employee or person has two (2) or more years' seniority he/she may be placed in any plant covered by a Part of this Agreement in the highest classification for which qualified.

- (3) For the purpose of the above Paragraph (2), the following shall apply:

- a. The term "qualified" means an employee is qualified without a training or learning period to perform the major duties set forth in the job description for such classification which distinguish such classification from other classifications.
- b. A salaried person shall not be placed into a classification with a labor grade higher than the highest labor grade previously held; however, in the event that the labor grade of the highest classification previously held is increased after the person's promotion to salaried status, such person shall be entitled to such higher labor grade in the event of return to such classification.
- c. A salaried person who, subsequent to the effective date of this Agreement, refuses placement in the highest classification previously held shall forfeit all seniority accumulated under this Agreement.

Section 6. Layoffs
(See coded letter E-3)

A. General Layoff

- (1) The terms "layoff" and "laid off" as used in this Agreement refer only to cases in which an employee under procedure as outlined in this Section is severed from the payroll or is placed in a different or lower-rated classification in connection with a reduction of the total number of employees in the Company in the classification such employee holds at the time of such severance or placement in a different or lower-rated classification.
- (2) The following general provisions shall apply in effecting a layoff:
 - a. A full-time employee will be scheduled for layoff in order of seniority of full-time employees where ability, skill and efficiency are substantially equal.
 - b. A part-time employee will be scheduled for layoff in order of seniority of part-time employees, where ability, skill and efficiency are substantially equal.
 - c. Where employees are being laid off or where there is a recall list, the number of part-time employees will not exceed one per department per shift for any classification, except where the parties have mutually agreed. In any case, the total number of part-time employees at each respective C.E.G. will not exceed 1 1/4% of the total number of bargaining unit employees at that C.E.G.
 - d. An employee who has acquired seniority pursuant to Subsection B of Section 1, of this Article, shall not be laid off until all probationary employees in the affected classification are laid off. Such probationary employees may be laid off without regard to relative length of service.
 - e. An employee scheduled for downgrade or lateral placement under layoff procedure may elect layoff from the payroll at the time such downgrade or lateral placement is offered. Such election must be made within two (2) working days following the offer.
 - f. The Company shall have three (3) working days in which to correct, without liability, any layoff out of seniority which results from an administrative error in the Central Placement Unit involving employees who were surplusd or who displaced other employees elsewhere under layoff procedure. Insofar as is practical, the senior employees will be placed first and such placement will not be affected by the terms of the recall procedure.
 - g. Wherever practicable, shift preference will be given to the most senior qualified employees.
 - h. An employee who accepts a placement to enter a Trainee classification shall be eligible to displace into any classification held prior to such placement in accordance with seniority.
 - i. Employees who are on, or scheduled for, travel or field duty assignment at the time of their scheduled layoff will be laid off at the conclusion of such travel or field duty assignment.

1 j. Employees within a classification and department with identical seniority dates
2 will be selected for surplus in alphabetical order on even number years, and
3 inverse alphabetical order in odd number years, where ability, skill and
4 efficiency are substantially equal.

5 (3) There shall be no seniority among probationary employees. Probationary
6 employees shall be the first to be laid off. Employees with less than one (1) year of
7 seniority shall be laid off on the basis of seniority, where ability, skill and
8 efficiency are substantially equal. Such employees shall have a seniority date of the
9 first of the month in which hired for determining their displacement rights within
10 the same classification in a different department.

11 a. Employees in the C.E.G. covered by Part B shall be laid off by classification
12 within the major organization reporting to the President's office.

13 b. Employees in the C.E.G.s not covered by Part B, shall be laid off by
14 classification within the Company.

15 An employee with such seniority may be placed in a lower-rated classification for
16 which qualified if there is an available opening.

17 (4) Employees with one (1) year or more of seniority shall be laid off in order of
18 seniority where ability, skill and efficiency are substantially equal, applied by
19 classification within the Company. Such employees shall have a seniority date of
20 the first of the month in which hired for determining their displacement rights
21 within the same, lateral or lower classification in a different department.

22 a. Such full-time employee shall displace into any lateral or the highest of any
23 lower-rated classification previously held within the Company provided he/she
24 is qualified to perform the work of the least-senior of any less-senior full-time
25 employees in the classification or placed in the highest of any lower-rated
26 classifications for which qualified if there is an available opening. If such
27 employee is the least-senior full-time employee in the classification, such
28 employee may displace the least-senior of any less-senior part-time employees
29 in the classification. A full-time employee may accept or decline part-time
30 placement and will be retained on the recall list for full-time positions in the
31 classification.

32 b. Such part-time employee shall displace into any lateral or the highest of any
33 lower-rated classification previously held within the Company provided he/she
34 is qualified to perform the work of the least-senior of any less-senior part-time
35 employees in the classification or placed in the highest of any lower-rated
36 classifications for which qualified if there is an available opening. A part-time
37 employee declining full-time placement will not affect their position on recall
38 list(s).

39 c. An employee with a seniority date prior to November 28, 1977 shall displace
40 the least-senior of any less-senior employees in a lateral or lower-rated
41 classification if qualified without a training or learning period to perform the

major duties of the job description of such classification which distinguishes it from other classifications. Displacement shall be subject to the following:

1. The employee must have on file with the Company full and factual information substantiating his/her qualifications for the lateral or lower-rated classification.
2. Displacement consideration will be limited to five (5) lateral or lower-rated classifications not previously held, of which the employee has notified the Company, in writing, on the form provided, at least seven (7) calendar days prior to being affected by the layoff procedure. The Company will notify the employee whether he/she is found to be qualified for displacement in accordance with the terms of the Agreement within twenty-three (23) working days following receipt of such written request.
3. If the displacement involves an assignment to a lower-rated classification, it is the intent of the Company to place such employee in the highest classification for which the employee is qualified.

B. Temporary Layoff

Temporary layoffs may be made for periods of not exceeding fifteen (15) working days. Such layoffs shall be made in order of Company-wide seniority applied by classification within the particular unit of organization, work unit or project affected where ability, skill and efficiency are substantially equal.

C. Emergency Reduction of the Working Force For Employees in the Contract Enforcement Group Covered by Part B

Step 1. When an emergency reduction of the working force involving a Stop Work Order or the layoff of five percent (5%) or more of the employees in the C.E.G. is necessary, employees affected shall first be laid off without regard to the general layoff procedure for the period of time necessary to put into effect Step 2.

Step 2. The second step of the emergency reduction of the working force shall be the carrying out of the general layoff procedure. Such assignments shall not be governed by the recall procedure and shall be made as promptly as is reasonably possible.

D. Top Seniority for the Purposes of Layoff

In applying the General and Temporary Layoff procedures, the following employees shall have top seniority:

- (1) Stewards who have acquired seniority, and whose status as stewards has been confirmed by written notice to the Company as provided in the Agreement.
- (2) Labor Relations Committee Representatives of District 725, California Central Coast Lodge 2786, and Florida Missiles System Local Lodge 610, as certified by

1 written notice to the Company from the Union. Such top seniority will be effective
2 on the Monday following receipt of such notice by the Company.

- 3 (3) During a temporary layoff and during the period between the first and second steps
4 in an emergency reduction of the working force, the terms of office of laid-off
5 Union Stewards shall continue. If a department is shut down for a period not to
6 exceed ninety (90) calendar days the Senior Steward in such department shall,
7 upon its reopening, have top seniority in his/her classification and shift for the
8 purpose of recall.

9 The provisions of paragraph D shall be applicable only if the employee entitled to
10 such top seniority handles grievance processing or other on-the-job contract
11 administration responsibilities.

12 13 **E. Top Seniority for the Purpose of Shift Assignment**

14 Members of the Labor Relations Committee within any C.E.G. shall be deemed to
15 have top seniority for purposes of shift assignment in the application of the
16 Temporary and General Layoff procedures. Such top seniority shall be for the sole
17 purpose of allowing them to remain on the same shift during their term of office.

18 The provisions of paragraph E shall be applicable only if the employee entitled to
19 such top seniority handles grievance processing or other on-the-job contract
20 administration responsibilities.

21 22 **F. Voluntary Layoff**

23 An hourly represented employee requesting a layoff out of line of seniority will do so
24 in writing in a format acceptable to both parties.

25 If a surplus condition or contemplated surplus condition exists, favorable
26 consideration will be given by the parties to requests for layoff out of seniority
27 providing that the granting of the request will not necessitate recalling or hiring a
28 person to fill the position. Should a situation exist wherein there is more than one
29 request within a classification and department, the more senior employee will receive
30 first consideration. It is understood that any employee granted a layoff out of seniority,
31 by mutual agreement of the parties, will be required to submit a suspension of recall
32 notice to the Company and the Union at the time their request for layoff is approved.
33 For reinstatement of recall rights, refer to Article IV, Section 7.

34 35 **Section 7. Recall** 36 **(See coded letters B-11 and B-16)**

37 38 **A. General**

- 39 (1) A full-time employee shall be recalled in order of seniority of full-time employees
40 by classification within the Company where ability, skill and efficiency are
41 substantially equal. A part-time employee shall be recalled in order of seniority of

part-time employees by classification within the Company where ability, skill and efficiency are substantially equal.

(2) A laid off employee shall not be entitled to the job for which recalled if such recall notice is sent to the employee's address on record and such employee fails to report for an interview, or as otherwise instructed, by:

- a. the third working day after receipt of notice by certified mail, or
- b. a date subsequent to a. as may be designated by the Company.

An employee failing to report within the time limits specified above because of failure to provide a current address as required above shall lose recall rights to all lateral and lower-rated classifications in addition to the specific classification to which offered recall.

An employee failing to report within the time limits specified above shall maintain recall rights only if within five (5) working days after such recall notice, or such additional time as the Company may grant, the employee furnishes the Company a reasonable excuse for failure to report.

(3) An employee on layoff who is recalled to a temporary opening (45 days or less) may decline such offer and retain position(s) on recall lists. This shall not be considered a suspension of recall as set forth in Paragraph C of this Section.

(4) A full-time employee who declines recall to a part-time position shall retain their position(s) on recall lists. A part-time employee who declines recall to a full-time position shall retain their position(s) on recall lists. Any offers so declined shall not be considered a suspension of recall as set forth in paragraph C of this Section.

(5) An employee who is bypassed for recall while on layoff from the active payroll will be so notified by the Company. Notice will be sent by certified mail to the employee's address of record.

B. Recall List

(1) The recall list for any classification in a C.E.G. shall consist of the following:

- a. Employees downgraded from a classification because of medical limit(s) who have had the limits removed/modified by the Company's Medical Department, provided:

1. The employee submits a written request to the Labor Relations - Central Placement Unit with a copy of the Employee Medical Report attached; and
2. The employee is determined by the Company to be now qualified for the requested classification.

- b. All employees laid off from such classification who have not lost their seniority through the application of any provision of Article IV, Section 2, of the Agreement.

- c. All active employees who accepted placement in a lower-rated classification through the application of the layoff procedure within the past sixty (60) month period.

- d. Employees who have been placed laterally from such classification under the layoff procedure, provided that they have filed written requests for recall to such classification at least seven (7) calendar days prior to the date the recall was made.
 - e. All employees either terminated under the general layoff procedure or downgraded within the recall periods specified in Article IV, Section 7 B (1) c and d who, at the time of such termination or downgrade, had displacement rights to a classification but were unable to displace because of insufficient seniority; and such employees who at the time of termination or downgrade had displacement rights in a classification not previously held, but who were unable to displace because of insufficient seniority, provided, however, that potential placement on the recall list is limited to the jobs submitted to the Company in conformity with Article IV, Section 6 A (4) c 2.
 - f. Salaried persons unable, because of insufficient seniority, to displace into any classification previously held.
- (2) An employee who is recalled to a classification from a lateral or a downgrade under layoff procedure, and who declines such offer, shall have his/her name removed from the recall list for that classification (except when declined under the provisions of Article IV, Section 7A (3). An employee who is recalled to a classification from a lateral or a downgrade under layoff procedure, and who fails to render a decision within three working days, shall have his/her name removed from the recall list for that classification and any lower-rated classifications for which on recall (except when declined under the provisions of Article IV, Section 7A (3).
- (3) An employee who is transferred to another C.E.G., or who is hired at such other C.E.G. while on layoff, shall have his/her name removed from the recall list of any classification within the C.E.G. from which transferred or laid off. Such an employee shall then be placed on the recall list of the new C.E.G. in the classifications in which he/she had rights at the former C.E.G.
- (4) An employee who has been laid off and retires under the provisions of a Lockheed Retirement Plan shall have his/her name removed from all recall lists. However, an employee who has retired and subsequently is rehired under the provisions of Article IV, Section 1 D, Code 'D' Rehires, shall be eligible to be placed on such recall lists should he/she be laid off under the provisions of Article IV, Section 6, Layoffs.
- (5) In the event two or more employees share the same seniority date and are on recall for the same classification, recall will be in reversed alphabetical order in odd number years and alphabetical order in even number years when ability, skill and efficiency are substantially equal.

C. Suspension of Recall for Employees on Layoff from the Active Payroll

An employee may suspend or reinstate recall rights only by written notice to the Labor Relations - Central Placement Unit and to the Union.

An employee on recall may suspend recall rights after layoff for a minimum of thirty (30) calendar days. During the period of suspension of recall rights, an employee shall not be obligated to accept rehire and the Company shall not be obligated to notify the employee of available openings.

An employee may reinstate recall rights after the expiration of thirty (30) calendar days from the date the notice of suspension is received by the Company. An employee's recall rights shall be reinstated after seven (7) calendar days from the date the notice is received by the Company.

Section 8. Placement of Employees with Disabilities

Employees with disabilities, as defined by state or federal law, may be placed, retained or reinstated, by mutual agreement of the parties, regardless of the seniority principles stated in this Agreement.

Section 9. Occupational Injury or Illness

Employees who become physically limited to the extent that they are no longer physically capable of performing the normal duties of their assigned classification as a result of an injury or illness incurred in the course of employment with the Company, and determined by the Workers' Compensation Appeals Board or the Company to be occupational, shall be retained in a classification at their assigned plant where work is available that they are qualified to perform; or reinstated, provided that they apply for such reinstatement within thirty (30) calendar days after the day they become qualified to perform such work as recommended by the employee's personal physician and approved by the Company's Medical Department.

Such reinstatement or placement shall be made in accordance with normal seniority provisions, in the manner used to determine reinstatement or placement of a "surplus" or "laid-off" employee. Such employees will be paid within the rate range of the classification to which assigned. If such employees are physically unable to perform the duties of jobs to which they would normally have rights under Article IV, Section 6, and are found to be suitable for and require rehabilitation under applicable California laws, they may be classified as a Special Rehabilitation Trainee and trained for possible placement in a classification appropriate to their C.E.G. The target classification, rate of pay and length and type of assignment while classified as a Special Rehabilitation Trainee shall be subject to mutual agreement of the parties. Such employees, after completion of the Special Rehabilitation Program, shall have placement rights under the appropriate contractual provisions. The parties shall use their best efforts to effect placement of such employees

1 If such employees cannot be retained in any job to which they would have rights in
2 accordance with Article IV, Section 6, because of insufficient seniority, they shall be held
3 out of seniority order in any job they are qualified to perform (so long as it does not
4 exceed the labor grade of any job previously held) until their compensation case has been
5 settled or they have been released by the Company's Medical Department, or such time as
6 may be mutually agreed to by the parties.

7 Employees may return to their former classification, provided they have sufficient
8 seniority, at such time as the Company Medical Department determines they are
9 physically able to resume their former classification or at such time as may be mutually
10 agreed to by the parties.

11 In the event that occupationally injured or ill employees are bypassed for recall to a
12 higher-rated classification while on prolonged absence, such employees shall be
13 reinstated into the higher classification for which they were bypassed providing they meet
14 the qualifications and the Company Medical Department determines they are physically
15 able to perform the work.

16 17 **Section 10. Employees Entering Armed Forces** 18

19 Employees who terminate for the purpose of entering the armed forces of the United
20 States or the National Guard shall be re-employed at the C.E.G. from which terminated in
21 accordance with any applicable Federal and/or State law.

22 The Company shall not be liable for a violation of this Agreement if such violation
23 results from good faith compliance with the aforesaid statutes or any applicable
24 administrative ruling or judicial decision.

25 An employee absent from work as a result of being ordered to report for physical
26 examination in connection with being ordered to military training and service shall be
27 granted pay for lost time not to exceed his/her working rate for eight (8) hours, provided:

- 28 (1) The day of absence from work is necessary to enable the employee to report as
29 ordered,
30 (2) The absence falls within the employee's regular work shift,
31 (3) The absence is to be temporary, following which the employee will return to work,
32 and
33 (4) The absence does not involve an overtime day.

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**ARTICLE V
EMPLOYEE BENEFITS**

Section 1. Establishment of Service Time-Definitions and Conditions

For purposes of Sections 2 and 3 of this Article, an employee's seniority shall date from the first day of the month in which seniority began.

The term "service time" as used in this Article shall mean those days worked by an employee, including holidays and regular days off during weeks worked, days on paid vacation and sick leave, and days off work due to occupational injury or occupational illness provided such days off do not exceed six (6) consecutive months and, upon recovery, the employee returns to the active payroll of the Company.

An employee who is terminated, laid off, on leave of absence or who entered the Armed Forces pursuant to Article IV, Section 10, shall be credited with service time up to the time of such termination, layoff, leave of absence or entry into the Armed Forces provided the employee:

- (1) Returns to work for the Company after the period of such termination, entry into the Armed Forces, layoff or leave of absence;
- (2) Retains seniority with the Company during such period; and
- (3) Was not paid a prorated vacation allowance; except that an employee laid off or entering the Armed Forces, but not paid prorated vacation because he/she had less than one (1) month of service time toward his/her next vacation, shall not be credited with such time toward his/her next year of service time.

Service time shall not include days when an employee is severed from the active payroll due to termination, entry into the Armed Forces, layoff or prolonged leave of absence.

Section 2. Vacations

A. Definitions

- (1) The term "vacation eligibility date," as used in this Section, shall mean, with respect to an employee's first vacation, the first day of the month in which the employee will have accumulated one (1) year of service time subsequent to the start date after hire, or, with respect to subsequent vacations, the first day of the month in which the employee shall have accumulated one (1) year of service time subsequent to his/her last vacation eligibility date.
- (2) The vacation eligibility date for an employee shall be determined by their Corporate service date.
- (3) Pay for each week of vacation for a full-time employee means pay for forty (40) hours at the employee's base rate in effect when the vacation is taken, plus any cost-of-living, shift and odd workweek or Lead bonus being paid at that time.

A "full-time" employee is an employee who is regularly scheduled to work a standard shift (eight (8) hours a day, five (5) days a week), 9/80 (nine (9) hours on Monday through Thursday, eight (8) hour workday on Friday, and every other Friday off), or a 4x10 (ten (10) hours a day, four (4) days a week). All other employees shall be "part-time" employees.

- (4) Pay for each week of vacation for a part-time employee shall be proportionately reduced. For example: An employee who is regularly scheduled to work five (5) days a week for four (4) hours a day, will be entitled to twenty (20) hours pay for each week of vacation at the employee's base rate in effect when the vacation is taken, plus any cost-of-living, shift and odd workweek or Lead bonus being paid at that time.

B. Vacation Benefits for an Employee on the Active Payroll of the Company

- (1) Vacation will be awarded in monthly increments in accordance with the schedule shown below. Vacation accruals may be taken after the first day of the month following the month in which they are earned. When an employee attains a new level of completed service that results in a greater vacation entitlement, the greater vacation accrual will be effective and begin the month following the month during which the new service level was attained.

Completed Years of Service	Vacation Accrual
0-8	10 days per year (6.67 hours per month)
9-18	15 days per year (10.00 hours per month)
19 or more	20 days per year (13.34 hours per month)

C. Vacation Benefits for an Employee Who Terminates, is Terminated, is Laid Off, Retires, Dies or Enters the Armed Forces Pursuant to Article IV, Section 10

- (1) An employee entitled to a vacation with pay which has not been used at the time such employee terminates, is terminated, enters the Armed Forces pursuant to Article IV, Section 10, or is laid off, shall be paid for such unused vacation.

D. Scheduling of Vacations

- (1) Each employee must take at least forty (40) hours of earned vacation during the twelve months service time following the vacation eligibility date. Scheduling of vacation requires prior approval. Consistent with the operational requirements of the Company, such prior approval will not be unreasonably denied. In the event an employee protests his/her Department Head's refusal to grant a requested vacation, the matter may be referred to the next higher level of supervision for final determination.

- (2) Vacations shall be taken when they least interfere with production. So far as is practical, vacation time preference will be given to employees with the greatest seniority.

E. Vacation Pay

- (1) Vacation will be coded and processed for payment on the employee's timecard for the respective week in which such vacation is taken by the employee.
- (2) Vacation shall be taken in one-half hour increments
- (3) Pay will be calculated at the employee's working rate in effect when the vacation is taken.
- (4) Employees will be allowed to accumulate vacation up to 400 hours.
- (5) Vacation balances over the maximum accrual shall be paid out automatically at the employee's working rate in effect at such time.

Section 3. Paid Absence Leave

A. Definitions

- (1) Pay for one (1) day paid absence leave for a full-time employee means pay for eight (8) hours (except for those on 4x10 or 9/80 workweeks, where one (1) day of pay means pay for ten (10), nine (9), or eight (8) hours, respectively, depending on the normally scheduled shift) at the employee's working rate at the time paid absence leave is used.
- (2) Pay for each day of paid absence leave of a part-time employee shall be proportionately reduced in accordance with the employee's work schedule.

B. Paid Absence Leave Benefits for an Employee on the Active Payroll of the Company

- (1) Except as provided below, in the event an employee is absent from work because of personal sickness or injury, or a sickness, injury, or death in the employee's immediate family, the employee shall be entitled to the equivalent of six (6) days paid absence leave with pay during each year of service time. Such sick leave will be allocated at the rate of four (4) hours per month.

(2) Paid absence leave with pay will be granted in one-half hour increments. In addition, paid absence leave with pay may be utilized when the employee is sent home by the Company for non-occupational illness or injury.

(3) An employee shall not be entitled to pay for any paid absence leave until completion of ninety (90) calendar days continuous service time from the date the employee starts work after hire or rehire without seniority.

(4) Paid absence leave is granted during the waiting period for employees to become eligible for California State Disability payments. It is granted thereafter in pro-rated amounts to supplement California State Disability payments.

(5) An employee who has transferred, with seniority, to one plant of the Company covered by this Agreement from another plant covered by this Agreement or another plant of Lockheed Martin Corporation, shall be entitled to those days of paid absence leave with pay to which the employee was entitled at such other plant at the time of such transfer and which had not been used by such time and the employee's year of service, for purposes of this Section, shall remain the same as the employee had at such other plant at the time of such transfer.

C. Verification and Notification

All paid absence leave is subject to verification by the Company. An employee shall notify the Company of a personal sickness or injury or of a sickness, injury, or death in the immediate family requiring absence from work, or furnish a reasonable excuse for failure to do so. Such notice shall be given, if possible, before or within two (2) hours of the start of the employee's shift.

D. Prolonged Disability

An employee shall not be terminated by the Company because of a prolonged continuous illness or injury provided the period of disability is not longer than twenty-four (24) months. Such employee shall notify the Company whenever possible at least three (3) working days in advance of the date the employee is able to return to work. Upon being pronounced physically and mentally fit by the Company, the employee shall be reinstated as soon as possible to the same or substantially equivalent job if such a job is available in accordance with the employee's seniority rights. Except as to the length of the period of disability, the provisions of this Subsection D shall be subject to the grievance procedure. However, an employee on disability leave could be subject to layoff, in accordance with their seniority, as a result of a reduction in the workforce.

E. Unused Paid Absence Leave

Employees may accumulate up to 200 hours of unused sick leave. Sick leave balances over this maximum accrual will automatically be paid at the employee's current working rate in effect when the sick leave is paid out.

F. Bereavement Leave

An employee shall be eligible for three (3) days unpaid bereavement leave each calendar year upon a death in his/her immediate family. Employees shall provide verifiable evidence related to the reasons for this leave upon Company request. For purposes of this Section, immediate family shall mean: Mother, Father, Spouse, Same-Sex Domestic Partner, or Lockheed Martin Registered Dependents.

Section 4. Holidays**A. Days to be Observed**

The Company recognizes the following holiday schedule during the period of this Agreement:

2014

May <u>26</u>	Monday	Memorial Day
July 4	<u>Friday</u>	Independence Day
September <u>1</u>	Monday	Labor Day
November <u>27</u>	Thursday	Thanksgiving Day
November <u>28</u>	Friday	Thanksgiving Holiday
December <u>24</u>	<u>Wednesday</u>	Holiday Shutdown
December <u>25</u>	<u>Thursday</u>	Holiday Shutdown
December <u>26</u>	<u>Friday</u>	Holiday Shutdown
December <u>29</u>	<u>Monday</u>	Holiday Shutdown
December <u>30</u>	<u>Tuesday</u>	Holiday Shutdown
December <u>31</u>	<u>Wednesday</u>	Holiday Shutdown

2015

January <u>1</u>	<u>Thursday</u>	New Year's Holiday
May <u>25</u>	Monday	Memorial Day
July <u>3</u>	<u>Friday</u>	Independence Day Holiday
September <u>7</u>	Monday	Labor Day
November <u>26</u>	Thursday	Thanksgiving Day
November <u>27</u>	Friday	Thanksgiving Holiday
December 24	<u>Thursday</u>	Holiday Shutdown
December 25	<u>Friday</u>	Holiday Shutdown
December <u>28</u>	<u>Monday</u>	Holiday Shutdown
December <u>29</u>	<u>Tuesday</u>	Holiday Shutdown

Article V, Section 4

1	December <u>30</u>	<u>Wednesday</u>	Holiday Shutdown
2	December 31	<u>Thursday</u>	Holiday Shutdown
3			
4	<u>2016</u>		
5	January 1	<u>Friday</u>	New Year's Holiday
6	May <u>30</u>	Monday	Memorial Day
7	July 4	<u>Monday</u>	Independence Day Holiday
8	September <u>5</u>	Monday	Labor Day
9	November <u>24</u>	Thursday	Thanksgiving Day
10	November <u>25</u>	Friday	Thanksgiving Holiday
11	December 23	<u>Friday</u>	Holiday Shutdown
12	December <u>26</u>	<u>Monday</u>	Holiday Shutdown
13	December <u>27</u>	<u>Tuesday</u>	Holiday Shutdown
14	December <u>28</u>	<u>Wednesday</u>	Holiday Shutdown
15	December <u>29</u>	<u>Thursday</u>	Holiday Shutdown
16	December <u>30</u>	<u>Friday</u>	Holiday Shutdown
17			
18	<u>2017</u>		
19	January <u>2</u>	<u>Monday</u>	New Year's Holiday
20	<u>May 29</u>	<u>Monday</u>	<u>Memorial Day</u>
21	<u>July 3</u>	<u>Monday</u>	<u>Independence Day</u>
22	<u>July 4</u>	<u>Tuesday</u>	<u>Independence Day</u>
23	<u>September 4</u>	<u>Monday</u>	<u>Labor Day</u>
24	<u>November 23</u>	<u>Thursday</u>	<u>Thanksgiving Day</u>
25	<u>November 24</u>	<u>Friday</u>	<u>Thanksgiving Holiday</u>
26	<u>December 22</u>	<u>Friday</u>	<u>Holiday Shutdown</u>
27	<u>December 25</u>	<u>Monday</u>	<u>Holiday Shutdown</u>
28	<u>December 26</u>	<u>Tuesday</u>	<u>Holiday Shutdown</u>
29	<u>December 27</u>	<u>Wednesday</u>	<u>Holiday Shutdown</u>
30	<u>December 28</u>	<u>Thursday</u>	<u>Holiday Shutdown</u>
31	<u>December 29</u>	<u>Friday</u>	<u>Holiday Shutdown</u>
32			
33	<u>2018</u>		
34	<u>January 1</u>	<u>Monday</u>	<u>New Year's Holiday</u>
35			

B. Holiday Pay

(1) Pay for eight (8) hours at the working rate shall be paid to employees for each of these holidays regardless of the day of the week upon which the holiday falls.

(2) In addition, two times the working rate shall be paid for time worked on holidays.

Work by an employee on a holiday shall normally be voluntary except for employees who may be required to work on functions necessary for the protection of the plant and equipment.

- (3) To be eligible for holiday pay, an employee must have worked or have been on a vacation or a paid leave (other than paid sick leave) on the last workday before or the first workday after the holiday. When the holiday occurs on the day before employment or the day after termination or during an employee's leave, no pay under this Section shall be granted.

C. Holiday Occurring During Vacation

An additional day's pay (eight (8) hours at the working rate) shall be granted to an employee on vacation if a holiday, as defined herein, occurs during his/her vacation, or such employee may schedule and take an additional day(s) off with pay either immediately preceding or following his/her scheduled vacation. If such election is made, the day(s) off will be coded in a manner to differentiate them from personal leave.

Section 5. Leaves Without Pay

A. Personal Leaves

- (1) Leaves of absence without pay may be granted employees for a period not to exceed ten (10) working days during the year. Such leaves shall not be unreasonably denied without good and sufficient reasons. In the event an employee protests his/her Department Head's refusal to grant such a leave of absence, the matter may be referred to the next higher level of supervision for final determination. The Company may extend a period of leave for good and sufficient reason. The leave of absence shall not jeopardize the employee's standing with the Company.
- (2) On a leave of absence of ninety (90) calendar days, or less, an employee shall accumulate seniority. On a leave of absence exceeding ninety (90) calendar days, seniority shall accumulate after ninety (90) calendar days only if specified by the terms of the leave.
- (3) The Company will provide Family Leave in accordance with applicable statutes and regulations.
- (4) Employees who are accepted for a two-year Peace Corps assignment will be granted leaves and seniority will be accumulated during such leaves.

B. Union Requested Leaves

- (1) The Union may request, and the Company will grant, unpaid absences of full days, partial days or continuous days for its members for business of the Union. Such excused absences will be requested only in reasonable numbers and at reasonable times upon one full working day written notice to the Company except when such notice is waived by mutual agreement. Cancellation of such union-requested excused absences requires one full working day notice to the Company unless such cancellation notice is waived by mutual agreement.

(2) Except by mutual agreement, the number of employees on such excused absences shall not at any one time exceed in number: one (1) employee from a department consisting of less than ten (10) employees, or two (2) employees from a department consisting of ten (10) or more employees.

(3) The total number of employees on such excused absences at any one time from each C.E.G. shall be limited as follows:

Parts B & C

Santa Clara County and Santa Cruz County
Contract Enforcement Groups
15 employees

Part D

Santa Barbara County
Contract Enforcement Group
Reasonable Numbers

Part E

Brevard County, Florida
Contract Enforcement Group
Reasonable numbers

(4) Exceptions to the total number of employees that may be on such excused absences for each Contract Enforcement Group may be made by mutual agreement for such purposes as election committees, delegate body meetings and other special occasions. Such exceptions shall require three (3) full working days' written notice to the Company except when such notice is waived by mutual agreement.

(5) Leaves of absence for a period not to exceed six (6) months will be granted to not more than two (2) employees (not applicable to the Brevard County, Florida, C.E.G. covered by Part E) for business of the IAM&AW other than the particular District and/or Local Lodge, except that by mutual agreement leaves of absence for a longer period of time or for additional employees may be permitted.

(6) Employees on leave for Union business shall accumulate seniority.

Section 6. Rest and Lunch Periods

A. Rest Periods

Each employee on a standard shift shall be given a ten (10) minute rest period during each half-shift at times designated by the Company.

B. Employees Required to Work Through Their Regular Lunch Period

An employee required to take a lunch period at other than the normal lunch period due to operational requirements shall not be required to take a lunch period prior to three

1 and one-half (3-1/2) hours after the start of the employee's regularly assigned shift, or
2 during the last three (3) hours of the employee's regularly assigned shift.

3 This provision may be waived if the employee requests a lunch period during the
4 hours mentioned herein and operational requirements permit such deviation.

5 6 **Section 7. Jury And Witness Service**

7 8 **A. Jury and Witness Service**

9 (1) When an employee is absent from work during his/her regular eight-hour shift or
10 regular five-day workweek, in order to serve in a court of law as a witness, juror,
11 or in response to a jury duty summons, the employee shall be paid for those hours
12 absent from work.

13 When an employee works on a regular workday and also performs jury or
14 witness service on that day, the employee will receive a full day's pay, to include
15 any portion of the assigned shift hours not worked due to absence for jury or
16 witness service, reasonable travel time, and any portion of the shift they do work.
17 The total hours paid shall not exceed the number of hours in the employee's
18 scheduled shift.

19 Employees who work hours in excess of those equal to a normal shift on the
20 same day court service is performed shall be compensated at the normal overtime
21 rate.

22 Employees will not be compensated under the following circumstances:

- 23 (a) Hours spent in court in excess of the employee's regularly scheduled shift.
- 24 (b) Jury or witness service performed on an employee's regular day off (i.e.
25 sixth or seventh day), or for court service on company recognized holidays.
- 26 (c) If the employee serves as a witness,
 - 27 1. On their own behalf in a lawsuit in which they are an interested party, or
 - 28 2. When the employee voluntarily appears to testify as a witness, or
 - 29 3. In a case arising from or related to the employee's outside employment or
 - 30 outside business activities.

31 (2) If an employee assigned to swing or graveyard shift is absent from work on such
32 shift on a calendar day he/she serves as a witness or juror, or reports to the court
33 for that purpose, such absence shall be deemed to be an absence from work in
34 order to serve as a witness or juror.

35 (3) Pay for work time lost while on witness or jury service shall be computed at the
36 employee's working rate. Pay for work time lost for jury duty or service as a
37 witness as provided above shall together not exceed, for any one employee, a total
38 of twenty (20) regular eight-hour days in any one calendar year.
39

B. Jury Examination

(1) An employee who must report for jury examination will be paid for work time lost only when he/she cannot report for such examination on his/her own time. Such payment for work time lost shall not exceed payment for time reasonably required for travel to the place designated for such examination and return to the plant plus the time required for such examination.

(2) Pay for work time lost when appearing for jury examination shall be computed at the employee's working rate.

C. Service as a Witness

When an employee is absent from work in order to serve as a witness in a case in a court of law to which he/she is not a plaintiff or defendant either directly or as a member of a class and where such absence is in response to a legally valid subpoena, such employee shall be granted pay for those hours for which absent from work, consistent with the provisions of paragraph A of this section. Such employee may be required to submit evidence of such service as a witness to the Company in order to qualify for such payment.

D. Verification for Payment

To receive pay for work time lost, an employee must promptly notify their Department Head of any notice received to report for jury examination, jury, or witness service and must provide the Company with a statement by an official of the court certifying as to the length of time and date of the employee's appearance for examination, or as to service or appearance in court, and the date or dates of attendance.

Section 8. Military Reserve Training Leave

An employee on the active payroll of the Company who is required to engage annually (from October 1 of one year through September 30 of the following year) for a maximum of 80 hours of military reserve training, including National Guard, and who has at least twelve (12) months of military reserve service credit immediately prior to commencement of the training period, shall, upon the employee's request, be granted a leave of absence for the period of training. The employee shall be paid the difference between the pay received for the training period (excluding subsistence, travel and quarters allowance) and the amount of wages the employee would have received during the training period had the employee worked their normal work schedule (excluding overtime).

To obtain payment under this provision the employee shall submit certification, satisfactory to the Company, of participation in the training period and of the amount of pay received for the training period.

Section 9. Education and Technology

The Company and Union agree that it is to their mutual benefit and a sound economic and social goal to utilize the most efficient machines, processes, methods and/or materials in order to compete effectively in the marketplace and, thereby, provide economically secure jobs for its employees. It is the Company's intent to assure that training is available for its employees so that they may have the opportunity to acquire the knowledge and skills required by the introduction of new technology.

A. New Technology

- (1) The term "new technology" shall be defined as the introduction of automated manufacturing machines, robots, computer aided manufacturing systems, and other significant technology implementations, such as computer and related equipment, which cause the direct elimination of work which has been performed by a represented employee.
- (2) An employee directly affected by "new technology" as stated above will be offered retraining preference for a job for which the Company foresees a requirement, provided that equivalent job opportunities are not available and that they have the basic knowledge for the retraining.

B. New Technology Briefings

In order that employees can better prepare themselves for the skill requirements of the future, and to provide information to the Union, the Company will provide, upon request of the Union, a briefing of the Company's plans for the introduction of new technology, as defined above, which may affect bargaining unit employees. This briefing will serve as a forum for the Company to inform the Union of anticipated schedules of introduction of new technology, and will identify potential areas of new skill requirements during these early analyses. The Company will notify the Union of the scheduled meetings 45 days in advance and will describe the proposed agenda. If the Union has other specific subjects or areas of concern to be added to the agenda the Union will notify the Company thirty (30) days in advance to allow time to prepare the necessary information for presentation. The meetings will be coordinated by Labor Relations and the normal attendees (or their designees) will be Labor Relations Manager, Education and Training manager, members of the current Company and Union negotiating committee, and other participants as appropriate. Similar briefings may be provided by other C.E.G.s as agreed upon by the parties at these locations.

C. Education

The Company promotes and encourages education and training as a means of increasing employee productivity and expanding career potential. The Company will reimburse an employee one hundred (100%) percent of the paid tuition fee for up to two (2) courses successfully completed per academic term if such employee has

received written approval of the course from the Company prior to the employee's beginning such course. Such approval shall not be unreasonably denied.

D. Special Trainees

In order to facilitate the training and development of especially qualified individuals, particularly those with an appropriate academic background, for executive, administrative and professional positions, the Company may classify employees as Special Trainees. Preference will be given to those individuals already in the employ of the Company; however, such trainees may be hired or selected and given assignments without regard to those provisions of the Agreement governing recall promotion, and priority in filling available openings. Special Trainees will be paid within the rate range of the classification to which they are assigned, or the employees' original rate of pay, whichever is higher. No individuals shall hold the classification of Special Trainee in excess of two (2) years. The maximum number so classified at any one time in each C.E.G. shall be as follows:

Santa Clara	no greater than 1/4 of 1% of the
County plants	total represented employee
All other plants	2

Special Trainees shall be identified by specially marked badges.

Section 10. Insurance

A. Group Insurance

(1) The benefits provided by the Lockheed Martin Employees' Group Insurance Plan, (the Lockheed Martin Medical Benefit Plan, Dental Plan, Life Insurance, Accidental Death and Dismemberment Insurance, Weekly Disability Benefit and Additional Group Life Insurance) as amended during 2011 Negotiations, shall be made available to employees covered by this Agreement either by presently provided means or by other means.

(2) Employees shall be covered under the Plan ninety (90) days after the commencement of employment. In the case of employees laid off, the medical, surgical and hospital benefits, for both employees and dependents, under the Plan shall continue for thirty-one (31) calendar days following the date of layoff. Any former employee of Lockheed Corporation, including its divisions and subsidiaries, employed at any time since 1950 and who accumulated two or more years' seniority shall upon hire or rehire not be required to serve any waiting period for coverage under the Plan.

(3) Employees and dependents covered by any prepaid health plan provided by the Company shall not at the same time be covered by or entitled to the health insurance provisions and benefits of Lockheed Martin Employees' Group Insurance Plan.

1
2 **B. Health Maintenance Organizations**

3 In accordance with regulations published or to be published under the Health
4 Maintenance Organization Act of 1973, the Company will make such arrangements
5 for alternative health maintenance services as may be required to comply with the Act
6 but shall not be obligated to pay more (on an average per employee cost) for such
7 alternative services than it is then paying for health services provided under the Group
8 Insurance Plan then in effect. Any such required arrangements shall be subject to the
9 changes agreed upon by the parties in the negotiations leading to this Agreement.
10

11 **C. Accident Insurance**

12 The Company shall provide for employees an accident death benefit insurance policy
13 which provides a benefit in the amount of Fifty Thousand Dollars (\$50,000) for
14 accidental death suffered by an employee in the course of employment when such
15 death arises out of an aviation, missile or submarine accident.
16

17 **D. Application and Interpretation**

18 Interpretations or applications of the insurance benefits amended and approved on
19 March 3, 2014, shall not be subject to the grievance and arbitration provisions of this |
20 Agreement.

ARTICLE VI
PAY PROVISIONS
(See coded letter B-10)

Section 1. Wage Rates and Performance Reviews

A. Definitions

- (1) An employee's "base rate," for purposes of this Agreement, shall be the straight-time hourly rate of pay applicable to that employee's classification, exclusive of any bonus or premium.
- (2) An employee's "working rate," for purposes of this Agreement, shall be that employee's base rate of pay plus any Lead, shift, odd workweek, Cost-of-Living and field duty pay.
- (3) An employee's "maximum" for purposes of this Section shall be either the maximum rate in Article VIII, Section 7 or the Guaranteed Personal Rate maximum in Article VIII, Section 8.

B. Automatic Rate Progression

- (1) An employee on the active payroll whose base rate is below the maximum of the assigned classification, shall receive an automatic wage increase of twenty-five cents (\$.25) per hour, or such lesser amount as is necessary to bring the employee's base rate to the labor grade maximum, on the first day of the second pay period of March, July and November.
- (2) The Company may, at its discretion, effect an increase in an employee's base rate in amounts greater or at times other than provided for in Paragraph (1) of this Subsection.

C. Pay Rate on Promotion, Downgrade or Recall

- (1) An employee promoted will be paid at either the minimum of the classification to which promoted, or ten cents (\$.10) per hour above the rate prior to promotion, whichever is greater, and that employee's automatic wage increase will proceed from that rate. However, if an employee's promotion is effective on the date of an automatic wage increase, the base rate will be established as follows:
 - a. If an employee's base rate is below the maximum of the rate range for that employee's classification prior to promotion, the base rate will be increased by the amount of the automatic wage increase to which that employee is entitled and such increased base rate will be that employee's base rate just prior to promotion.
 - b. If an employee's base rate is at the maximum of the rate range for that employee's classification prior to promotion, the base rate will be increased by ten cents (\$.10) or the amount necessary to bring that employee's rate to the minimum of the classification to which promoted, whichever is greater, or by

- 1 an amount less than ten cents (\$.10) if that will bring the rate to the maximum
 2 of the classification to which promoted.
- 3 (2) An employee downgraded to a classification in a lower Labor Grade shall have
 4 that employee's base rate in the downgraded classification established as follows:
- 5 a. An employee downgraded through application of the layoff procedure as set
 6 forth in Article IV, Section 6 shall have the base rate reduced as follows:
- | | | |
|----|--|---|
| 7 | Effective date of downgrade | Up to twenty cents (\$.20) reduction |
| 8 | | |
| 9 | Three weeks subsequent to downgrade | Up to an additional twenty cent (\$.20) |
| 10 | | reduction |
| 11 | | |
| 12 | Six weeks subsequent to downgrade | Up to an additional twenty cent (\$.20) |
| 13 | | reduction |
| 14 | | |
| 15 | Nine weeks subsequent to downgrade | Up to an additional twenty cent (\$.20) |
| 16 | | reduction |
| 17 | | |
| 18 | Twelve weeks subsequent to downgrade | Up to an additional twenty cent (\$.20) |
| 19 | | reduction |
| 20 | | |
| 21 | Fifteen weeks subsequent to downgrade | Any additional amount required to |
| 22 | | reach the maximum of the |
| 23 | | classification to which the employee is |
| 24 | | being downgraded. |
| 25 | | |
| 26 | | |
| 27 | b. An employee downgraded to a classification in a lower Labor Grade other than | |
| 28 | through application of the layoff procedures aforementioned, whose base rate is | |
| 29 | above the rate range maximum of the lower Labor Grade, shall be paid at the | |
| 30 | maximum rate for such classification, effective with the date of such | |
| 31 | downgrade. | |
| 32 | c. An employee who <u>no longer performs</u> a lead position will have his or her rate | |
| 33 | <u>reduced to the rate prior to the lead increase including any general wage</u> | |
| 34 | <u>increases, automatic rate progressions and COLA adjustments.</u> | |
| 35 | (3) Changes in rates of pay for promotions, downgrades, or recalls for GPR employees | |
| 36 | will be subject to the provisions in Subsection A Paragraph (3) and Subsection C | |
| 37 | of this Section and Article VIII, Section 8. | |
| 38 | | |

39 **D. Performance Reviews**

- 40 (1) Employees will be presented performance reviews once annually, during the
 41 months of July and August, with a copy given to the employee and with discussion
 42 by the employee's supervisor.

(2) If employees disagree with their performance ratings or comments, they may file a grievance. As an alternative to filing a grievance, an employee may file a written statement concerning the comments or ratings with which they do not agree which will be attached to the review and filed in the employee's personnel folder. Such written statement will be limited to the employee's comment regarding job performance over the review period and will exclude personal remarks about fellow employees or supervision.

(3) The requirement to present an annual review may be waived by mutual agreement of the manager and an employee whose last review was completely satisfactory, and whose assigned job duties have not changed since the last review period. This waiver will be acknowledged by the employee and manager signing a performance review form, with Job Duties statement only, for the record.

It is the intent of the parties that the performance review and discussion are designed to improve and bolster skills, aid in the employee's career development and foster objective feedback. Criticism, when necessary, shall be factual, supportable, and constructive.

Section 2. Overtime

A. Overtime Premium

(1) Hours worked in excess of eight (8) hours or regularly scheduled workday, but not in excess of twelve (12) hours, in any one workday shall be paid for at one and one-half (1-1/2) times the employee's working rate. Hours worked in excess of twelve (12) hours in any one workday shall be paid for at two (2) times the employee's working rate.

(2) Hours worked in excess of seven (7), but not in excess of twelve (12) hours, by an employee on the graveyard shift shall be paid for at one and one-half (1-1/2) times the employee's working rate, except that employees classified as Fire Emergency personnel on the graveyard shift shall be paid time and one-half (1-1/2) only for hours worked in excess of eight (8), but not in excess of twelve (12) hours. Hours worked in excess of twelve (12) hours in any one workday shall be paid for at two (2) times the employee's working rate.

(3) The preceding overtime provisions shall also apply to consecutive hours worked even though such consecutive hours began in one workday and ended in the following workday; provided, however, that any hours worked during the seventh day of an employee's workweek shall be at the double-time rate.

- (4) The foregoing provisions of this Section notwithstanding, for any workday, during which early report time premium is paid pursuant to Subsection D of Section 6 of this Article, the preceding overtime premium shall be paid only in accordance with such Subsection D, instead of this Section 2.
- (5) Hours worked on the sixth day of an employee's workweek shall be paid for at one and one-half (1-1/2) times the employee's working rate, except that hours worked in excess of twelve (12) hours shall be paid for at two (2) times the employee's working rate.
- (6) Hours worked on the seventh day of an employee's workweek shall be paid for at two (2) times the employee's working rate.

B. Overtime Distribution

(See coded letters B-15, C-13, D-3 and E-9)

- (1) Overtime will be divided as equally as practicable among affected employees. An affected group is normally those employees in a Department, classification, workweek and shift; however, by mutual agreement an affected group may be further defined as employees in a supervisory group, and the Union shall not unreasonably refuse to agree. Department Managers and Senior Stewards may agree on a different definition of the affected group based on recognition of operational requirements in their area.
- (2) Uniform records of overtime shall be maintained in each Department and upon request will be given to the Union Steward and be made available for informational purposes to employees upon request.
- (3) It is the intent of the Company that employees scheduled to work overtime be given as much advance notice as reasonably possible.
- (4) Overtime hours will not be charged for overtime declined on a recognized holiday; on the sixth or seventh workday immediately preceding or following an employee's vacation (vacation herein is defined as one week or more); at a time when an employee is on Union business of which the Company has been properly notified in advance of such time; on a day an employee is called for temporary military duty; or when the employee is on jury duty or called as a subpoenaed witness.
- (5) In Departments where a graveyard shift is not being utilized, work assignments requiring the call-in of employees between the hours of 4:01 AM and 4:00 PM, the Company will normally call in day shift employees on such assignments. For work assignments requiring the call-in of employees between the hours of 4:01 PM and 4:00 AM, the Company will normally call in swing shift employees.
- (6) Employees transferred from one affected group to another will be in the new affected group as of the effective date shown on the Job Action Request.
- (7) A probationary employee may work overtime only after all other employees in that employee's affected group have been scheduled or asked to work.

- (8) An employee may remove him/herself from the overtime list by submitting written notice to his/her supervisor. Such written notice will have a minimum life of ninety (90) calendar days. If the employee wishes to be restored to the overtime list following ninety (90) calendar days, the employee shall submit such request in writing to their supervisor. Such employee will be given the overtime average of the affected group as of the date of such written request.

Section 3. Hours and Days of Work

A. Workweek and Workday

- (1) The standard workweek consists of one-hundred and sixty eight (168) consecutive hours beginning at 12:00 midnight Sunday and ending at 12:00 midnight the following Sunday, except employees working the 9/80 alternative work schedule and employees assigned to the 4:00 PM to 12:30 AM swing shift whose workweek begins at 12:30 AM Monday and ends at 12:30 AM the following Monday. An odd workweek consists of one-hundred and sixty eight (168) consecutive hours commencing at the beginning of the first of the five (5) consecutive workdays other than the normal schedule of Monday through Friday.
- (2) For pay purposes, the workday consists of twenty-four (24) consecutive hours beginning at 12:00 midnight of one day and ending at 12:00 midnight the following day, except for employees assigned to the 4:00 PM to 12:30 AM swing shift whose workday begins at 12:30 AM of one day and ends at 12:30 AM the following day and for employees assigned to the 11:30 PM to 7:00 AM graveyard shift whose workday begins at 11:30 PM of one day and ends at 11:30 PM the following day.
- (3) A day or swing shift consists of eight (8) hours work to be performed within nine (9) consecutive hours, except for those personnel assigned to a 9/80 or 4x10 workweek, or except as otherwise mutually-agreed. A 4x10 workweek shall consist of ten (10) hours work to be performed within eleven (11) consecutive hours. A graveyard shift consists of seven (7) hours work, except that the graveyard shift for Emergency Services Specialists consists of eight (8) consecutive hours work.
- A 9/80 workweek will consist of nine (9) hours work performed each day Monday through Thursday, within (10) consecutive hours and eight (8) hours work performed on Friday within (9) consecutive hours the first week; the second week nine (9) hours work performed a day, within (10) consecutive hours Monday through Thursday (See coded letter B-22 and C-14).
- (4) The Company shall have the right to establish standard shifts as follows:

Day Shift	Starting times at 1/4 hour intervals from 6:00 AM to 8:30 AM (Voluntary: 4:00 am to 6:00 am)
-----------	---

Swing Shift Starting times at 1/4 hour intervals from 1:00 PM to 4:00 PM
(Voluntary: 4:00 pm to 5:00 pm)

Grave Shift Starting times at 1/4 hour intervals from 10:00 PM to 12:30 AM

Emergency Services Specialists shall be on duty during their entire shift period.

B. Odd Shifts (See coded letters B-6 and D-1)

- (1) The Company may assign certain employees, as set forth in coded letter B-6, to other than the standard shifts where such deviations are necessitated by operational requirements.
- (2) All other operationally required odd shift assignments shall be mutually agreed upon a minimum of one (1) week in advance by the Company and the Union. Odd shifts of up to thirty (30) calendar days duration may be approved by the affected Department Manager and Senior Steward. Odd shifts of longer duration may be approved by the Manager of Labor Relations and a Union Business Representative. The Union shall not unreasonably refuse to agree to the establishment of odd shifts where such shifts are necessitated by operational requirements and will use its best efforts to secure the cooperation of the affected employees.
- (3) Employee-requested odd shifts of a specific duration may be implemented, with the approval of the Department Manager and Senior Steward, for reasons such as alleviation of traffic problems, educational needs, or other personal reasons of an individual employee. An odd shift for an entire workgroup may be requested by 100% of the affected employees (as determined by a vote), and requires written approval by the Department Manager, Senior Steward, Manager of Labor Relations and a Union Business Representative. Employee-requested odd shifts may be modified or discontinued at any time based upon operational requirements.
- (4) For the purpose of determining shift assignments of employees on an odd shift, the following schedule shall apply:

Established Starting Time	Shift
4:00 AM through 10:59 AM	Day
11:00 AM through 8:29 PM	Swing
8:30 PM through 3:59 AM	Graveyard

- (5) Employees placed on an odd shift shall be: first, volunteers in the affected group who are qualified to perform the work and, second, the least-senior employees in the classifications who are in the affected group and qualified to perform the work.

C. Workweek

(See coded letter D-1)

(1) Five days, Monday through Friday, shall constitute the normal workweek schedule.

(2) The Company reserves the right to assign or rotate affected employees to an odd workweek schedule for continuous, seven-day operations. Such assignment will be made by mutual agreement, and the Union will not unreasonably refuse to agree.

(3) Employees placed on odd workweek schedules shall be: first, volunteers in the classifications and in the affected group who are qualified to perform the work and, second, the least-senior employees in the classifications on a normal workweek schedule who are in the affected group and qualified to perform the work. Reassignments between odd workweeks will be made on the basis of seniority to employees who are competent to fill the vacancy, and who have filed written requests with the Department Manager at least seven (7) working days prior to the date the vacancy is filled.

An employee who has been on an odd workweek schedule for ninety (90) calendar days shall, upon written request, be assigned to the normal workweek schedule as soon as a less-senior qualified replacement is obtained and the operational requirements are such that the transfer may be made, but in no event later than thirty (30) calendar days from receipt of such request unless there is no less-senior qualified replacement within the affected group.

The Company will not assign an employee to an odd workweek schedule unless it has reasonable assurance that such employee will be assigned to such odd workweek schedule for thirty (30) calendar days or more.

D. Four-Day Forty-Hour Workweek

The objective of a four-day forty-hour workweek is to allow management to meet its operational requirements while at the same time providing employees with a workweek that will improve the quality of their work life by providing the opportunity for reduced commuting time, energy conservation, and three-day weekends. Basic guidelines for the establishment of four-day forty-hour workweeks are as follows.

(1) The Company will provide ten (10) days notice of the requirement to implement such a workweek and implementation will require approval of three-fourths (3/4) of the affected employees.

(2) In circumstances where operational requirements necessitate employees transferring to a 4x10 workweek who do not elect to do so (but where 3/4 of the affected employees have approved such workweek), the local union will be so advised.

(3) Employees assigned to such a workweek will be paid the straight time hourly rate of pay applicable to their classification for their regularly-scheduled hours.

(4) Employees assigned to such a workweek will normally work four (4) consecutive days, with three (3) consecutive days off. Employees regularly assigned to work Monday through Thursday or Tuesday through Friday shall be considered to be on

1 a standard workweek. Any other 4x10 workweek shall be considered an odd
2 workweek.
3

4 **E. 9/80 Alternative Work Schedule**

- 5 (1) The 9/80 alternative work schedule may be implemented based on operational
6 requirements subject to a 2/3 approval vote of the total affected employees. The
7 affected group will be identified to the Union 30 days prior to the vote; either party
8 may address any group irregularities for consideration. The vote will be conducted
9 by the Union in the facility. The first vote will be to establish a pilot program and
10 can be conducted once annually.
- 11 (2) There will be a six-month pilot program starting on an agreed upon date.
12 Continuation of the program after completion of the six-month pilot program will
13 be mutually decided between the Union and the Company after another 2/3
14 approval vote (once annually), conducted by the Union, of the total affected group.
- 15 (3) The basic 9/80 workweek will include a nine (9) hour workday Monday through
16 Thursday; an eight (8) hour workday Friday and an "off" Friday every other week.
17 The workweek will begin at mid-shift on Friday. The 9/80 work schedule retains a
18 40 hour workweek (see attached workweek schedule) and may have two tracks,
19 Track "A" and Track "B". Where there are two tracks, initial track selection will
20 be by volunteer by seniority.
- 21 (4) Each pay period will be for 40 hours unless overtime is worked.
- 22 (5) Overtime pay at time-and-one-half will be paid for hours worked in excess of nine
23 (9) on a nine (9) hour workday (Monday through Thursday) and over eight (8) on
24 the work Friday. Overtime at time-and-one-half will be paid for work on an "off"
25 Friday. All other provisions requiring the payment of overtime will continue in
26 accordance with the Collective Bargaining Agreement (CBA).
- 27 (6) Vacation pay may be taken up to nine (9) hours for a vacation day taken on a nine
28 (9) hour day Monday through Thursday; and up to eight (8) hours for a vacation
29 day taken on a work Friday, or in increments as currently allowed under the CBA.
30 The accrual policy will remain the same as defined in the CBA.
- 31 (7) Sick leave may be taken in increments in accordance with the CBA or up to nine
32 (9) hours for full workdays Monday through Thursday and eight (8) hours on a
33 work Friday.
- 34 (8) Holiday pay will be nine (9) hours for a Holiday that falls on Monday through
35 Thursday and eight (8) hours for a Holiday that falls on a "work Friday." No
36 payment will be made for a Holiday that falls on an "off" Friday. However,
37 payment for hours worked on a designated Friday Holiday will be paid at the
38 double time rate.
- 39 (9) Total Holiday hours under the 9/80 work schedule will not be less than what is
40 negotiated under the 2002 Collective Bargaining Agreement.
- 41 i) If the 9/80 work schedule results in a reduction of negotiated Holiday hours,
42 these hours will be credited to the employee's vacation account annually.

Article VI, Section 3

- (10) An employee who is unable to work regularly scheduled hours due to jury/witness duty will be paid nine (9) hours for Monday through Thursday and eight (8) hours for a “work Friday” not to exceed the total number of days covered under the CBA.
- (11) The number of employees scheduled on either track (“A” or “B”) at any time will be determined based on operational requirements. Initial selection of employees will be by volunteers by seniority. Once an employee is assigned to a track, the Company will not reassign to another track without mutual agreement, provided that operational needs are satisfied.
- (12) The following procedure shall apply in the transfer of employees between schedules and tracks:
- i) Employees may submit a written request to transfer from one schedule/track to another schedule/track once each 12 months in accordance with operational requirements. However, the Company will not be obligated to transfer any employee between schedules/tracks.
 - ii) Any employee transferring in accordance with this provision shall have “Holiday” hours adjusted in order to prevent any loss in negotiated “Holiday” hours resulting from a transfer. Adjustments to paid holiday hours will be made to the employee’s vacation account. If an employee changes work schedules or 9/80 tracks, the effective date of the change will be at mid-shift Friday.
- (13) Exemptions from the 9/80 schedule or variances may be approved on an individual basis by the cognizant manager as operational requirements allow to accommodate certain hardships such as those related to personal health, medical care, daycare, and transportation. An employee who is denied may file a grievance at Step 2.
- (14) It is not the Company’s intent to utilize the 9/80 to circumvent the overtime provisions of the CBA not covered by this letter.
- (15) The provisions of this agreement apply only while a 9/80-work schedule is in force and effect. Should a 5/40-work schedule need to be implemented by the Company for any reason, the provisions of the current labor agreement will apply. Should this be necessary, the Company would give the Union and the employees at least 30 days advance notice, unless operational requirements require more immediate implementation.
- (16) A Friday attendance infraction can only count as one infraction.

WORKWEEK SCHEDULE

Workweek	M	T	W	TH	F	M	T	W	TH	F	Total Work Week
First Week (Hours)	9	9	9	9	4						40
Second Week (Hours)					4	9	9	9	9	Off	40

9/80 WORKWEEK

- Friday mid-shift to Friday mid-shift
- Mid-shift is four hours after regularly scheduled start time

PAY GUIDELINES

Monday - Thursday	
<u>0 – 9 Hours</u>	<u>1 x (Straight Time)</u>
<u>9 – 12 Hours</u>	<u>1 ½ x (Time and One-Half)</u>
<u>Over 12 Hours</u>	<u>2 x (Double Time)</u>

Scheduled Work Fridays	
0 – 8 Hours	1 x (Straight Time)
8 – 12 Hours	1 ½ x (Time and One-Half)
Over 12 Hours	2 x (Double Time)

“Off” Fridays and Saturdays	
0 – 12 Hours	1 ½ x (Time and One-Half)
Over 12 Hours	2 x (Double Time)

Sunday	
All Hours	2 x (Double Time)

Paid Holidays	
Applicable Holiday Hours	1 x (Straight Time)
<i>Plus:</i> All Hours (if worked)	2 x (Double Time)

- Vacation
- Paid 9 hours, Monday – Thursday
- Paid 8 hours for “work” Fridays
- Accrual same as current policy
- Holidays
- Paid 9 hours, Monday – Thursday
- Paid 8 hours for “work” Fridays

Section 4. Shift and Odd Workweek Premiums

A. Shift Bonus

- (1) Employees assigned to a swing shift shall receive a bonus of forty cents (\$.40) per hour.
- (2) Employees assigned to a graveyard shift shall receive eight (8) hours pay plus eight cents (\$.08) per hour bonus for working seven (7) hours.

B. Odd Workweek Bonus

Employees working an odd workweek schedule shall receive a bonus of twenty cents (\$.20) per hour.

Section 5. Leads

- (1) Leads shall be paid a bonus of one dollar (\$1.00) an hour above the rate range maximum for the Lead's own classification. A Lead leading a group in which more than one classification is represented shall be classified in the classification covering the job duties such employee normally performs.
- (2) An employee eligible for a Guaranteed Personal Rate (GPR) who is a Lead shall be paid a bonus of one dollar (\$1.00) an hour above the Lead employee's own GPR maximum.
- (3) An employee who, on March 13, 1996, was a Lead and whose rate was higher than their own rate range maximum as a result of leading employees in a higher labor grade, shall continue to receive such rate until:
 - (a) such Lead is no longer leading an employee in a higher labor grade or
 - (b) such employee ceases to be a Lead.

Section 6. Report Pay

A. General

- (1) No pay shall be granted under this Section where work is not available as a result of, but not limited to, an act of God, fire, flood or power failure.
- (2) The Company shall not be responsible for notifications under this Agreement if an employee fails to inform the Company of his/her correct address and telephone number.

B. Report-In Pay

An employee reporting for work on his/her regularly assigned shift within his/her normal workweek schedule, without previous notice not to report, shall be paid a minimum of four (4) hours at his/her working rate. An employee called in to work on the sixth or seventh day of the workweek or a holiday shall receive a minimum of four (4) hours at the appropriate premium rate. To qualify for pay under this Subsection B an employee may be required to perform any work reasonably within his/her capacity.

C. Call-Back Pay

An employee called from home to report back for work after the end of his/her regularly assigned shift will be paid a minimum of four (4) hours at the appropriate overtime rate.

D. Early Report Time

An employee required by the Company to start work before the established starting time of his/her regularly assigned shift, who continues to work during his/her regular shift hours without clocking out of the plant prior to such starting time, shall be paid one and one-half (1-1/2) times his/her working rate for hours worked prior to such starting time and his/her working rate for hours worked during his/her regularly assigned shift, with the following exceptions:

- (1) No such premium will be paid if the employee, at his/her own request, works less than a total of eight (8) hours (seven (7) hours if his/her regularly assigned shift is graveyard shift), in that workday.
- (2) If an employee works more than twelve (12) continuous hours:
 - a. All hours worked during his/her regularly assigned shift shall be paid at his/her working rate.
 - b. The difference between the number of hours worked on his/her regularly assigned shift and twelve (12) hours, will be paid at one and one-half (1-1/2) times his/her working rate.
 - c. All hours over twelve (12) will be paid at two (2) times his/her working rate.
- (3) Hours for which premium pay is paid pursuant to this Subsection shall not otherwise be compensated as premium time except that such hours worked during the seventh day of the employee's workweek shall be compensated for in accordance with Section 2 of this Article, as such Section applies to seventh day premium, instead of this Subsection.

Section 7. Pay Period

Pay checks shall be issued to employees within eight (8) days after the end of the pay period. The pay period may be changed by mutual agreement. In addition to the current methods of pay delivery options, which include Paper Checks and Direct Deposit, the Company may offer the pay delivery option of Pay Cards.

Should the provider decide to discontinue the Pay Card program, the Company will notify the Union and affected employees as soon as administratively practicable.

Section 8. Lost Time

Deductions for time off, whether due to tardiness or other causes, shall be at the rate of one-tenth (1/10) of an hour's pay for each tenth of an hour or fraction thereof lost from work.

Section 9. Payroll Deductions-Company Reimbursement

Payroll deductions may be made to reimburse the Company as follows:

- (1) For cost of tools and equipment issued to an employee but not returned by him/her, such costs to be subject to wear of such tools and equipment. An employee so charged shall be reimbursed by the Company in the event of the subsequent return of such tools and equipment to the Company provided they may be properly identified and are in the same condition as when issued to the employee.
- (2) For money paid by the Company to a creditor or officer of the law for an indebtedness of an employee, provided demand is made upon the Company according to law.
- (3) For any indebtedness due to the Company covering purchases made by an employee through the Company.
- (4) For any loans, advances or overpayment of wages made to the employee by the Company.
- (5) For each employee identification card or identification badge lost or destroyed, a sum of One Dollar (\$1.00).
- (6) For a lost key, the sum of One Dollar (\$1.00).

Section 10. Field Duty (See coded letters D-16 and E-1)

A. Definitions

- (1) An employee shall be considered on field duty when sent by the Company, on a temporary basis, to places within the continental limits of the United States other than the plant or test base to which permanently assigned, when such temporary

1 assignment is at such a distance that it requires the employee to obtain lodging at
2 other than his/her established residence.

- 3
4 (2) The provisions of the Agreement for shift, odd workweek and overtime premiums
5 as well as Lead bonus shall apply in the same manner as at the employee's regular
6 work station.
7

8 **B. Field Duty Pay**

- 9 (1) An employee assigned to field duty for a period exceeding seven (7) consecutive
10 days shall receive, in addition to his/her regular rate of pay, additional pay in the
11 amount of forty-five cents (\$.45) per hour. Such additional amount of pay shall be
12 effective only for the period of time an employee is so assigned to such field duty
13 and shall begin as of the seventh (7th) day after the employee commences travel on
14 such field duty assignment and end on the day preceding the day such employee is
15 to return to his/her regular work station.
16 (2) While an employee is traveling to and returning from a field duty assignment,
17 he/she shall be paid at his/her working rate for a day of departure or a day of
18 arrival, or at the applicable premium rate if these days fall on the sixth or seventh
19 day of his/her workweek, or at overtime rate with respect to hours actually worked
20 outside his/her regular ~~ly scheduled~~-shift as follows:
21 a. If no work is performed on such day, for his/her regularly scheduled hours for
22 such day, or
23 b. for hours worked on such day if worked prior to departure or immediately
24 following arrival, in addition to travel time falling within the hours of his/her
25 regularly assigned shift, but not less than a total of his/her regularly scheduled
26 hours pay for such day, or
27 c. for hours worked on such day if worked prior to departure and immediately
28 after arrival, in addition to travel time, but in no event less than a total of
29 his/her regularly scheduled hours pay for such day.
30 (3) With respect to days such employee is traveling, other than the day of departure or
31 the day of arrival, he/she shall be paid at his/her working rate, or at his/her
32 overtime rate if travel is on the sixth or seventh day of his/her workweek.
33 (4) On a day of departure or a day of arrival an employee may be assigned to an odd
34 shift. Pay for such shift shall be at the employee's working rate.
35

36 **C. Per Diem Allowance**

- 37 (1) An employee assigned to field duty shall be reimbursed for necessary, actual and
38 reasonable business expenses while on such field duty assignment. The
39 Company reserves the right to amend, modify, or otherwise change the provisions
40 of the section if business conditions or policy warrants such change.
41 (2) An employee not on field duty as defined herein, but who is on an assignment
42 away from his/her regularly assigned plant which delays his/her return to his/her

residential area and deprives such employee of having dinner at home at a normal hour, shall be reimbursed for actual reasonable dinner expenses incurred.

D. Use of Personal Automobile

An employee required or permitted to use his or her own automobile for travel on authorized field duty, or on occasional travel for authorized Company business, shall be reimbursed at the rate set by the Internal Revenue Service (IRS) for such necessary mileage. This reimbursement rate includes the fair market value of maintenance of, and insurance for, the automobile used. At all times while operating a privately owned vehicle on authorized Company travel or travel for authorized field duty the employee shall maintain at least the minimum kinds and amounts of automobile liability insurance required in the State(s) where the vehicle is operated and shall comply with Company Management Procedures covering such use of privately owned vehicles on Company travel and travel for field duty. During use of a personal automobile for travel on authorized field duty and while on authorized Company business, the Company shall also provide such employee with automobile liability insurance coverage in excess of the limits of their personal automobile liability insurance with respect to liability for bodily injury (including death) and property damage to third parties, including passengers, arising out of such usage. Such Company insurance coverage shall apply only after such employee's own personal liability insurance has first been applied.

Section 11. Cost-of-Living Adjustment

- (1) In addition to the base rate of pay of each employee, a Cost-of-Living Adjustment (COLA) shall be paid to each employee in accordance with the provisions of this Section.
- (2) a. Effective January 3, 2015, the current cumulative Cost-of-Living Adjustment payable on that date (including the amount effective on that date) shall be added to the maximums of the rate ranges in Article VIII, Section 7, and to the GPR maximums in Article VIII, Section 8.
- b. Effective January 2, 2016, the difference between the current cumulative Cost-of-Living Adjustment, and such previous adjustment as set forth in Subsection 2 (a), if any, payable on that date (including the amount effective on that date) shall be added to the maximums of the rate ranges in Article VIII, Section 7, and to the GPR maximums in Article VIII, Section 8.
- c. Effective January 7, 2017, the difference between the current cumulative Cost-of-Living Adjustment, and such previous adjustment as set forth in Subsection 2 (a), if any, payable on that date (including the amount effective on that date) shall be added to the maximums of the rate ranges in Article VIII, Section 7, and to the GPR maximums in Article VIII, Section 8.

- d. Effective January 6, 2018, the difference between the current cumulative Cost-of-Living Adjustment, and such previous adjustment as set forth in Subsection 2 (a), if any, payable on that date (including the amount effective on that date) shall be added to the maximums of the rate ranges in Article VIII, Section 7, and to the GPR maximums in Article VIII, Section 8.

On each of the above dates, the employee's base rate will increase by the amount of COLA being received by that employee on that date.

Employees hired after the date upon which the COLA is folded into the base rate shall be eligible for only that COLA which becomes effective after their date of hire.

- (3) The Cost-of-Living Adjustment, if any, shall 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, 1982-1984 = 100), revised by the Bureau of Labor Statistics based on the 1982-1984 Survey of Consumer Expenditures, and published monthly by the Bureau of Labor Statistics, U.S. Department of Labor, and hereinafter referred to as the "Price Index".
- Except as provided above, Cost-of-Living Adjustments shall not be added to or subtracted from an employee's base rate of pay, nor to the minimums and maximums of the rate ranges.
- (4) During the period of the Agreement, Cost-of-Living Adjustments shall be made at the following times:

Effective Date Of Adjustment:	Based Upon Three Month Average Of The Price Indexes For:
July <u>5, 2014</u>	March <u>2014</u> , April, May
October <u>4, 2014</u>	June, July, August
January <u>3, 2015</u>	September, October, November
April <u>4, 2015</u>	December <u>2014</u> , January <u>2015</u> , February
July <u>4, 2015</u>	March, April, May
October <u>3, 2015</u>	June, July, August
January <u>2, 2016</u>	September, October, November
April <u>2, 2016</u>	December <u>2015</u> , January <u>2016</u> , February
July <u>2, 2016</u>	March, April, May
October <u>1, 2016</u>	June, July, August
January <u>7, 2017</u>	September, October, November
April <u>1, 2017</u>	December <u>2016</u> , January <u>2017</u> , February
July <u>1, 2017</u>	March, April, May
October <u>7, 2017</u>	June, July, August
January <u>6, 2018</u>	September, October, November

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In determining the three-month average of the indexes for each specified period, the computed average shall be rounded to the nearest 0.1 index point.

- (5) Effective the payroll period commencing on July 5, 2014, the Cost-of-Living Adjustment factor shall be determined in accordance with the following table:

Three-Month Average BLS Consumer Price Index	COLA Index Factor
<u>230.0</u> and below	0
<u>230.1 – 230.3</u>	\$.01 per hour
<u>230.4 – 230.6</u>	.02 per hour
<u>230.7 – 230.9</u>	.03 per hour
<u>231.0 – 231.2</u>	.04 per hour
<u>231.3 – 231.5</u>	.05 per hour
<u>231.6 – 231.8</u>	.06 per hour
<u>231.9 – 232.1</u>	.07 per hour
<u>232.2 – 232.4</u>	.08 per hour
<u>232.5 – 232.7</u>	.09 per hour
<u>232.8 – 233.0</u>	.10 per hour

And so forth with \$.01 adjustment for 0.3 point change in the Average Index for the appropriate date set forth in Paragraph (4) above.

- (6) The amount of any COLA in effect at the time shall be included for all hours worked after the effective date of the adjustment and in computing overtime payments, vacation and sick leave payments, pay for unused sick leave and injury leave, military leave, holiday, jury duty, jury examination and witness payments, and for no other purpose.
- (7) In the event that the Bureau of Labor Statistics (BLS), United States Department of Labor, discontinues publication of the Price Index described in Paragraph (3) above, the Company and the Union shall enter into immediate negotiations to determine the appropriate index to be used. The purpose of these negotiations shall be to insure that the payments to be made under this Article will be as intended by the parties and shall be no less than that which would have occurred had the Price Index been continued unchanged in its present form. In the event the parties are unable to agree within sixty (60) days of the discontinuance of the Price Index, this dispute shall be submitted to final and binding arbitration as provided for in this Agreement. The Cost-of-Living Adjustment, if any, shall be retroactive to the appropriate effective date.
- (8) In the event the Bureau of Labor Statistics does not issue the appropriate Price Indexes on or before the beginning of one of the pay periods referred to in Paragraph (4), any adjustment in the COLA required by such appropriate Indexes shall be

1 effective at the beginning of the first pay period, or as soon as administratively
2 practicable, after receipt of the Indexes.

- 3 (9) No adjustment, retroactive or otherwise, shall be made due to any revision which may
4 later be made in the published figures for the Price Index for any month or months
5 specified in Paragraph (4).

TABLE 1
LMSSC, M&SO
FRINGE BENEFIT PAYROLL PRACTICES
HOURLY EMPLOYEES

	Lead	Shift Bonus	Odd Work Week Bonus	Field Duty Pay	Cost-of-Living Bonus	Retirement Hours
Holiday Pay	Incl.	Incl.	Incl.	Incl.	Incl.	Incl.
Holiday During Vacation	Incl.	Incl.	Incl.	Excl.	Incl.	Incl.
Sick Leave	Incl.	Incl.	Incl.	Incl.	Incl.	Incl.
Payment in Lieu of Sick Leave	Incl.	Incl.	Incl.	Excl.	Incl.	Incl.
Vacation	Incl.	Incl.	Incl.	Excl.	Incl.	Incl.
Jury Duty Pay	Incl.	Incl.	Incl.	—	Incl.	Incl.
Jury Exam or Impanelment	Incl.	Incl.	Incl.	—	Incl.	Incl.
Overtime Premium	Incl.	Incl.	Incl.	Incl.	Incl.	—
Military Reserve Training Leave	Incl.	Incl.	Incl.	Excl.	Incl.	Incl.

ARTICLE VII
APPLICATION OF JOB DESCRIPTIONS AND GLOSSARY OF TERMS

Section 1. Job Descriptions

Job descriptions for the classifications listed in each C.E.G. or for classifications established in each C.E.G. pursuant to Subsection C of Section 1 of this Article are incorporated therein.

The following basic principles govern the preparation of these descriptions; these same principles are to govern their use.

A. General

- (1) The title selected for a classification is that which most clearly indicates the general nature and character of the work performed, and yet serves to set the classification apart from others described.
- (2) The Summary developed for each classification is a brief description of the classification as a whole, the purpose of which is to set it forth in separation from other classifications.
- (3) The job description describes typical and normal requirements. These requirements are characteristic of the job and illustrate a level of difficulty of work and are not intended to list or describe all work operations, or tasks done within the classification. These requirements may not fit all specific individual work assignments, as the description when written was stated so as to be broad enough to include all variations of work in the classification as it existed throughout the Company.

B. Interpretation and Application of Job Descriptions

- (1) The job description is written to define and illustrate the job standard to be established and as such shall be interpreted and applied in its entirety as a composite picture of the job requirements. This means that the Summary, Work Performed (Typical Materials, Tools and Equipment Used, when applicable) and Knowledge and Ability Required, all must be considered in arriving at the proper classification.
- (2) In order to secure, or hold the classification, the employee must be assigned regularly and consistently to that work which distinguishes the classification from other classifications.
- (3) An employee's classification shall be determined in the light of the highest requirements for knowledge, ability and skill necessary to perform his/her regularly assigned duties. In making this determination, duties that are performed infrequently or rarely shall not be considered or made the basis of granting the higher classification. This would not be applicable, however, to intermittent duties of a higher level to which the employee is specifically assigned in an area where

the prevailing day-to-day routine may fall in lower requirements. If the employee on such an assignment is expected to possess and apply the knowledge, skill and ability necessary for performance of the higher level work, he/she is entitled to the higher classification even though the majority of work time may be spent on the lower level work. In such a case, the employee is assigned to bring to the job the higher skills which he/she is expected to use as requirements demand. To cite an example:

An employee spends most of his/her time in the performance of machinist work properly classified as that of a Machinist-Lathe. In addition, he/she is, on occasion, required to perform machinist level work on a milling machine and a planer. Assignment to these latter two machine tools at the machinist level, though it is performed only infrequently, warrants classification as a Machinist-General.

- (4) The job descriptions herein referred to are of a composite nature and do not thereby require an individual employee to perform all of the work therein mentioned, except where the job description indicates otherwise.
- (5) The work operations, duties and other distinguishing characteristics described in a job description are those which are performed under guidance or instruction which is considered usual and normal for the work described.
- (6) The job descriptions are not intended for, and should not be confused with, operation sheets, work instructions, or work assignment sheets, etc.
- (7) Job descriptions were prepared on the basis that:
 - a. As a part of promotional procedure, an employee occasionally performs some of the work of higher-rated jobs under close guidance and instructions in order to qualify for advancement.
 - b. An employee performs the work of lower-rated jobs when required.
 - c. The normal duties of any employee may include assistance to other workers on work operations.
 - d. Normal job relationships between employees include giving guidance and instruction to each other, as long as such guidance and instruction is not extended to conflict with the duties of a Lead.

C. Establishment of New Jobs

- (1) The Company shall develop an appropriate job description and place such job in one of the Labor Grades set forth in the affected C.E.G. if, after the effective date of this Agreement, a new job is established as a result of any of the following:
 - Introduction of new work of a nature comparable to that covered by existing job descriptions for classifications referred to in Section 1 of this Article VII.
 - a. The combination of work covered by such existing job descriptions.
 - b. A substantial change in the duties or requirements of an established job.
- (2) The Company shall furnish the Local Union with the new job description and shall submit for approval by the Local Union the placement of such classification in one of the Labor Grades for the affected C.E.G. If agreement on such placement is not

reached within seven (7) calendar days from the date of submission, the Company may place the new job description and rate into effect, subject to continued negotiation of such placement in the Labor Grade structure. The Company will notify the Union on the date the new job description and rate are placed into effect.

(3) If agreement as to placement in the proper Labor Grade is not reached within fifteen (15) calendar days from the date the job is placed into effect, either party may refer the matter to arbitration in accordance with the applicable provisions of the Agreement. The arbitrator shall have the authority to determine in which of the Labor Grades the new or amended classification shall be placed on the sole basis of the relationship the new job bears to other classifications in the Labor Grade structure.

(4) Any change in the established rate resulting from these negotiations shall be retroactive to the date the Company placed such rate into effect.

(5) The Company may reinstate (reactivate) without any change of language, a previously deleted job classification, placing it into the same labor grade in which the job classification was assigned at the time of its deletion. In reactivating a classification, the Company will notify the Union of the date the classification is to be reactivated and the organizations in which it will be initially used. The Company will not fill any opening in such job classification until fourteen (14) days following notification to the Union.

D. Classification of an Employee

Each employee shall be placed in the classification proper for the work he/she performs and job descriptions shall be applied in accordance with Sections 1 and 2 of this Article.

Section 2. Glossary of Terms and Phrases

A. Glossary of Terms and Phrases Used in Job Descriptions

In preparation of the job descriptions the following terms and words are given definition and meaning to clearly indicate the common and consistent interpretation to be placed in them by all persons using the descriptions.

The meaning of words and phrases not included in this glossary shall be as defined in Webster's Collegiate Dictionary.

ADAPTS: Means to utilize for other purposes than originally intended.

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 tolerance of two adjoining component angles.

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1 **AS REQUIRED:** Means performance of work operations if and when such are necessary
2 as long as they are within the level of difficulty described.

3
4 **AUTHORIZED DOCUMENT:** Means any type of document which is used by the
5 Company to transmit to the worker what is to be done, how it is to be done, and/or what
6 specifications or requirements are applicable to the work.

7
8 **BLUEPRINTS, ASSEMBLY AND INSTALLATIONS:** Are blueprints which provide
9 information for the installation and/or assembly of fabricated and accessory parts into an
10 assembly.

11
12 **BLUEPRINTS, DETAIL:** Are any class of blueprints which give necessary detailed
13 information for fabricating one or more parts.

14
15 **BLUEPRINTS, DETAIL ASSEMBLY:** Are blueprints which provide information for
16 assembling parts together with the necessary information for making some or all of the
17 individual parts.

18
19 **CHECK:** A clerical function of examining and comparing facts, figures or other data to
20 determine completeness and accuracy.

21
22 **CHECK, FUNCTIONAL:** Means to determine or ascertain whether a unit or a portion
23 of a system performs the function for which it is intended and whether rework or
24 alteration is required.

25
26 **CHECK OUT, OPERATIONAL:** Means making a complete check of an entire
27 completed independent system to determine if rework or alteration is necessary.

28
29 **CONTOUR:** Means a curved surface having radii of different lengths all of which lie in
30 parallel planes or the same plane, such planes being perpendicular to the curved surface,
31 or a curved line having radii of different lengths all of which are in the same plane. The
32 surface of a cone or section thereon, a typical airfoil surface, the curved edge of a profiled
33 plate and the curved layout line guiding the making of a router block are examples.
34 Contour surfaces composed of sections of cylinders and edges whose profile is a section
35 of a circle are excluded since the radii are the same length.

36
37 **CONTOUR, COMPOUND:** Means a curved surface having radii of different lengths
38 which lie in non-parallel planes.

39
40 **CONTOUR, REVERSE:** Means a contour that reverses its curvature so that it has both
41 concave and convex portions.

COORDINATED TOLERANCES, COORDINATED DIMENSIONS: These expressions are used only when exacting tolerances are implied. It should be understood that the mere location of a point by two or more reference dimensions does not in itself mean that the dimensions themselves are coordinated. An example of truly coordinate dimensions is shown in the following: The precision dimensions between two holes must be held while at the same time the precision dimensions locating each of the holes must also be held with respect to another reference point or line.

DETAIL BENCH ASSEMBLY: Detail bench assembly is that type and size of assembly work where size of parts, jigs and fixtures allows their being worked on a bench. Floor type jigs of similar size are included.

DETERMINE: To choose, judge, or decide; to select pertinent data or information from documents, records, etc.

DEVELOPS, DEVELOPMENT: Means to develop information and/or build or make new parts, assemblies and installations or patterns, and tooling, where exercise of a thorough knowledge of the shop theory involved is necessary, and further is a recognizably difficult assignment which is characterized by requiring ingenuity (skill in devising) and originality (creative in doing) to accomplish the assignment satisfactorily.

FABRICATES COMPLETELY: Means to perform all necessary fabrication operations required to produce a finished article ready for use in an assembly, missile or the plant.

FIXTURES: Refers to holding, production, or established fixtures, or standard tooling designed to hold, align, or coordinate the workpiece for machining, fabrication, installation, assembly, layout, or other work operation.

HELPS/ASSISTS: Means to assist or aid an employee in the performance of his/her duties as set up in the particular job description where the phrase exists. The assisting worker is not expected to work wholly independently but rather cooperatively and, further, is entitled to, and should receive, the guidance and instructions considered usual and normal under these circumstances.

HAND TOOLS: Includes those portable tools used by hand by the worker in the normal performance of duties and tasks of the occupation in which he/she works.

IMPROVISE: Means to contrive or make use of makeshift tooling and/or methods to meet immediate needs or requirements.

IMPROVISE SHOP AIDS (ETC.) TO FACILITATE FABRICATION, ASSEMBLY, AND/OR INSTALLATION AS REQUIRED: This does not mean to go

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1 into a tool making program or to conflict with the duties of those engaged in tool making
2 occupations.

3
4 **INITIATE:** To introduce by a first act; originate; begin.

5
6 **KNOWLEDGE:** To know and understand the principles, operations, and procedures
7 required of a specific job or function and the ability to apply such knowledge to the
8 performance of the specified job.

9
10 **KNOWLEDGE, BASIC:** To know the fundamental principles and operations of a
11 specific job or function, but does not require the ability to apply such knowledge.

12
13 **KNOWLEDGE, COMPLETE:** Means full understanding of, and ability to apply, all
14 facts that must normally be known by the worker in the occupation.

15
16 **KNOWLEDGE, ELEMENTARY:** Means that the employee is not expected to carry out
17 the technical functions of his/her classification completely without guidance from
18 supervision or more senior fellow workers.

19
20 **KNOWLEDGE, WORKING:** To know or understand the fundamental principles and
21 operations of a specific job or function and the ability to apply that knowledge as a
22 minimum requirement for the performance of the given job.

23
24 **KNOWLEDGE OF:** Means knowledge of the inherent elements or details of a job that
25 must be known by a worker to do his/her work satisfactorily.

26
27 **LAYOUT:** Means the marking of points and lines which will determine the exact
28 location and/or dimensions of the part, tool, or assembly.

29
30 **LIAISON:** The act of investigating problems, coordinating activities and contacting
31 personnel with a view to arriving at mutually acceptable agreements, change, etc.

32
33 **MATERIAL:** Used to designate raw stock or purchased items which must be subjected
34 to processes of manufacture.

35
36 **MAY:** Means that the function is performed by some of the personnel holding the
37 classification or, that the function is occasionally performed, but is not requisite for the
38 classification.

39
40 **PROCESS:** Receive forms or documents, check to determine the necessary information
41 is shown, make records from or add any required data to document, and send to next
42 destination.

1 **PROCESSING:** An inclusive term covering various finishes, etc., such as: Anodizing,
2 cadmium plating, etching, painting, oiling, passivating, chromodizing, pickling, plating,
3 degreasing, sandblasting and similar operations which do not change the basic structure
4 of the materials processed.
5

6 **PRODUCTION ILLUSTRATIONS:** Are blueprints or sketches which are used as an
7 aid in visualizing parts and/or their assembly and are usually isometric, perspective,
8 pictorial or third angle projection drawings or photographs.
9

10 **RECONCILE:** To bring into agreement. To check (as facts, figures, accounts, etc.) one
11 against another and make, or arrange for, adjustments necessary to bring the two into
12 balance or agreement.
13

14 **REWORK:** Means that type and kind of work involving disassembly, modification,
15 repair, and/or rebuilding of any part, assembly, or installation as set forth and described in
16 the WORK PERFORMED section of the job description within the limits of the
17 occupation or classification in which the rework is to be performed.
18

19 **SET-UP; SETS UP:** Includes the various necessary physical work operations or steps,
20 (other than layout) which must be accomplished before actual fabrication can proceed.
21 Set-up of machines or equipment might include such operations as selecting and aligning
22 proper tooling, positioning and securing material, and setting speeds, feeds, stroke, travel,
23 pressure, flow, etc. In most assembly operations, set-up (e.g., positioning of parts,
24 obtaining parts) is so closely intermingled with fitting and joining together that set-up is
25 not customarily designated as such. This is generally true of operations where machine
26 operation is not the primary job factor.
27

28 **SHOP MATHEMATICS:** Is that form of mathematics normally used by shop workers
29 in the performance of the occupation in which he/she works.
30

31 **SHOP MATHEMATICS, INCLUDING TRIGONOMETRY:** Means the use of
32 trigonometry to solve any problem that may arise in the work to which assigned.
33

34 **SHOP PRACTICE:** Means the generally accepted method of performing a basic,
35 common or usual operation under specified conditions. It covers the knowledge which is
36 common to the occupation itself and to most manufacturing shops using the operation
37 under consideration. Besides knowledge and ability to use required hand tools and
38 equipment, it includes knowledge of general safety practices, conduct, rules of
39 cleanliness, neatness, good housekeeping and care of equipment. When used in the phrase
40 "shop practices and procedure", practice need not imply other than practice or methods
41 learned or acquired at the Company.

1 **SHOP THEORY:** Implies a knowledge of "why" as well as "how" a given task should be
2 done. It implies a real understanding of the diversity of work in an occupation, of the
3 capacities and limitations of machines used, and of the skills involved.
4

5 **SURVEY:** To examine, select, and check data, and determine the accuracy and/or
6 adequacy of the information contained.
7

8 **TOLERANCES, CLOSE:** Means those tolerances which are held by the machine,
9 operator and/or fixture without great or special care, effort, or skill on the part of the
10 worker. This term expresses a level of difficulty rather than preciseness of linear, angular
11 or other measurement.
12

13 **TOLERANCES, EXACTING:** Means those tolerances which require special care and
14 attention on the part of a skilled worker to obtain or hold. These tolerances would be
15 difficult, if not impossible, for a semi-skilled or unskilled worker to hold consistently at a
16 good production rate. This term expresses a level of difficulty rather than a preciseness of
17 linear, angular or other measurement.
18

19 **WHEN SO ASSIGNED:** Means that the work operation, function or job duty is usually
20 and normally performed after or as a direct result of an order, work assignment or request
21 from immediate supervisory personnel when an occasional or incidental job requirement
22 exists.
23

24 **WHERE COMPLETE INFORMATION IS NOT READILY AVAILABLE:**

25 (1) This phrase is not to be interpreted as requiring the worker to develop his/her own
26 information, except for such information which falls into the category of acceptable shop
27 practice.

28 (2) Where this phrase is used in a job description it is understood that all workers in the
29 classification will work under these conditions as required.
30

31 **WITH OR WITHOUT THE AID OF TOOLING:** This phrase means that in some
32 cases where tooling does not exist or is faulty, the worker may be required to work around
33 such a condition. At times when this condition does not exist the worker may still hold the
34 classification, provided other qualifying factors of the classification are present in the job.
35

1 WORK FROM PRODUCTION, PRE-RELEASE, CHECK, DETAIL, ASSEMBLY
2 AND INSTALLATION BLUEPRINTS, D.A.T'S SKETCHES, OR OTHER
3 AUTHORIZED DOCUMENTS: This statement when used in a job description does not
4 mean that a worker must have a complete knowledge of all the above-mentioned
5 documents, but only to the extent of the difficulty described in the description where
6 used.

7
8 WORKS WITH AUTHORIZED LIAISON PERSONNEL AS NECESSARY (OR
9 WHEN REQUIRED):

10 (1) This phrase is intended to cover situations such as when trouble develops on a job the
11 worker goes to his/her lead or supervisor who in turn may call in a liaison, and then
12 the worker, being more familiar with the job, will cooperate with the liaison to
13 straighten out the trouble.

14 (2) Under this phrase it is not intended that workers are to contact or be contacted by
15 liaison personnel, except through their supervision.

16
17 It is understood that all statements used in specific job descriptions are to be interpreted
18 on the basis of the level of difficulty contained in the respective descriptions.

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**ARTICLE VIII
SUPPLEMENTAL PAYMENTS AND
LABOR GRADE STRUCTURES**

Section 1. General

This Agreement shall be effective March 3, 2014 except as otherwise provided herein.

For purposes of Supplemental Wage payments and Cost-of-Living supplements, an approved "leave of absence" is defined as a leave of absence of less than one year.

Section 2. Effective Dates of Rate Ranges

The minimums and maximums of the Labor Grades and rate Ranges and the classifications as set forth in the Parts of this Agreement shall be effective as of the dates shown in such Parts of this Agreement.

Section 3. Ratification Bonus

Provided that the membership ratifies the contract on March 2, 2014, a \$2700 ratification bonus will be paid within 60 days of ratification to all eligible employees on the active payroll as of March 3, 2014, or employees on an approved leave of absence for less than one year, or on military leave.

The entire ratification bonus may be deferred to the Hourly Savings Plan Plus (401K) upon completion of the appropriate form within 15 days following ratification. Payment of the lump sum wage supplement is contingent upon written confirmation of the acceptance of the agreement by 10:00 pm (EST) on Sunday, March 2, 2014..

Section 4. General Wage Increase & Supplemental Wage Payment

A. First Year (Sunnyvale, Santa Cruz, Eastern Range, Vandenberg)

Within 60 calendar days of the ratification date, each employee on the active payroll, military leave or on approved leave of absence on such date, shall receive a Supplemental Wage Payment (SWP) in an amount equal to three percent (3%) of his/her bargaining unit compensation during the period of January 1, 2013 through December 31, 2013. This SWP will exclude compensation received under employee rewards and recognition programs, tuition assistance programs, employee apparel reimbursement programs, grievance settlements and other lump sum payments. The SWP may be deferred to the Hourly Savings Plan Plus (401K) upon completion of the appropriate form within 15 calendar days following ratification.

B. Second Year (Sunnyvale, Santa Cruz, Vandenberg)

Effective March 14, 2015, the base rate of each employee on the active payroll or an approved leave of absence or military leave on such date shall be increased by two and one-half percent (2.5%). The minimums and maximums of rate ranges for all labor grades shall be increased by two and one-half percent (2.5%) effective the same date. Any employee with a base rate below the minimum of the adjusted rate range shall have their base rate adjusted to the minimum of such rate range.

Second Year (Eastern Range)

Effective March 14, 2015, each employee at Eastern Range (CEG E) on the active payroll, military leave or on approved leave of absence on such date, shall receive a Supplemental Wage Payment (SWP) in an amount equal to two and one-half (2.5%) of his/her bargaining unit compensation during the period of January 1, 2014 through December 31, 2014. This SWP will exclude compensation received under employee rewards and recognition programs, tuition assistance programs, employee apparel reimbursement programs, grievance settlements and other lump sum payments. The SWP may be deferred to the Hourly Savings Plan Plus (401K) upon timely completion of the appropriate form.

C. Third Year (Sunnyvale, Santa Cruz, Vandenberg)

Effective March 12, 2016, the base rate of each employee on the active payroll or an approved leave of absence or military leave on such date shall be increased by two and one-half percent (2.5%). The minimums and maximums of rate ranges for all labor grades shall be increased by two and one-half percent (2.5%) effective the same date. Any employee with a base rate below the minimum of the adjusted rate range shall have their base rate adjusted to the minimum of such rate range.

Third Year (Eastern Range)

Effective March 12, 2016, each employee at Eastern Range (CEG E) on the active payroll, military leave or on approved leave of absence on such date, shall receive a Supplemental Wage Payment (SWP) in an amount equal to two and one-half (2.5%) of his/her bargaining unit compensation during the period of January 1, 2015 through December 31, 2015. This SWP will exclude compensation received under employee rewards and recognition programs, tuition assistance programs, employee apparel reimbursement programs, grievance settlements and other lump sum payments. The SWP may be deferred to the Hourly Savings Plan Plus (401K) upon timely completion of the appropriate form.

D. Fourth Year (Sunnyvale, Santa Cruz, Eastern Range, Vandenberg)

Effective March 11, 2017, the base rate of each employee on the active payroll or an approved leave of absence or military leave on such date shall be increased by two and one-half percent (2.5%). The minimums and maximums of rate ranges for all labor

grades shall be increased by two and one-half percent (2.5%) effective the same date. Any employee with a base rate below the minimum of the adjusted rate range shall have their base rate adjusted to the minimum of such rate range.

Section 5. Ingrade Adjustments

The base rate of an employee on the active payroll of the Company on the effective date of this Agreement, who on such date is in a classification which is placed in a higher Labor Grade or Rate Range pursuant to the provisions of this Agreement, shall be adjusted as follows:

Such rate shall be the rate in the rate range of the higher Labor Grade or Rate Range, or GPR maximum if applicable, which is the same number of cents per hour below the maximum of such higher Labor Grade or Rate Range, or GPR maximum if applicable, as the rate held in the lower Labor Grade or Rate Range, or GPR maximum if applicable, was below the maximum of the rate range of the lower Labor Grade or Rate Range, or GPR maximum if applicable.

Section 6. Cost-Of-Living Supplements

On or before December 19, 2014, a supplemental Cost of Living payment in the amount of \$800 will be paid to each employee on the active payroll or on approved leave of absence for less than one year, or military leave on December 6, 2014.

On or before December 18, 2015, a supplemental Cost of Living payment in the amount of \$800 will be paid to each employee on the active payroll or on approved leave of absence for less than one year, or military leave on December 5, 2015.

On or before December 16, 2016, a supplemental Cost of Living payment in the amount of \$800 will be paid to each employee on the active payroll or on approved leave of absence for less than one year, or military leave on December 3, 2016.

On or before December 15, 2017, a supplemental Cost of Living payment in the amount of \$800 will be paid to each employee on the active payroll or on approved leave of absence for less than one year, or military leave on December 2, 2017.

Deferral

Each entire Cost-of-Living Supplemental payment may be deferred to the Hourly Savings Plan Plus (401K) upon completion and timely submittal of the appropriate form.

Section 7. Labor Grade Structure
(Applicable at Contract Enforcement Groups
Covered by Parts B and C)

(1) The minimums and the maximums of the Factory Labor Grades (Non-GPR) are as follows:

FACTORY RATE RANGES

March 3, 2014

Labor Grade	Minimum	Maximum
19	<u>\$22.52</u>	<u>\$40.62</u>
18	<u>\$21.90</u>	<u>\$39.66</u>
17	<u>\$21.33</u>	<u>\$37.33</u>
16	<u>\$20.76</u>	<u>\$36.81</u>
15	<u>\$20.17</u>	<u>\$36.06</u>
14	<u>\$19.62</u>	<u>\$32.45</u>
13	<u>\$19.04</u>	<u>\$31.32</u>
12	<u>\$18.49</u>	<u>\$30.14</u>
11	<u>\$17.89</u>	<u>\$29.02</u>
10	<u>\$17.31</u>	<u>\$27.80</u>
9	<u>\$16.74</u>	<u>\$27.09</u>
8	<u>\$16.10</u>	<u>\$26.36</u>
7	<u>\$15.55</u>	<u>\$25.71</u>
6	<u>\$14.90</u>	<u>\$24.98</u>
5	<u>\$14.62</u>	<u>\$24.29</u>
4	<u>\$13.18</u>	<u>\$23.92</u>
3	<u>\$12.83</u>	<u>\$22.95</u>
2	<u>\$12.35</u>	<u>\$21.99</u>
1	<u>\$11.87</u>	<u>\$21.03</u>
00**	<u>\$20.34</u>	<u>\$32.84</u>

** Not in Labor Grade Structure

(2) Skill Adjustment

Rate Range Maximums will be increased by \$0.35 per hour for Factory Labor Grades 18 and 19 in Contract Enforcement Groups (C.E.G.s) B and C effective immediately following the General Wage Increase in the first year of the agreement. Employees in these Labor Grades will then progress to the maximum of their respective grade through the Automatic Rate Progression process.

- (3) The minimums and the maximums of the Technical and Office Rate Ranges are as follows:

TECHNICAL & OFFICE RATE RANGES

March 3, 2014

Labor Grade	Minimum	Maximum
20	<u>\$21.70</u>	<u>\$39.03</u>
19	<u>\$21.19</u>	<u>\$38.67</u>
18	<u>\$20.69</u>	<u>\$38.17</u>
17	<u>\$20.14</u>	<u>\$37.14</u>
16	<u>\$19.64</u>	<u>\$34.54</u>
15	<u>\$19.13</u>	<u>\$33.98</u>
14	<u>\$18.61</u>	<u>\$29.34</u>
13	<u>\$18.11</u>	<u>\$28.27</u>
12	<u>\$17.60</u>	<u>\$27.17</u>
11	<u>\$16.79</u>	<u>\$26.06</u>
10	<u>\$16.29</u>	<u>\$24.98</u>
9	<u>\$15.92</u>	<u>\$24.35</u>
8	<u>\$15.26</u>	<u>\$23.69</u>
7	<u>\$14.84</u>	<u>\$23.01</u>
6	<u>\$14.41</u>	<u>\$22.37</u>
5	<u>\$14.05</u>	<u>\$21.74</u>
4	<u>\$13.88</u>	<u>\$21.07</u>
3	<u>\$12.70</u>	<u>\$20.44</u>
2	<u>\$12.35</u>	<u>\$19.76</u>
1	<u>\$11.87</u>	<u>\$19.15</u>

Section 8. Guaranteed Personal Rates

A. Eligibility

- (1) All individuals with bargaining unit rights who, on June 15, 1993, were on the active payroll, on approved leave of absence, or on recall and who were subsequently recalled, shall be eligible for a Guaranteed Personal Rate (GPR).
- (2) Employees who do not meet the criteria for a GPR as defined in (1) above, and employees hired or rehired after the effective date of the 1993 Agreement, are not eligible for a GPR.
- (3) GPR maximums are set forth in Paragraph C below.

B. General Provisions

- (1) An employee eligible for a GPR as described in Subsection A above, and whose base rate is below the GPR maximum of the Labor Grade to which assigned, shall progress to the respective GPR maximum in accordance with Article VI Section 1, B.
- (2) An employee eligible for a GPR as described in Subsection A above, who is downgraded by the application of the Article IV Section 6 layoff procedure, shall regress to the GPR maximum of the lower Labor Grade in accordance with Article VI, Section 1, C if such employee's rate exceeds the lower classification's GPR maximum.

C. GPR Maximums

Labor Grade	Factory	T&O
20	—	<u>\$39.03</u>
19*	<u>\$38.93</u>	<u>\$38.67</u>
18*	<u>\$37.94</u>	<u>\$38.17</u>
17	<u>\$37.33</u>	<u>\$37.14</u>
16	<u>\$36.81</u>	<u>\$34.54</u>
15	<u>\$36.06</u>	<u>\$33.98</u>
14	<u>\$35.50</u>	<u>\$33.55</u>
13	<u>\$34.69</u>	<u>\$33.11</u>
12	<u>\$34.43</u>	<u>\$32.69</u>
11	<u>\$33.75</u>	<u>\$32.21</u>
10	<u>\$32.69</u>	<u>\$31.68</u>
9	<u>\$32.20</u>	<u>\$31.48</u>
8	<u>\$31.98</u>	<u>\$31.20</u>
7	<u>\$31.68</u>	<u>\$29.95</u>
6	<u>\$29.78</u>	<u>\$29.77</u>
5	<u>\$29.39</u>	<u>\$29.36</u>
4	<u>\$29.24</u>	<u>\$29.21</u>
3	<u>\$29.06</u>	<u>\$29.03</u>
2	<u>\$28.62</u>	<u>\$28.75</u>
1	<u>\$28.40</u>	<u>\$28.58</u>
00	<u>\$35.69</u>	—
Sunnyvale (CEG B) and Santa Cruz (CEG C)		
19*	<u>\$40.62</u>	
18*	<u>\$39.66</u>	

PART A
SUPPLEMENT FOR ALL C.E.G. S

Section 1. Coded Letters for all C.E.G.S

Coded Letter A-1

March 3, 2014

Subject: APPLICATION OF COLLECTIVE BARGAINING AGREEMENT TO IS&GS EMPLOYEES

The purpose of this letter is to clarify the Company's intent with respect to the application of the Collective Bargaining Agreement to certain employee groups represented by the IAM&AW, Aerospace Defense Related district Lodge 725, Area 5. California Central Coast Lodge 2786, and Missile and Electronics District Lodge 166 and affiliated Florida Missiles Systems Local Lodge 610 for whom Lockheed Martin Information Systems and Global Solutions (IS&GS) management has been substituted for Lockheed Martin Space Systems Company (LMSSC) management.

IS&GS will continue to honor the 1999 Collective Bargaining Agreement between Lockheed Martin Space Systems Company and the International Association of Machinists and Aerospace Workers in those LMSSC operations which are now managed by IS&GS. Specifically, Part A of the Agreement, and local modifications to this Agreement, as defined in Parts B, D, and E, apply to these respective IS&GS employee groups as appropriate.

The Company has identified these employees in correspondence to the Union dated June 18, 1993, May 8, 1995, October 10, 1997, November 25, 1998, and February 2, 1999. Should future substitutions of management for employee groups covered by this Collective Bargaining Agreement occur, similar notification will be made.

FOR THE UNION

G. Holt
IAM&AW, District 725

FOR THE COMPANY

E.P. Lombardi
Lockheed Martin Space Systems
Company

March 3, 2014

Subject: OUTSOURCING

During 2005 Negotiations the parties discussed the subject of outsourcing of work currently performed by bargaining unit employees.

Although the parties recognize that the Company may decide to outsource/ contract out certain work for reasons such as cost, time, availability of manpower/ equipment or other considerations, the Union expressed its concern about the impact of outsourcing upon employment in the bargaining unit.

The Company stated that it would notify the Union of any intended outsourcing that would have a significant impact on the bargaining unit to provide the Union with an opportunity to discuss the matter and engage in effects bargaining.

In addition to the above, the parties agree to meet semi-annually to discuss planned decisions involving outsourcing and other plans that might affect employment in the bargaining unit.

This letter does not modify the provisions of the Collective Bargaining Agreement.

FOR THE UNION

G. Holt
IAM&AW, District 725

FOR THE COMPANY

E.P. Lombardi
Lockheed Martin Space Systems
Company

March 3, 2014

Subject: Guiding Principles for Grievance Administration

As a result of recent discussion, the parties affirm the “truth in dealing” shall be the guiding principle between the Company and the Union in the administration of the grievance resolution process. As such, the following shall be adhered to by the parties.

1. Representatives of either party shall not make an offer for a grievance settlement or accept an offer unless the individual has the authority to make or accept such offer.
2. The union may withdraw a grievance without prejudice to its position unless such grievance has been referred to arbitration.
3. All Pre-Step and Step 1 settlements shall be non-precedent.
4. Non-precedent settlements at Step 2 and above shall only be made by mutual agreement.
5. A good faith grievance settlement cannot be unilaterally modified, amended or cancelled. All good faith grievance settlements shall be binding upon the parties, unless otherwise mutually-agreed or unless set aside by law.
6. Grievance settlements made on a non-precedent basis shall not be used by either party (unless otherwise mutually agreed) as future evidence, except that non-precedent grievance settlements may be used by either party in future situations involving the same grievant.
7. It is the intent of the parties that their respective positions regarding a grievance be fully disclosed prior to the grievance being heard at Step 3 of the grievance procedure and prior to being heard at arbitration.
8. Neither party will ask for a postponement of the grievance process proceedings at any Step (1 through 4) without a reasonable cause.
9. Cases presented at the Labor Relations Committee should normally be resolved or placed in dispute within 2 hours of case presentation. This time may be extended by mutual agreement of the parties.
10. Chairpersons of a specific Labor Relations Committee will not normally present cases at the Labor Relations Committee.

11. Neither party will contact an arbitrator prior to or following a scheduled arbitration without the knowledge of the other party. At the request of either party, a joint call to the arbitrator will be made.

FOR THE UNION

FOR THE COMPANY

M. Goddard Date
Grand Lodge Representative
Western Territory, IAM&AW

E.P. Lombardi Date
Labor Relations Manager
LMSSC

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PART B
SUPPLEMENT FOR
SUNNYVALE

Aerospace Defense Related District Lodge 725, Area 5

and

affiliated Local Lodge 2228

(Santa Clara County plants)

PART B

SUPPLEMENT FOR SUNNYVALE

Section 1. Description of Contract Enforcement Group

- A. The C.E.G. for the plants of LMSSC now existing or hereafter established or acquired in Santa Clara County engaged in the manufacture of missiles, spacecraft, aircraft, ocean systems, ground vehicle systems, energy systems, communication systems, weapons and detection systems, information systems, and related products or items necessary to their functions, shall include, and the terms "employee" and "employees" as used in this Part or as used in Part A when applying such Part A to this C.E.G. shall mean, only those employed by the Company to work in the classifications listed as applicable to this C.E.G. in Section 2 of this Part and those employed in new classifications established for this C.E.G. under Article VII, Section 1, Subsection C of Part A of this Agreement, excluding the persons designated below.

The following persons shall be excluded from the C.E.G.s described above:

- (1) Personnel in the Human Resources organization except those in Fire Protection functions, (excluding administrative personnel), Document Control functions outside of the Government Security organizations and in the Locksmith and Identification units. This exclusion does not apply to any employee performing a different function or activity within the Company which subsequent to the date of this Agreement is transferred to the Human Resources organization.
- (2) Personnel represented by another collective bargaining representative.
- B. The term "Local Union" as used in this Part shall include only Aerospace Defense Related District Lodge 725, Area 5, and affiliated Local Lodge 2228.
- C. If the provisions of this Part conflict with or are additions to provisions contained in Part A of this Agreement, such provisions of this Part shall apply to this C.E.G. and any such conflicting provisions of Part A shall be inapplicable to such Group.

Section 2. Job Classifications and Labor Grades
(See Article VIII, Sections 7 and 8 for Labor Grade Structure)

A. Factory-Alphabetical

Classification	Code	Labor Grade
Antenna Assembly Mechanic	397-5	12
Antenna Assembly Mechanic - Trainee	397-7	8
Antenna Range Technician	410-3	19
Antenna Range Technician - Trainee	410-7	13

			Labor
	Classification	Code	Grade
1			
2			
3	Assembler - Structures and Final	359-7	12
4	Bench Mechanic - Mockup and Tooling	468-5	12
5	Cable Assembler	448-7	4
6	Cable Assembler - Senior	448-5	6
7	Cable Assembly Mechanic	448-3	10
8	Cable Fabricator - Senior	554-3	12
9	Cable Fabricator and Vehicle Support	532-5	13
10	Carpenter - Maintenance	374-3	16
11	Carpenter - Maintenance Associate	374-5	10
12	Chauffeur	376-3	7
13	Chauffeur - Executive	639-3	11
14	CNC Machinist	492-5	16
15	CNC Machinist Associate	492-7	13
16	Composite Development Mechanic - Tooling and Structures	363-1	16
17	Composite Fabricator - Developmental	363-9	13
18	Composite Fabricator/Verifier	648-5	13
19	Composite Parts Fabricator	363-5	7
20	Composite Parts Fabricator - Senior	363-3	9
21	Composite Parts Worker	363-7	4
22	Composite Tooling Fabricator/Assembler/Verifier	648-3	16
23	Computed Tomography Systems Specialist	559-1	19
24	Computed Tomography Systems Technician	559-5	16
25	Computed Tomography Systems Technician - Associate	559-7	13
26	Computed Tomography Systems Technician - Senior	559-3	18
27	Computer Repair Services Technician	571-3	19
28	Computer Repair Services Technician - Trainee	571-7	00*
29	Computer Repair Support	353-5	14
30	Computer Repair Support - Associate	353-7	10
31	Data Reduction Operator	387-5	16
32	Data Reduction Operator - Associate	387-7	13
33	Data Reduction Operator - Senior	387-3	18
34	Development/Fabrication Mechanic - Senior	474-3	18
35	Development Machinist - Mechanical and Electronics	484-5	16
36	Specialist - Trainee		
37	Development Mechanic - Research Laboratories	391-3	19
38	Developmental Machinist - Mechanical and Electronics	484-1	19
39	Specialist		
40	Distributed Data Systems Technician	575-3	18
41	Distributed Data Systems Technician - Associate	575-7	13

Part B

			Labor
	Classification	Code	Grade
1			
2			
3	Electrical Assembler - Solar Devices - Senior	519-5	6
4	Electrical Assembler - Solar Devices - Trainee	519-7	4
5	Electrical Mechanic	398-3	10
6	Electrical Mechanic - Solar Devices	519-3	10
7	Electro-Mechanical Technician	355-3	19
8	Electro-Mechanical Technician - Trainee	355-5	18
9	Electronic/Cable Fabricator - Senior	555-3	14
10	Electronic Circuits Development Technician	364-5	16
11	Electronic Circuits Development Technician - Associate	364-7	13
12	Electronic Circuits Development Technician - Senior	364-3	18
13	Electronic Fabricator - Senior	553-3	12
14	Electronic Systems and Equipment Test Technician	415-5	16
15	Electronic Systems and Equipment Test Technician -	415-7	13
16	Associate		
17	Electronic Systems and Equipment Test Technician -	415-3	18
18	Senior		
19	Electronics Assembler - Components and Modules - Senior	521-5	7
20	Electronics Development and Test Mechanic	562-5	13
21	Electronics Development and Test Mechanic - Junior	562-7	11
22	Electronics Development and Test Mechanic - Senior	562-3	16
23	Electronics Encapsulator	357-5	6
24	Electronics Encapsulator - I	357-7	4
25	Electronics Encapsulator - Senior	357-3	10
26	Electronics Encapsulator – Specialist	357-1	11
27	Electronics Equipment Prototype Mechanic	382-5	10
28	Electronics Equipment Prototype Mechanic - Senior	382-3	13
29	Electronics Mechanic - Components and Modules	521-3	10
30	Electronics Printed Circuitry Assembler	380-7	4
31	Electronics Printed Circuitry Assembler - II	380-5	6
32	Electronics Printed Circuitry Assembler - Senior	380-3	8
33	Electronics Product Assurance Technician	593-5	16
34	Electronics Product Assurance Technician - Associate	593-7	13
35	Electronics Product Assurance Technician - Senior	593-3	18
36	Electronics Test Technician - Marine	591-5	18
37	Fabrication Mechanic	474-5	13
38	Fabricator/Verifier	643-7	13
39	Facilities Maintenance Worker - Electronic Equipment	400-5	12
40	Fleet Mechanic	463-3	17
41	Fleet Mechanic Associate	463-7	11
42	Fleet Mechanic Helper	463-5	7

			Labor
	Classification	Code	Grade
1			
2			
3	Flight Test Instrumentation Mechanic	414-3	16
4	Fluid Systems Development and Test Mechanic	356-3	16
5	Forklift Operator	550-7	9
6	Functional Test Equipment Specialist	560-1	19
7	Functional Test Equipment Specialist - Environmental	564-1	19
8	Functional Test Equipment Technician	560-5	16
9	Functional Test Equipment Technician - Associate	560-7	13
10	Functional Test Equipment Technician - Senior	560-3	18
11	Grinder - Tool and Cutter	422-3	16
12	Grinder - Tool and Cutter - Senior	422-1	18
13	Grinder - Tool and Cutter - Trainee	422-5	11
14	Ground Support Equipment Mechanic	515-3	16
15	Ground Support Equipment Mechanic - Junior	514-3	9
16	Heat Pipe Fabricator	423-9	10
17	Heat Pipe Fabricator - Senior	423-7	13
18	Heat Pipe Technician	423-5	16
19	Heat Pipe/Pallet Structural Development Technician	423-3	19
20	Heat Treater/Fabricator/Verifier	644-5	15
21	HVAC Mechanic	350-3	18
22	HVAC Mechanic - Associate	350-5	13
23	HVAC Technician	352-3	19
24	HVAC Technician - Trainee	352-5	17
25	Industrial Electronics Technician	400-3	19
26	Industrial Electronics Technician - Trainee	400-7	00*
27	Inspector - Electronics Manufacturing Processes	617-3	12
28	Inspector - Electronics Manufacturing Processes - Senior	617-1	13
29	Inspector - Electronics Manufacturing Processes - Trainee	617-5	10
30	Inspector - HRSI	628-3	15
31	Inspector - HRSI - Trainee I	628-7	9
32	Inspector - HRSI - Trainee II	628-5	13
33	Inspector - Hydraulic and Pneumatic Functional Test	608-3	15
34	Inspector - Integration	631-3	18
35	Inspector - Machined Parts - Precision	611-3	16
36	Inspector - Missile Electronic Assemblies	613-7	13
37	Inspector - Missile Electronic Systems	613-5	16
38	Inspector - Missile Systems	613-3	18
39	Inspector - Non-Destruct Test - Specialist	614-1	18
40	Inspector - Non-Destruct Test	614-5	13
41	Inspector - Non-Destruct Test - Senior	614-3	16
42			

Part B

			Labor
	Classification	Code	Grade
1			
2			
3	Inspector - Non-Destruct Test Associate	614-7	10
4	Inspector - Precision Research	620-3	19
5	Inspector - Processing	619-3	12
6	Inspector - Raw Material Operations	612-3	12
7	Inspector - Receiving	624-3	12
8	Inspector - Receiving - Trainee	624-5	10
9	Inspector - Sample Layout	626-3	17
10	Inspector - Shipping	627-3	14
11	Inspector - Tooling	630-3	19
12	Inspector - Tooling - Trainee	630-5	16
13	Inspector - Trainee - Machined Parts	611-5	14
14	Inspector - Vehicle Test	629-5	16
15	Inspector - Vehicle Test - Associate	629-7	13
16	Inspector - Vehicle Test - Senior	629-3	18
17	Inspector - Vendor Product Evaluation	609-3	12
18	Inspector - Vendor Product Evaluation - Trainee	609-7	10
19	Insulation Fabricator	585-7	6
20	Insulation Fabricator - Experimental	585-3	13
21	Insulation Fabricator - Senior	585-5	10
22	Integrated Product Development and Rework Specialist-Box	373-1	14
23	Jig and Fixture Builder	440-3	19
24	Laboratory Test Mechanic	441-5	13
25	Laboratory Test Technician	441-3	18
26	Lock Service Attendant	444-5	7
27	Locksmith - Industrial	444-3	16
28	Logistics Materiel Processor	584-3	12
29	Logistics Materiel Processor - Trainee	584-5	10
30	Machinist - Master	491-3	19
31	Machinist - Master - Associate	491-7	16
32	Machinist Master - Intermediate	491-5	18
33	Machinist - Precision Research	499-3	19
34	Machinist/Assembler/Installer and Verifier	642-3	16
35	Machinist I	641-7	16
36	Machinist II	641-5	18
37	Machinist III	641-3	18
38	Machinist IV	640-3	19
39	Manufacturing Assembler and Verifier	643-5	13
40	Mechanic - Construction	465-3	16
41	Mechanic - Construction Associate	465-5	10
42	Mechanic - Maintenance	464-3	16

			Labor
	Classification	Code	Grade
1			
2			
3	Mechanic Maintenance - Trainee	464-5	9
4	Mechanical Product Development Assembler	469-7	16
5	Mechanical Product Development Mechanic	469-5	18
6	Mechanical Product Development Specialist	469-3	19
7	Mechanical Repair - Senior	464-1	18
8	Metrologist – Mechanical and Optical	572-3	19
9	Metrology Standards Technician	586-3	19
10	Metrology Technician	574-7	00*
11	Microelectronics Mechanic Processor	377-3	10
12	Microelectronics Processor	377-7	5
13	Microelectronics Processor - Senior	377-5	7
14	Microelectronics Processor and Assembler	377-1	12
15	Missile Electronic Equipment Technician	561-5	16
16	Missile Electronic Equipment Technician - Associate	561-7	13
17	Missile Electronic Equipment Technician - Senior	561-3	18
18	Missile Environmental Laboratory Technician	435-5	16
19	Missile Environmental Laboratory Technician - Associate	435-7	13
20	Missile Environmental Laboratory Technician - Senior	435-3	18
21	Mockup and Tooling Mechanic	468-3	17
22	NC - CNC Machinist General	492-3	18
23	Oiler - Maintenance	478-3	8
24	Painter	480-3	8
25	Painter - Maintenance	482-3	15
26	Painter - Maintenance Associate	482-5	10
27	Painter - Special	481-3	14
28	Painter - Special - Senior	481-1	15
29	Painter – Trainee	481-7	4
30	Painter/Verifier	646-7	14
31	Plant Services Worker	438-3	3
32	Plant Services Worker - A	438-5	1
33	Plant Services Worker - Clean Room	438-1	3
34	Plant Services Worker - Clean Room - A	438-7	2
35	Plumber - Maintenance	489-3	17
36	Plumber - Maintenance Associate	489-5	10
37	Plumber Pipe Fitter – Maintenance	488-3	18
38	Pneudraulic Assembler	356-7	10
39	Pneudraulic Checkout Mechanic	356-5	13
40	Portable Tool and Equipment Repairer	490-3	10
41	Precision Chemical Processor/Verifier	645-3	10
42	Precision Chemical Processor/Verifier - Senior	645-1	12

Part B

1	Precision Electromechanical Systems Technician	556-5	15
2			
3	Precision Electromechanical Systems Technician -	556-7	12
4	Associate		
5	Precision Electromechanical Systems Technician - Senior	556-3	18
6	Precision Gauge and Instrument - Trainee	577-5	13
7	Precision Gauge and Instrument Technician	577-3	17
8	Predictive Maintenance Mechanic	509-3	14
9	Predictive Maintenance Mechanic - Trainee	509-7	9
10	Product Analysis Laboratory Technician	428-5	16
11	Product Analysis Laboratory Technician - Associate	428-7	13
12	Product Analysis Laboratory Technician - Senior	428-3	18
13	Solar Array Development Mechanic	420-3	16
14	Solar Array Fabricator	519-1	12
15	Solar Array Fabricator/Mechanic	557-5	14
16	Solar Array Fabricator/Mechanic – Trainee	557-7	8
17	Solar Array Mechanic	420-5	12
18	Structural Systems Mechanic	433-5	17
19	Structures Assembler	542-3	7
20	Surface Mount and Mixed Technology Operator	393-1	12
21	Surface Mount and Mixed Technology Operator - Manual	393-5	8
22	Surface Mount and Mixed Technology Operator -		
23	Semi-Automatic	393-3	10
24	Telecommunications Technician	502-3	18
25	Telecommunications Technician - Trainee	502-7	13
26	Telemetry Data Operator - Senior	379-3	18
27	Test Support Mechanic	362-5	12
28	Test Support Mechanic - Senior	362-3	16
29	Test Support Technician	362-1	18
30	Thermal Prep Specialist	585-1	17
31	Thermal Systems Specialist	536-7	18
32	Trainee - Assembly - Structures	542-7	3
33	Transport Specialist	550-1	16
34	Transporter	462-3	7
35	Truck Driver	550-5	11
36	Truck Driver - Heavy	550-3	14
37	Trucker - Power	550-9	5
38	Vehicle Test Operations Mechanic - Senior	366-3	16
39	Vehicle Test Operations Mechanic	366-5	12
40	Vehicle Test Operations Technician	367-3	16
41	Vehicle Test Operations Technician - Associate	367-5	13
42	Vehicle Test Operations Technician - Associate B	367-7	13

1			
2			
3			
4	Classification	Code	Labor Grade
5	Vehicle Test Operations Technician - Associate C	367-9	13
6	Vehicle Test Operations Technician - Senior	367-1	18
7	Woodworker	468-7	7
8			
9	*Not in Labor Grade Structure		

Part B

1	B. Factory-Numerical		
2			Labor
3	Code	Classification	Grade
4	350-3	HVAC Mechanic	18
5	350-5	HVAC Mechanic - Associate	13
6	352-3	HVAC Technician	19
7	352-5	HVAC Technician – Trainee	17
8	353-5	Computer Repair Support	14
9	353-7	Computer Repair Support – Associate	10
10	355-3	Electro-Mechanical Technician	19
11	355-5	Electro-Mechanical Technician - Trainee	18
12	356-3	Fluid Systems Development and Test Mechanic	16
13	356-5	Pneudraulic Checkout Mechanic	13
14	356-7	Pneudraulic Assembler	10
15	357-1	Electronics Encapsulator - Specialist	11
16	357-3	Electronics Encapsulator - Senior	10
17	357-5	Electronics Encapsulator	6
18	357-7	Electronics Encapsulator - I	4
19	359-7	Assembler - Structures and Final	12
20	362-1	Test Support Technician	18
21	362-3	Test Support Mechanic - Senior	16
22	362-5	Test Support Mechanic	12
23	363-1	Composite Development Mechanic - Tooling and Structures	16
24	363-3	Composite Parts Fabricator - Senior	9
25	363-5	Composite Parts Fabricator	7
26	363-7	Composite Parts Worker	4
27	363-9	Composite Fabricator - Developmental	13
28	364-3	Electronic Circuits Development Technician - Senior	18
29	364-5	Electronic Circuits Development Technician	16
30	364-7	Electronic Circuits Development Technician - Associate	13
31	366-3	Vehicle Test Operations Mechanic - Senior	16
32	366-5	Vehicle Test Operations Mechanic	12
33	367-1	Vehicle Test Operations Technician - Senior	18
34	367-3	Vehicle Test Operations Technician	16
35	367-5	Vehicle Test Operations Technician - Associate	13
36	367-7	Vehicle Test Operations Technician - Associate B	13
37	367-9	Vehicle Test Operations Technician - Associate C	13
38	373-1	Integrated Product Development and Rework Specialist - Box	14
39	374-3	Carpenter - Maintenance	16
40	374-5	Carpenter - Maintenance Associate	10
41	376-3	Chauffeur	7
42			

			Labor Grade
1			
2	Code	Classification	
3	377-1	Microelectronics Processor and Assembler	12
4	377-3	Microelectronics Mechanic Processor	10
5	377-5	Microelectronics Processor - Senior	7
6	377-7	Microelectronics Processor	5
7	379-3	Telemetry Data Operator - Senior	18
8	380-3	Electronics Printed Circuitry Assembler - Senior	8
9	380-5	Electronics Printed Circuitry Assembler II	6
10	380-7	Electronics Printed Circuitry Assembler	4
11	382-3	Electronics Equipment Prototype Mechanic - Senior	13
12	382-5	Electronics Equipment Prototype Mechanic	10
13	387-3	Data Reduction Operator - Senior	18
14	387-5	Data Reduction Operator	16
15	387-7	Data Reduction Operator - Associate	13
16	391-3	Development Mechanic - Research Laboratories	19
17	393-1	Surface Mount and Mixed Technology Operator	12
18	393-3	Surface Mount and Mixed Technology Operator -	
19		Semi-Automatic	10
20	393-5	Surface Mount and Mixed Technology Operator - Manual	8
21	397-5	Antenna Assembly Mechanic	12
22	397-7	Antenna Assembly Mechanic - Trainee	8
23	398-3	Electrical Mechanic	10
24	400-3	Industrial Electronics Technician	19
25	400-5	Facilities Maintenance Worker - Electronic Equipment	12
26	400-7	Industrial Electronics Technician - Trainee	00*
27	410-3	Antenna Range Technician	19
28	410-7	Antenna Range Technician - Trainee	13
29	414-3	Flight Test Instrumentation Mechanic	16
30	415-3	Electronic Systems and Equipment Test Technician - Senior	18
31	415-5	Electronic Systems and Equipment Test Technician	16
32	415-7	Electronic Systems and Equipment Test Technician - Associate	13
33	420-3	Solar Array Development Mechanic	16
34	420-5	Solar Array Mechanic	12
35	422-1	Grinder - Tool and Cutter - Senior	18
36	422-3	Grinder - Tool and Cutter	16
37	422-5	Grinder - Tool and Cutter - Trainee	11
38	423-3	Heat Pipe/Pallet Structural Development Technician	19
39	423-5	Heat Pipe Technician	16
40	423-7	Heat Pipe Fabricator - Senior	13
41	423-9	Heat Pipe Fabricator	10
42			

Part B

1			Labor
2	Code	Classification	Grade
3	428-3	Product Analysis Laboratory Technician - Senior	18
4	428-5	Product Analysis Laboratory Technician	16
5	428-7	Product Analysis Laboratory Technician - Associate	13
6	433-5	Structural Systems Mechanic	17
7	435-3	Missile Environmental Laboratory Technician - Senior	18
8	435-5	Missile Environmental Laboratory Technician	16
9	435-7	Missile Environmental Laboratory Technician - Associate	13
10	438-1	Plant Services Worker - Clean Room	3
11	438-3	Plant Services Worker	3
12	438-5	Plant Services Worker - A	1
13	438-7	Plant Services Worker - Clean Room - A	2
14			Labor
15	Code	Classification	Grade
16	440-3	Jig and Fixture Builder	19
17	441-3	Laboratory Test Technician	18
18	441-5	Laboratory Test Mechanic	13
19	444-3	Locksmith - Industrial	16
20	444-5	Lock Service Attendant	7
21	448-3	Cable Assembly Mechanic	10
22	448-5	Cable Assembler - Senior	6
23	448-7	Cable Assembler	4
24	462-3	Transporter	7
25	463-3	Fleet Mechanic	17
26	463-5	Fleet Mechanic Helper	7
27	463-7	Fleet Mechanic Associate	11
28	464-1	Mechanical Repair - Senior	18
29	464-3	Mechanic - Maintenance	16
30	464-5	Mechanic Maintenance - Trainee	9
31	465-3	Mechanic - Construction	16
32	465-5	Mechanic - Construction Associate	10
33	468-3	Mockup and Tooling Mechanic	17
34			

			Labor Grade
1			
2	Code	Classification	
3	468-5	Bench Mechanic - Mockup and Tooling	12
4	468-7	Woodworker	7
5	469-3	Mechanical Product Development Specialist	19
6	469-5	Mechanical Product Development Mechanic	18
7	469-7	Mechanical Product Development Assembler	16
8	474-3	Development/Fabrication Mechanic - Senior	18
9	474-5	Fabrication Mechanic	13
10	478-3	Oiler - Maintenance	8
11	481-1	Painter - Special - Senior	15
12	481-3	Painter - Special	14
13	481-5	Painter	8
14	481-7	Painter – Trainee	4
15	482-3	Painter - Maintenance	15
16	482-5	Painter - Maintenance Associate	10
17	484-1	Developmental Machinist - Mechanical and Electronics Specialist	19
18	484-5	Development Machinist - Mechanical and Electronics	16
19		Specialist — Trainee	
20	488-3	Plumber Pipe Fitter – Maintenance	18
21	489-3	Plumber - Maintenance	17
22	489-5	Plumber - Maintenance Associate	10
23	490-3	Portable Tool and Equipment Repairer	10
24	491-3	Machinist - Master	19
25	491-5	Machinist Master - Intermediate	18
26	491-7	Machinist - Master - Associate	16
27	492-3	NC - CNC Machinist General	18
28	492-5	CNC Machinist	16
29	492-7	CNC Machinist - Associate	13
30	499-3	Machinist - Precision - Research	19
31	502-3	Telecommunications Technician	18
32	502-7	Telecommunications Technician - Trainee	13
33	509-3	Predictive Maintenance Mechanic	14
34	509-7	Predictive Maintenance Mechanic - Trainee	9
35	514-3	Ground Support Equipment Mechanic - Junior	9
36	515-3	Ground Support Equipment Mechanic	16
37	519-1	Solar Array Fabricator	12
38	519-3	Electrical Mechanic - Solar Devices	10
39	519-5	Electrical Assembler - Solar Devices - Senior	6
40	519-7	Electrical Assembler - Solar Devices - Trainee	4
41	521-3	Electronics Mechanic - Components and Modules	10
42	521-5	Electronics Assembler - Components and Modules - Senior	7

Part B

1			
2			
3	Labor		
4	Code	Classification	Grade
5	532-5	Cable Fabricator and Vehicle Support	13
6	536-7	Thermal Systems Specialist	18
7	542-3	Structures Assembler	7
8	542-7	Trainee - Assembly - Structures	3
9	550-1	Transport Specialist	16
10	550-3	Truck Driver - Heavy	14
11	550-5	Truck Driver	11
12	550-7	Forklift Operator	9
13	550-9	Trucker - Power	5
14	553-3	Electronic Fabricator - Senior	12
15	554-3	Cable Fabricator - Senior	12
16	555-3	Electronic/Cable Fabricator - Senior	14
17	556-3	Precision Electromechanical Systems Technician - Senior	18
18	556-5	Precision Electromechanical Systems Technician	15
19	556-7	Precision Electromechanical Systems Technician - Associate	12
20	557-5	Solar Array Fabricator/Mechanic	14
21	557-7	Solar Array Fabricator/Mechanic - Trainee	8
22	559-1	Computed Tomography Systems Specialist	19
23	559-3	Computed Tomography Systems Technician - Senior	18
24	559-5	Computed Tomography Systems Technician	16
25	559-7	Computed Tomography Systems Technician - Associate	13
26	560-1	Functional Test Equipment Specialist	19
27	560-3	Functional Test Equipment Technician - Senior	18
28	560-5	Functional Test Equipment Technician	16
29	560-7	Functional Test Equipment Technician - Associate	13
30	561-3	Missile Electronic Equipment Technician - Senior	18
31	561-5	Missile Electronic Equipment Technician	16
32	561-7	Missile Electronic Equipment Technician - Associate	13
33	562-3	Electronics Development and Test Mechanic - Senior	16
34			Labor
35	Code	Classification	Grade
36	562-5	Electronics Development and Test Mechanic	13
37	562-7	Electronics Development and Test Mechanic - Junior	11
38	564-1	Functional Test Equipment Specialist - Environmental	19
39	571-3	Computer Repair Services Technician	19
40	571-7	Computer Repair Services Technician - Trainee	00*
41	572-3	Metrologist – Mechanical and Optical	19
42	574-7	Metrology Technician - Trainee	00*

1	575-3	Distributed Data Systems Technician	18
2	575-7	Distributed Data Systems Technician - Associate	13
3			Labor
4	Code	Classification	Grade
5	577-3	Precision Gauge and Instrument Technician	17
6	577-5	Precision Gauge and Instrument - Trainee	13
7	584-3	Logistics Materiel Processor	12
8	584-5	Logistics Materiel Processor - Trainee	10
9	585-1	Thermal Prep Specialist	17
10	585-3	Insulation Fabricator - Experimental	13
11	585-5	Insulation Fabricator - Senior	10
12	585-7	Insulation Fabricator	6
13	586-3	Metrology Standards Technician	19
14	591-5	Electronics Test Technician - Marine	18
15	593-3	Electronics Product Assurance Technician - Senior	18
16	593-5	Electronics Product Assurance Technician	16
17	593-7	Electronics Product Assurance Technician - Associate	13
18	608-3	Inspector - Hydraulic and Pneumatic Functional Test	15
19	609-3	Inspector - Vendor Product Evaluation	12
20	609-7	Inspector - Vendor Product Evaluation - Trainee	10
21	611-3	Inspector - Machined Parts - Precision	16
22	611-5	Inspector - Trainee - Machined Parts	14
23	612-3	Inspector - Raw Material Operations	12
24	613-3	Inspector - Missile Systems	18
25	613-5	Inspector - Missile Electronic Systems	16
26	613-7	Inspector - Missile Electronic Assemblies	13
27	614-1	Inspector - Non-Destruct Test - Specialist	18
28	614-3	Inspector - Non-Destruct Test - Senior	16
29	614-5	Inspector - Non-Destruct Test	13
30	614-7	Inspector - Non-Destruct Test Associate	10
31	617-1	Inspector - Electronics Manufacturing Processes - Senior	13
32	617-3	Inspector - Electronics Manufacturing Processes	12
33	617-5	Inspector - Electronics Manufacturing Processes - Trainee	10
34	619-3	Inspector - Processing	12
35	620-3	Inspector - Precision Research	19
36	624-3	Inspector - Receiving	12
37	624-5	Inspector - Receiving - Trainee	10
38	626-3	Inspector - Sample Layout	17
39	627-3	Inspector - Shipping	14
40	628-3	Inspector - HRSI	15
41	628-5	Inspector - HRSI - Trainee II	13
42	628-7	Inspector - HRSI - Trainee I	9

Part B

1	629-3	Inspector - Vehicle Test - Senior	18
2	629-5	Inspector - Vehicle Test	16
3			Labor
4	Code	Classification	Grade
5	629-7	Inspector - Vehicle Test - Associate	13
6	630-3	Inspector - Tooling	19
7	630-5	Inspector - Tooling - Trainee	16
8	631-3	Inspector - Integration	18
9	639-3	Chauffeur - Executive	11
10	640-3	Machinist IV	19
11	641-3	Machinist III	18
12	641-5	Machinist II	18
13	641-7	Machinist I	16
14	642-3	Machinist/Assembler/Installer and Verifier	16
15	643-5	Manufacturing Assembler and Verifier	13
16	643-7	Fabricator/Verifier	13
17	644-5	Heat Treater/Fabricator/Verifier	15
18	645-1	Precision Chemical Processor/Verifier - Senior	12
19	645-3	Precision Chemical Processor/Verifier	10
20	646-7	Painter/Verifier	14
21	648-3	Composite Tooling Fabricator/Assembler/Verifier	16
22	648-5	Composite Fabricator/Verifier	13
23			
24	*Not in Labor Grade Structure		

C. Technical and Office-Alphabetical

			Labor Grade
	Classification	Code	
1	Accountant - Labor Distribution and Payroll	650-3	11
2	Central Distribution Processor	712-3	8
3	Chemical Storage Attendant	804-3	10
4	Chemical Storage Attendant - Trainee	804-5	4
5	Communications Records Investigator	715-3	10
6	Communications Records Investigator - Senior	715-1	13
7	Computer Output Microfilm Operator	714-3	13
8	Computer Output Microfilm Operator - Trainee	714-5	10
9	Data Entry Operator	722-3	7
10	Distribution Clerk	712-5	4
11	Electronic Duplicating Systems Operator	869-3	9
12	Emergency Services Specialist	684-3	13
13	Expediter	682-3	11
14	Expediter - Trainee	682-5	8
15	Experimental Liaison Person	847-3	16
16	Fire Emergency Worker	684-7	8
17	Identification Clerk	857-3	8
18	Instrument and Tool Resource Coordinator	754-3	10
19	Laboratory Service Worker	761-3	10
20	Lithographic Printer	753-3	11
21	Lithographic Printer - Senior	751-3	16
22	Lithographic Printer - Senior - Trainee	751-5	11
23	Lithographic Printer - Trainee	753-5	9
24	Logistics Clerk	729-7	3
25	Logistics Clerk - Trainee	729-9	1
26	Logistics Documentation Clerk	729-5	6
27	Logistics Documentation Clerk - Senior	729-3	8
28	Logistics Service Clerk	875-3	10
29	Logistics Technician	876-3	13
30	Mail Handler	864-3	6
31	Maintenance Inventory Controller	659-3	11
32	Maintenance Service Dispatcher	728-3	10
33	Manufacturing Liaison Person	699-3	14
34	Material Control Worker	736-3	9
35	Material Evaluator/Processor	703-3	12
36	Material Evaluator/Processor - Trainee	703-5	8
37	Material Planner	737-3	15
38	Material Planner - Trainee	737-5	11
39	Material Procurement Clerk - Maintenance	738-3	11
40			
41			
42			

Part B

1	Material Reclamation Analyst	739-3	9
2	Material Records Investigator	740-3	9
3	Material Supply Investigator	735-3	11
4	Metrology Support Processor	760-3	11
5	Motor Vehicle Dispatcher	752-3	13
6	Office Resource Specialist	794-1	10
7	Office Support I	794-7	4
8	Office Support II	794-5	6
9	Production Control Worker	821-3	3
10	Program Administrative Aide	789-7	9
11	Property Classification Analyst	856-3	11
12	Purchase Order Control Assistant	774-5	11
13	Receiver	781-3	7
14	Receiver - Trainee	781-5	1
15	Receiving Material Investigator	778-3	12
16	Receiving Material Investigator - Trainee	778-5	8
17	Receptionist	786-3	5
18	Records Center Control Clerk	807-3	8
19	Reproduction Equipment Operator	870-3	6
20	Reproduction Equipment Operator - Trainee	870-5	1
21	Reproduction Planner and Scheduler	727-3	15
22	Reprographic Material Operations Clerk	730-3	10
23	Reprographic Material Operations Clerk - Trainee	730-5	6
24	Research and Development Office Specialist	783-1	10
25	Secretary	794-3	9
26	Shipper	790-3	10
27	Shop Dispatcher	793-3	8
28	Shop Dispatcher - Trainee	793-5	6
29	Stock and Stores Clerk	803-3	6
30	Stock and Stores Clerk - Senior	803-1	7
31	Stock and Stores Clerk - Trainee	803-5	1
32	Stock Control Reconciler	768-3	8
33	Stores Data Processor	855-3	8
34	Stores Data Processor - Trainee	855-5	7
35	U.S. Mail Processor	879-3	7
36	Warehouse Worker	733-3	10
37	Warehouse Worker - Trainee	733-7	6
38			
39			
40			
41			

D. Technical and Office-Numerical

			Labor Grade
1	Code	Classification	
2			
3	650-3	Accountant - Labor Distribution and Payroll	11
4	659-3	Maintenance Inventory Controller	11
5	682-3	Expediter	11
6	682-5	Expediter - Trainee	8
7	684-3	Emergency Services Specialist	13
8	684-7	Fire Emergency Worker	8
9	699-3	Manufacturing Liaison Person	14
10	703-3	Material Evaluator/Processor	12
11	703-5	Material Evaluator/Processor - Trainee	8
12	712-3	Central Distribution Processor	8
13	712-5	Distribution Clerk	4
14	714-3	Computer Output Microfilm Operator	13
15	714-5	Computer Output Microfilm Operator - Trainee	10
16	715-1	Communications Records Investigator - Senior	13
17	715-3	Communications Records Investigator	10
18	722-3	Data Entry Operator	7
19	727-3	Reproduction Planner and Scheduler	15
20	728-3	Maintenance Service Dispatcher	10
21	729-3	Logistics Documentation Clerk - Senior	8
22	729-5	Logistics Documentation Clerk	6
23	729-7	Logistics Clerk	3
24	729-9	Logistics Clerk - Trainee	1
25	730-3	Reprographic Material Operations Clerk	10
26	730-5	Reprographic Material Operations Clerk - Trainee	6
27	733-3	Warehouse Worker	10
28	733-7	Warehouse Worker - Trainee	6
29	735-3	Material Supply Investigator	11
30	736-3	Material Control Worker	9
31	737-3	Material Planner	15
32	737-5	Material Planner - Trainee	11
33	738-3	Material Procurement Clerk - Maintenance	11
34	739-3	Material Reclamation Analyst	9
35	740-3	Material Records Investigator	9
36	751-3	Lithographic Printer - Senior	16
37	751-5	Lithographic Printer - Senior - Trainee	11
38	752-3	Motor Vehicle Dispatcher	13
39	753-3	Lithographic Printer	11
40	753-5	Lithographic Printer - Trainee	9
41			
42			

Part B

			Labor
	Code	Classification	Grade
1			
2			
3	754-3	Instrument and Tool Resource Coordinator	10
4	760-3	Metrology Support Processor	11
5	761-3	Laboratory Service Worker	10
6	768-3	Stock Control Reconciler	8
7	774-5	Purchase Order Control Assistant	11
8	778-3	Receiving Material Investigator	12
9	778-5	Receiving Material Investigator - Trainee	8
10	781-3	Receiver	7
11	781-5	Receiver - Trainee	1
12	783-1	Research and Development Office Specialist	10
13	786-3	Receptionist	5
14	789-7	Program Administrative Aide	9
15	790-3	Shipper	10
16	793-3	Shop Dispatcher	8
17	793-5	Shop Dispatcher - Trainee	6
18	794-1	Office Resource Specialist	10
19	794-3	Secretary	9
20	794-5	Office Support II	6
21	794-7	Office Support I	4
22	803-1	Stock and Stores Clerk - Senior	7
23	803-3	Stock and Stores Clerk	6
24	803-5	Stock and Stores Clerk - Trainee	1
25	804-3	Chemical Storage Attendant	10
26	804-5	Chemical Storage Attendant - Trainee	4
27	807-3	Records Center Control Clerk	8
28	821-3	Production Control Worker	3
29	847-3	Experimental Liaison Person	16
30	855-3	Stores Data Processor	8
31	855-5	Stores Data Processor - Trainee	7
32	856-3	Property Classification Analyst	11
33	857-3	Identification Clerk	8
34	864-3	Mail Handler	6
35	869-3	Electronic Duplicating Systems Operator	9
36	870-3	Reproduction Equipment Operator	6
37	870-5	Reproduction Equipment Operator - Trainee	1
38	875-3	Logistics Service Clerk	10
39	876-3	Logistics Technician	13
40	879-3	U.S. Mail Processor	7
41			
42			

Section 3. Coded Letters For C.E.G. B

Coded Letter B-3

March 3, 2014 |

Subject: UNION STEWARDS

This will set forth the understandings reached between the parties concerning Union Stewards.

1. Steward Coverage in Decentralized Departments

(a) If less than ten (10) bargaining unit employees are regularly assigned to a decentralized area of a department without steward coverage, such employees will be represented by the department's Senior Steward, if the Department Manager concerned is willing that such Senior Steward take the time from work necessary for contacts within the decentralized area permitted under applicable sections of the Agreement. Alternatively, employees in such a decentralized area may be represented by a steward from another department. Should this alternative course be taken, the designation of a steward from another department will be the subject of discussions and agreement between the cognizant Union Business Representative and the Labor Relations Manager. In such discussions, the guidelines set forth under Paragraph 2 (b) below will be observed.

(b) When ten (10) to twenty-five (25) such employees are assigned to a decentralized area of a department without steward coverage, the Union may elect or appoint an additional Group Steward from among such employees to represent such employees.

(c) If twenty-five (25) or more such employees are assigned to a decentralized area of a department without steward coverage, the Union may appoint or elect either an additional Group Steward or an additional Senior Steward from among such employees to represent the employees in such area.

2. Coverage for Departments Without Stewards

(a) In those situations where the Union is unable to designate a steward from among represented employees assigned to a department, and until a steward can be obtained in that department, upon mutual agreement of the cognizant Business

Part B

Representative and the Labor Relations Manager at Sunnyvale, a steward from another department may be designated to provide representation.

(b) The following guidelines shall govern the selection of such steward:

(1) The steward should be assigned from the same geographical area.

(2) The steward should be familiar with the department and the nature of its operations.

(3) The steward should be selected from a department within the same major organization (i.e., Manufacturing, Quality Assurance, Materiel, Finance, etc.) unless such selection would not be consistent with the aforementioned geographical consideration.

3. A steward designated to provide coverage for a department other than the steward's own will be governed by all applicable provisions of the Agreement with specific reference to the following:

(a) For purposes of contacts with other stewards and/or discussing complaints or grievances with employees, such a steward will be allowed up to one-half (1/2) hour per shift for all contacts both within the steward's department and the other department to which assigned.

(b) The steward will be allowed time necessary for meetings with cognizant department managers.

4. Notification to Departments of Designated Stewards

Labor Relations will defer notification to affected departments of new steward appointments until the effective date of such appointment.

5. Contacts Between Senior Stewards

It is recognized that a Senior Steward normally represents bargaining unit personnel only in the department to which the steward is assigned, and the steward's contacts with respect to Union and Company-Union matters will be within that department. Contacts with other Senior Stewards in the same building may sometimes be warranted, but will be kept to a minimum, and will be handled in a manner consistent with the provisions of Article II, Section 1.

1 FOR THE UNION

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3 G. Holt

4 IAM&AW, District 725

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7 Reference: ARTICLE II, Section 1 A

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FOR THE COMPANY

E. P. Lombardi

Lockheed Martin Space Systems
Company

March 3, 2014

Subject: ODD SHIFTS

This is to set forth the agreement of the Company and the Union with respect to the assignment of certain employees to an odd shift.

The utilization of the odd shift for certain employees as set forth under Article VI, Section 3 B, will be kept to a minimum with the following to serve as a guideline of the approximate numbers.

1. Twelve (12) Key Punch and/or Verifier and/or Data Entry Operators involved in payroll processing and labor distribution.
2. One-third (1/3) of the Company's employees classified as Long Distance Switchboard Operators to match peak loads.
3. Two (2) Communication Systems Operators to match peak loads on a voluntary basis.
4. Three (3) clerical personnel handling payroll audit function for transmitting and receiving daily payroll information.
5. One-third (1/3) of the Company's employees classified as U.S. Mail Processor and/or Mail Handler to handle peak loads and coordinate mail delivery and pick-up with the U.S. Post Office. (This limitation does not include vacation replacements.)
6. One (1) Identification Clerk to process non-employee personnel through Identification, as well as process employees who have forgotten their pass and/or badge.

FOR THE UNION

FOR THE COMPANY

G. Holt
IAM&AW, District 725

E. P. Lombardi
Lockheed Martin Space Systems
Company

Reference: ARTICLE VI, Section 3B

Coded Letter B-7

March 3, 2014 |

Subject: REPRESENTATION - SPECIAL AREAS

This will confirm the understanding reached between the Company and the Union during the recently concluded negotiations for the current Agreement regarding steps to be taken to ensure that employees assigned to special areas are properly represented in matters related to the Agreement.

The Company and the Union will establish a committee comprised of three stewards and a Representative of the Union and three Company representatives, plus the Labor Relations Manager or a designee to meet, confer, and attempt to resolve problems or Company-Union matters having particular significance in special areas.

The Company, through its representatives on the committee, will take necessary steps to enable assignment of stewards in all such areas.

It is not intended that the committee will interfere with or take the place of the normal processing of employee grievances as set forth in Article III of the Agreement. However, it is expected that the committee will work together cooperatively in an effort to ensure conformance with the Agreement and to maintain constructive relations between the employees, the Union and the Company.

In no way shall the conditions set forth in this letter substitute for or modify any of the provisions of the collective bargaining agreement.

FOR THE UNION

FOR THE COMPANY

G. Holt
IAM&AW, District 725

E. P. Lombardi
Lockheed Martin Space Systems
Company

Reference: ARTICLE II, Section 2

March 3, 2014

Subject: DUAL MACHINE TOOL OPERATION

This will confirm the agreement reached in the recently concluded negotiations regarding assignment and payment of employees who operate more than one (1) machine tool concurrently.

A. Scope of Agreement

(1) It is understood that the scope of this agreement extends to assignments on machine tools that are computer controlled and conventional machine tools. Employees will not be assigned to operate more than one (1) conventional machine tool concurrently.

(2) Employees shall be assigned to operate two (2) of the following combinations of Machines concurrently:

CNC Mills
CNC Lathes
CNC EDM Machines
Conventional Mills, Lathes, Grinders

Additions to and deletions from the above list may be made during the life of the Agreement.

(3) No employee will be required to operate concurrently more than two (2) machine tools as described above.

B. Dual Machine Assignment Criteria

The decision to combine two (2) machines into a single personnel assignment will be reviewed by area supervision and Occupational Safety & Health. The Company will evaluate each dual machine assignment against the following criteria:

- Date of last machinery safety check by Maintenance
- Primary and secondary guarding
- Geographic relationship of machines

- Visibility from alternate stations
- Distance between machines - normal route conditions - remote shutdown availability
- Automatic malfunction shutdown capability
- Proofed operational programs which include program stops and coolant actuation
- Compatibility of jobs to be worked
- Compatibility of employees operating equipment

C. Training Opportunities

As new machine tool equipment is installed, Employees in the department who have expressed an interest and are otherwise qualified will be given the first opportunity to receive training on new equipment.

D. Payment for Dual Machine Operation

When an employee is assigned to operate two (2) machine tools, the employee will be paid a bonus of two dollars and fifty cents (\$2.50) per hour for a minimum of four (4) hours for any one (1) day. When the actual time worked on two (2) machines exceeds four (4) hours per day, the employee will be paid the bonus for eight (8) hours or actual time worked, whichever is greater. Time worked for this purpose includes set-up of the job and machine as well as operation.

FOR THE UNION

FOR THE COMPANY

G. Holt
IAM&AW, District 725

E. P. Lombardi
Lockheed Martin Space Systems
Company

Reference: ARTICLE VI

March 3, 2014

**Subject: PLACEMENT AND RECALL RIGHTS OF EMPLOYEES WHO
ACCEPT TRAINEE POSITIONS**

This will confirm the Agreement reached in recently concluded negotiations regarding the placement and recall rights of employees who accept trainee positions.

A. Recall Rights

(1) All recall rights are suspended during the period an employee is classified as a Trainee. Employees will be advised of this condition prior to their acceptance of a Trainee position.

(2) Upon completion of a Trainee assignment and promotion to the classification for which being trained, recall rights to classifications higher than that for which the employee has been trained will be reinstated, except for those employees in the HRSI, Composites, N/C Machining, and Fabrication and Structures Assembly Training programs. (See Coded Letter B-16)

(3) An employee off the payroll on recall to one or more classifications may be rehired (with seniority) into a Trainee classification which is in open hire status in Staffing even though the employee has no Placement Request on file.

B. Placement Rights

(1) To enter any Trainee classification, an employee must have a Placement Request on file. An employee scheduled for layoff may file a Placement Request for a Trainee classification.

(2) All placement rights are suspended during the period an employee is classified as a Trainee. Placement Request consideration will only be afforded surplus Trainees scheduled for layoff. Employees will be advised of this condition prior to their acceptance of a Trainee position.

(3) It is agreed that any employee placed in a Trainee classification who subsequently is found to be unable to meet the requirements for continuation in the program or who is removed from the Trainee classification due to surplus will have the following placement rights:

- a. Such employee, upon removal from the Trainee classification under either of the above-referenced circumstances, will be placed back in the same classification held immediately prior to the employee's placement in the Trainee classification, seniority permitting. The rate of pay for such employee shall not be less than the ingrade rate immediately prior to the employee's placement in the Trainee classification.
- b. If such employee does not have sufficient seniority for such placement, the employee shall be declared surplus in the classification held immediately prior to placement in the Trainee classification and placed in accordance with the applicable provisions of Article IV of the Agreement.
- c. Further, any such employee who lost recall rights to any other classification(s) because of the employee's reclassification to the Trainee classification shall have such recall rights reinstated upon the employee's placement under the preceding two paragraphs.
- d. In accordance with the provisions of Article IV, the Trainee will be permitted to displace the least-senior of any less-senior employees who have been recalled to classifications to which the surplus employee had previously established recall rights in accordance with the Agreement.

The above conditions also apply to the employee who enters a Trainee classification from off the payroll.

Prior to entering a Trainee classification, an employee shall be informed of the above recall and placement provisions and shall acknowledge full understanding on a form provided by the Company. Upon entering a trainee classification employees will be made aware of and provided a copy of the training plan for the respective trainee classification.

FOR THE UNION

G. Holt

IAM&AW, DISTRICT 725

FOR THE COMPANY

E. P. Lombardi

Lockheed Martin Space Systems
Company

Reference: ARTICLE IV, Sections 3 and 7
Coded Letter B-16

March 3, 2014

Subject: TEMPORARY RETENTION

This will confirm the understanding reached between the Company and the Union during the recently concluded negotiations.

The parties agree that exceptions to the seniority provisions of Article IV of this Agreement may be made by advance mutual agreement between the Labor Relations Manager and the Area 5 Director, District 725 or a designee. These exceptions will be made for the purpose of the retention of certain employees to provide stability in work operations due to critical schedule, cost, or quality problems that may temporarily exist.

The Labor Relations Manager will submit to the Area 5 Director, District 725 the names of employees whom the Company determines must be designated for Temporary Retention and the reasons for such action. The submittal will be made at least three (3) weeks prior to the desired effective date of the retention. Within three (3) weeks of such submittal, the Area 5 Director, District 725 will approve such request - or submit the reasons for disapproval with justification to the Labor Relations Manager.

The period of time an employee shall be temporarily retained will not exceed six (6) months without mutual agreement of the above named parties.

The Area 5 Director, District 725 shall not unreasonably refuse to agree to the temporary retention of an employee - or group of employees - where such retention is necessitated by critical operational work requirements.

FOR THE UNION

FOR THE COMPANY

G. Holt
IAM&AW, District 725

E. P. Lombardi
Lockheed Martin Space Systems
Company

Reference: ARTICLE IV, Section 1 through 7

Coded Letter B-15

March 3, 2014

Subject: OVERTIME DISTRIBUTION

This is to set forth the agreement between the Company and the Union with respect to overtime distribution.

A. AFFECTED GROUP

An affected group for overtime purposes is normally those employees within a department, classification, workweek and shift; however, by mutual agreement an affected group may be further defined as employees in a supervisory group, and the Union shall not unreasonably refuse to agree. Department Heads and Senior Stewards may agree on a different definition of affected group based on recognition of operational requirements in their area. All such proposals will be documented in writing, signed by the Department Head and Senior Steward and forwarded to the Business Representative, District 725 and the Labor Relations Manager for concurrence or rejection by either party. In the event there is rejection by either party, either party may present their proposal to the Labor Relations Committee. Any such agreement may be terminated by either the Business Representative, District 725 or the Labor Relations Manager through written notice to the other party with such notice to become effective within ten (10) working days. In the event such agreement is terminated by either party, overtime records will be handled in accordance with paragraph J of this Coded Letter. (Probationary employees work overtime only after all other employees in the affected group have been scheduled or asked to work.)

B. OVERTIME RECORDING

- (1) Accurate information will be maintained on Overtime Record, Form LMSC 837-3 or equivalent computerized record, within each department in order to assure equitable distribution of overtime among employees. Hard copies will be given to the Union Steward upon request and will be made available to employees upon request.
- (2) The department's central record will be updated weekly to reflect overtime hours worked or refused.
- (3) Overtime records will be maintained to reflect the equivalent of straight time hours paid. Fractional hours will be rounded off to the nearest tenth of an hour; e.g., 3.3 x 1.5 = 4.95. 5.0 hours will be recorded.
- (4) The Overtime Records will be retained within the Department for two years.
- (5) Overtime hours for an affected group may be "zeroed out" only by agreement with the Senior Steward, Department Head, Business Representative, District 725 and the Labor Relations Manager.

Part B

- (6) Reduction of hours within an affected group may be made by subtracting a common factor. For example, in an affected group where all employees have more than 100 accumulated hours, all may be reduced by 100, resulting in no relative change within the group.

C. SCHEDULING

- (1) Affected employees will be notified of overtime work schedules as soon as reasonably possible. An employee absent from work normally will not be scheduled for overtime until returning to work after the absence. Normally, if an employee accepts weekend overtime and is absent on Friday, the overtime offered to that employee will be canceled unless the Friday absence is for an approved one day vacation, personal leave or Union call-out. Similarly, if an employee is asked to work overtime two days hence but is absent the day before the scheduled overtime, the overtime offered to that employee will be canceled. If overtime offered is canceled, the employee will be notified when reporting their absence to supervision.

- (2) The Company normally will offer the first available overtime to the employee with the lowest accumulated overtime hours in the affected group who is qualified to perform the work involved unless continuity of work operations requires an employee to follow through on work started during regular working hours.

When due to specific job skills or job continuity requirements an employee's accumulated overtime is substantially higher than that of the next person in the affected group, and it appears that the overtime difference will continue to grow, the department will initiate appropriate cross training for interested employees who are qualified to be cross trained. The cross trained employee with the lowest accumulated overtime will be rotated into the job being performed by the high overtime employee. Refusal of cross training will be documented.

- (3) An employee who refuses overtime will be charged for those hours offered unless the employee who worked was sent home early at Company request, in which case the actual hours worked will be charged.

- (4) No charge will be made to the overtime record if overtime is refused because:

- a. The overtime assignment is on an agreed upon holiday.
- b. The employee is on Union business and the Company has been properly notified.
- c. The employee is on jury duty during the day when the overtime is to be worked or is to appear as a subpoenaed witness in a Court of Law in a case to which the employee is not a party either directly or as a member of a class.
- d. Overtime is on the 6th or 7th day immediately preceding or following the employee's vacation of at least one week.
- e. Overtime work anticipated is subsequently canceled.
- f. The employee is called for temporary military duty.

(5) Employees who do not want to work overtime or do not want to change job assignment or location necessary for more equitable distribution of overtime, shall indicate those preferences in writing. Such written notice will remain active for a minimum of 90 calendar days.

(6) If a sufficient number of employees in the affected group are not available for overtime work after the appropriate trainee classification is exhausted, supervision normally, as determined by operational requirements, will attempt to locate employees in the following order:

	<u>Department</u>	<u>Classification</u>	<u>Shift</u>
a.	Same	Different	Same
b.	Same	Same	Different
c.	Same	Different	Different

(7) If a sufficient number of employees are not available after exhausting the provisions of Paragraph 6, the Department Manager may impose Mandatory Overtime as defined under either Short Term Mandatory Overtime or Extended Mandatory Overtime, or may attempt to locate employees in other departments in the following order:

	<u>Department</u>	<u>Classification</u>	<u>Shift</u>
a.	Different	Same	Same
b.	Different	Different	Same
c.	Different	Different	Different

(8) If a sufficient number of employees are not available after exhausting the provisions of Paragraphs 7a, b, and c, the Department Manager may still impose Mandatory Overtime as defined under either Short Term Mandatory Overtime or Extended Mandatory Overtime.

D. MANDATORY OVERTIME DEFINITIONS

An extended mandatory workweek may be established in recognition of operational requirements. Such overtime may be short term or long term as defined below.

The approval of the Department Head is required whenever mandatory overtime is to be invoked.

(1) Short Term Mandatory Overtime

Short term mandatory overtime is an overtime assignment such as one day or one weekend.

When mandatory overtime is required the employee with the least amount of accumulated overtime in the affected group will be required to work.

In the event of a hardship situation affecting an employee's ability to work, the employee may request a hardship exemption in writing, and if the cause of the

Part B

employee's hardship cannot be resolved, the employee will not be directed to work overtime, but will be charged with the highest overtime worked.

(2) Extended Mandatory Overtime

Extended mandatory overtime is a work schedule that exceeds one week requiring the affected overtime group to work in excess of their normal shift or workweek. The operational requirements that necessitate the extended mandatory overtime will be documented by the Department Head to the Labor Relations Manager and forwarded to the Union. Employees will be notified of such mandatory overtime in writing.

In the event of a hardship situation affecting an employee's ability to work, the employee may request a hardship exemption in writing. Such request must be submitted to the Department Head for approval. When an employee has such an approved request on file, the employee will not be asked to work the overtime, but will be charged with the highest overtime worked in each one day period.

E. OVERTIME CHARGES - WHEN ALL OR PART OF OVERTIME SHIFT OFFERED IS NOT WORKED

(1) When all or part of the overtime shift offered is not worked due to cancellation by management, employees will be charged only for hours worked. Employees who initially declined overtime will be charged for hours worked. The charge will be deleted if overtime is canceled before the end of the shift in which the overtime is offered.

(2) Tardies

An employee who is tardy in reporting to an overtime assignment will be charged the full amount of time scheduled to be worked.

(3) Short Times

An employee who short times when work still is available, will be charged for the time scheduled to be worked.

(4) Absences

An employee who has agreed to work overtime but fails to report for work without a legitimate excuse will be charged for double the time scheduled to be worked.

(5) Employees who accept overtime and then do not report as scheduled for the accepted overtime may be subject to disciplinary action in addition to the appropriate overtime charges.

F. ABSENCE FROM AFFECTED GROUP MORE THAN 5 WORKING DAYS

- (1) An employee who is absent for over five (5) working days will be charged overtime hours in the amount of the average overtime worked by their affected group during the absence, except in the following circumstances:
 - a. When an employee is on vacation.
 - b. When an employee is on extended recognized Union business.
 - c. When an employee is on jury duty or is to appear as a subpoenaed witness in a Court of Law in a case to which the employee is not a party either directly or as a member of a class.
 - d. When an employee is required to engage in annual two consecutive weeks of Military Reserve training.
 - e. When an employee is on a temporary salaried assignment of four weeks or less.
 - f. When an employee is absent 30 days or more, the provisions specified for "addition of transferred or recalled employees" will apply.
 - g. When an employee cancels a "No Overtime" request the provision specified for "addition of transferred or recalled employees" will apply.
- (2) The average overtime worked by their affected group during the absence will be calculated and added to the employee's accumulated total prior to the absence.

G. TRAVEL AND FIELD DUTY

All overtime worked while on travel and field duty shall be added to the employee's permanent overtime record.

H. LOANED EMPLOYEES - POSTING AND DISTRIBUTION OF OVERTIME

- (1) Posting - The permanent (home) department overtime record will be posted as notification is received from the borrowing department of overtime hours worked.
- (2) Distribution of Overtime to Employees on Loan - Departments utilizing the services of employees on loan from other departments will use the following basic rules as a guide in the distribution of overtime:
 - a. Employees who have been on loan for less than ten (10) working days will not be considered eligible for overtime. Exceptions to this rule may be made when any of the following conditions exists:
 1. All of the affected employees of the department are required to work overtime.
 2. The borrowed employee possesses special skills necessary to perform the overtime assignment, and none of the affected employees of the department is qualified to perform the work.
 3. Continuity of work operations requires the borrowed employee to follow through on overtime work started during regular working hours. When this condition exists to the point that operational requirements would be adversely affected, the employee on temporary loan may be assigned to the overtime work.

Part B

- b. Employees who have been on loan for ten (10) or more working days will be considered members of the "affected group" in the borrowing department for purposes of equitable distribution of overtime. Such an employee will be given the average of the affected group as of the 10th working day or the first date on which overtime occurs, whichever is first.

I. ADDITION OF NEW OR REHIRED EMPLOYEES

A new/recalled employee is added to the overtime group when employee becomes eligible to work overtime. Calculate the average overtime hours of the Employees in the classification or "work group" on their shift and show the Average on the overtime list.

J. ADDITION OF TRANSFERRED OR RECALLED EMPLOYEES

The average overtime charged to and/or worked by others in the affected group as of the date the employee begins work in the new affected group will be calculated and posted to the overtime record for the transferred or recalled employee.

K. CONSOLIDATION OF TWO OR MORE DEPARTMENTS

- (1) Overtime hours will revert to zero for employees in a classification common to two or more of the consolidated departments.
(2) Overtime records will be carried over without change for employees in a classification common to only one department.

FOR THE UNION

FOR THE COMPANY

J. Goddard
Grand Lodge Representative
IAM & AW, District 725

E. P. Lombardi
Lockheed Martin Space Systems
Company

Reference: ARTICLE VI, Section 2 B

Coded Letter B-16

March **3, 2014** |**Subject: PLACEMENT AND RECALL RIGHTS OF EMPLOYEES WHO ENTER SELECTED TRAINING PROGRAMS**

This will confirm the agreement reached in recently concluded negotiations regarding the placement and recall rights of employees who, after the effective date of this Agreement, enter into the following training programs:

- o Composites (in training for 363-3, 363-9); (in training for 442-1)
- o N/C Machining (in training for 492-5)
- o Fabrication & Structures Assembly (in training for 542-3); (in training for 442-1)

Employees who successfully complete their training and are promoted into their respective job family shall have all recall, promotion and transfer rights outside of the department suspended for one (1) year from the date of such promotion to the higher classification.

Trainees in the above training programs will be provided an outline of the training program prior to acceptance of the position. Prior to entering a Trainee classification, an employee shall be informed of the above provisions and the recall and placement provisions set forth in Coded Letter B-11 and shall acknowledge full understanding on a form provided by the Company.

Except as noted above, all provisions of Coded Letter B-11 shall apply.

FOR THE UNION

FOR THE COMPANY

G. Holt
IAM&AW, District 725

E. P. Lombardi
Lockheed Martin Space Systems
Company

Reference: ARTICLE IV, Sections 3 and 7
Coded Letter B-11

March 3, 2014

Subject: DEFINITION OF 'VERIFY' FOR CERTAIN CLASSIFICATIONS

This is to set forth the agreement reached between the Company and the Union that for the following classifications:

421-3, 422-3, 422-5, 449-3, 450-3, 452-3, 453-3, 454-3,
455-3, 455-5, 461-3, 461-5, 492-3, 492-5, 492-7, 499-3

VERIFY shall mean to periodically establish the accuracy of the product or part which is being made by the affected employee by using calibrated precision measuring equipment.

FOR THE UNION

G. Holt
IAM&AW, District 725

FOR THE COMPANY

E. P. Lombardi
Lockheed Martin Space Systems
Company

Coded Letter B-24

March 3, 2014

Subject: Commuter Alternative Program

Employees represented by the IAM&AW District Lodge 725, Local Lodge 2228, will be eligible to receive reimbursement for eligible expenses in accordance with the Commuter Alternatives Program. This includes but is not limited to the Transit Reimbursement Program, Bicycle Commuter Benefit Program, and Ecopass Program.

The Company shall notify the Union within fifteen (15) days of any changes or program termination.

FOR THE UNION

FOR THE COMPANY

M. Goddard

E. P. Lombardi

Grand Lodge Representative

Lockheed Martin Space Systems

Western Territory, IAM&AW

Company

March 3, 2014

Subject: Clean Room Shoe Reimbursement

This is to confirm the agreement reached regarding the clean room shoe cost reimbursement as described below:

1. Employees who are authorized via management to participate in the Company Clean Room Shoe program shall be eligible for reimbursement up to \$150 for one pair of clean room shoes once in a twelve (12) month period.

2. The Company agrees to address deviations to this reimbursement cost on an exception basis. e.g. foot size, etc.

3. The subject reimbursement cost is to be reviewed annually by the Company.

The clean room shoe reimbursement is at the discretion of the Company, who may modify or terminate said reimbursements at anytime with 15 –day notice to the Union.

FOR THE UNION

M. Goddard
Grand Lodge Representative
Western Territory, IAM&AW

FOR THE COMPANY

E. P. Lombardi
Lockheed Martin Space Systems
Company

PART C

SUPPLEMENT FOR

SANTA CRUZ

Aerospace Defense Related District Lodge 725, Area 5

and

Local Lodge 2228

(Santa Cruz County plant)

Part C

SUPPLEMENT FOR SANTA CRUZ

Section 1. Description of Contract Enforcement Group

- A. The C.E.G. for the plants of LMSSC now existing or hereafter established or acquired in Santa Cruz County engaged in the manufacture of missiles, spacecraft, aircraft, ocean systems, ground vehicle systems, energy systems, communication systems, weapons and detection systems, information systems, and related products or items necessary to their functions, shall include, and the terms "employee" and "employees" as used in this Part or as used in Part A when applying such Part A to this C.E.G. shall mean only those employed by the Company to work in the classifications listed in Section 2 of this Part and those employed in new classifications established for this C.E.G. under Article VII, Section 1, Subsection C of Part A of this Agreement, excluding there from the following persons:
- (1) Secretarial and office clerical personnel reporting to the office of the Resident Director and personnel in the Human Resources organization except those in the Medical and Safety organizations and in the Fire Emergency personnel, Locksmith and Identification units. This exclusion does not apply to any employee performing a different function or activity within the Company which subsequent to the date of this Agreement is transferred to the Human Resources organization.
 - (2) Personnel represented by another collective bargaining representative.
- B. The term "Local Union" as used in this Part shall include only Aerospace Defense Related District Lodge 725, Area 5 Local Lodge 2228.
- C. If the provisions of this Part conflict with or are additions to provisions contained in Part A of this Agreement, such provisions of this Part shall apply to this C.E.G. and any such conflicting provisions of Part A shall be inapplicable to such Group.

Section 2. Job Classifications and Labor Grades Santa Cruz

A. Factory

Code	Classification	Labor Grade
350-3	Air Conditioning Mechanic	17
374-3	Carpenter - Maintenance	16
411-3	Electronic Systems Technician - Test Base	19
412-3	Electronic Systems Mechanic - Test Base	13
430-3	Assembler - Missile Component	10
436-3	Industrial Maintenance Worker – Senior – Test Base	17
437-3	Janitor - Utility	3
443-3	Ordnance Technician - Junior	7
444-1	Locksmith – SCF	15
450-3	Machinist – General	18
463-3	Fleet Mechanic	17
464-3	Mechanic – Maintenance	16
474-3	Photographic Technician – Test Base	15
497-3	Photographic Instrumentation Technician – Senior	18
497-5	Photographic Instrumentation Technician	16
533-1	Ordnance Assembler – Senior	6
533-3	Ordnance Assembler	4
536-3	Ordnance Assembly Kitter	6
544-3	Test Base Helper	4
545-3	Tool and Die Maker	19
549-5	Mobile Crane Operator	17
550-5	Truck Driver	11
563-3	Welder Precision - Senior	16
578-3	Ordnance Test Mechanic	16
595-3	General Maintenance Worker	11
607-5	Inspector - Assembly	12
614-3	Inspector - Non-Destruct Test General	16
625-3	Inspector - Receiving Precision	16
629-3	Inspector - Missile and Systems Test	18
629-5	Inspector - Subsystem Test	16
630-3	Inspector - Tooling	19
633-3	Industrial X-Ray Technician	13
636-3	Fire Protection and Maintenance Worker	11
636-5	Fire Emergency Worker	7
637-3	Explosive Transporter	13
637-5	Explosive Transporter - Trainee	5

Part C

1			
2			Labor
3	Code	Classification	Grade
4	638-3	Ordnance Packager	4
5	640-3	Heavy Equipment Operator - Mechanic	16
6	641-1	Development Test Mechanic - Specialist	18
7	641-3	Development Test Mechanic - Senior	16
8	641-5	Development Test Mechanic	12
9	642-3	Missile Liquid Propulsion Test Technician - Senior	18
10	642-5	Missile Liquid Propulsion Test Technician	13
11	643-3	Ordnance Test Technician - Senior	18
12	643-5	Ordnance Test Technician	13
13	644-3	Calibration Technician - SCF	19
14	644-5	Calibration Technician - Assoc. - SCF	13

B. Technical and Office

15			
16			Labor
17			Grade
18	Code	Classification	
19	663-3	Whiteprint Operator - Roll Stock	7
20	674-3	Department Clerk - Typist	5
21	678-7	Document Center Clerk - SCF	8
22	682-3	Expediter	11
23	708-1	Technical Clerical Aide	8
24	708-3	Technical Typist	5
25	709-3	Classified Document Control Specialist	9
26	724-3	Inspection Data Clerk	6
27	727-3	Reproduction Planner and Scheduler	15
28	728-3	Maintenance Service Dispatcher	10
29	732-5	Logistics Data Clerk	6
30	737-3	Material Planner	15
31	737-5	Material Planner - Trainee	11
32	743-3	Vehicle Delivery Documentation Clerk	10
33	753-3	Lithographic Printer	11
34	756-3	Lithographic Press Operator	9
35	773-3	Planning Reconciler	9
36	774-3	Purchase Order Processor - Integrated Data	7
37	814-3	Technical Illustrator	16
38	819-3	Publications Layout and Reproduction Operator	15
39	828-3	Production Planning Clerk	7
40	832-3	Production Planner - SCF	20
41	832-5	Production Planner - Trainee - SCF	15
42	841-3	Material Review Board Investigator	14

1	842-3	Technical Illustrator - Senior	17
2	852-3	Test Base Service Clerk	9
3	858-1	Configuration Data Requirements Specialist - Product	11
4		Assurance	
5	859-5	Configuration Data Control Clerk	6
6	874-3	Product Assurance Data Clerk - Senior	9
7			
8	C. Labor Grade Structure		
9	(See Article VIII, Sections 7 and 8)		
10			

Section 3. Coded Letters for C.E.G. C

Coded Letter C-1

March 3, 2014

Subject: SAFETY COMMITTEES

In order to promote greater participation between the Company and the Union on matters of safety, the Santa Cruz Facility will continue to maintain active Safety Committees.

Santa Cruz Facility Safety Committee

This Committee will meet at least once a month with the Facility Safety Representative. The number on this Committee will be determined by operational requirements and the number will be increased or decreased as required by the Facility Safety Representative. Selection of members for this Committee will be made by the Union, supervisors and the Facility Safety Representative.

General Industrial Safety Committee

This committee will meet quarterly, or more often if necessary, and will be made up of one Union representative, the Resident Director, and the Facility Safety Representative. This Committee will discuss open major items generated by the Santa Cruz Facility Safety meeting and other facility personnel safety matters.

In order to maintain interest among represented members, assignments to these Committees may be rotated once a year.

FOR THE UNION

G. Holt

IAM&AW, District 725

M. Zercher IAM&AW, Local 2228

FOR THE COMPANY

E. P. Lombardi

Lockheed Martin Space Systems
Company

Reference: ARTICLE II, Section 4

Coded Letter C-2

March 3, 2014

Subject: PROCESSING OF GRIEVANCES - STEPS 1.5 AND 3

During the recent contract negotiations the parties mutually agreed to process grievances in accordance with the Grievance Procedure as noted in Article III, Section 2, with the exception of the following:

Step 1.5

The Labor Relations Representative and the Base Steward shall meet and use their best efforts to reach a settlement according to the provisions in Article III, Section 2.

Step 3

Union representation on this Committee shall consist of two (2) employees of the C.E.G., of which one employee shall be designated as the alternate. Should the population in CEG C reach more than one hundred (100) represented employees, the committee may increase by one employee however, only one committee member may be present at the Labor Relations Committee.

FOR THE UNION

G. Holt
IAM&AW, District 725

M. Zercher
IAM&AW, Local 2228

Reference: ARTICLE III, Section 2

FOR THE COMPANY

E. P. Lombardi
Lockheed Martin Space Systems
Company

March **3, 2014**

**Subject: PROMOTION TO HIGHER-RATED JOBS - ARTICLE IV,
SECTION 4, SUBSECTION B OF THE COMPANY-UNION
AGREEMENT**

In accordance with the understanding reached during the Company-Union negotiations, it is mutually agreed that in promotions to higher-rated jobs, consideration will be given to all employees at the facility in which the opening exists, provided the employee has submitted a written request to be so considered.

FOR THE UNION

FOR THE COMPANY

G. Holt
IAM&AW, District 725

E. P. Lombardi
Lockheed Martin Space Systems
Company

M. Zercher IAM&AW, Local 2228

Reference: ARTICLE IV, Section 4, Subsection B

Coded Letter C-6

March **3, 2014** |

**Subject: RIGHTS OF SANTA CRUZ EMPLOYEES WHO ACCEPT
 PLACEMENT IN SANTA CLARA COUNTY FACILITIES IN LIEU
 OF LAYOFF**

This is to confirm the understanding relative to the rights of the subject employees.

1. An employee declared surplus at the Santa Cruz Facility who accepts placement in a lateral or lower classification in Santa Clara County plants in lieu of layoff or placement, will be offered transfer back to the Santa Cruz Facility to the first opening in the classification from which surplus.
2. Such employee's rights will exceed the rights of any other employee, regardless of seniority, who has requested transfer to the Santa Cruz Facility or a Santa Cruz employee who has requested promotion to the classification in which the opening exists.

It is further agreed that, for an employee to be entitled to the rights described in 1. and 2. above, the employee must, following movement from the Santa Cruz Facility, immediately submit a transfer request to the Company indicating a desire to return to the Santa Cruz Facility.

FOR THE UNION

G. Holt
IAM&AW, District 725

M. Zercher
IAM&AW, Local 2228

Reference: ARTICLE IV, Section 5 F
 ARTICLE IV, Section 3 B

FOR THE COMPANY

E. P. Lombardi
Lockheed Martin Space Systems
Company

March 3, 2014

Subject: SANTA CRUZ FACILITY HOURLY ATTENDANCE CONTROL PLAN

PURPOSE

In order to reduce absenteeism, establish reasonable standards of employee attendance, provide a uniform means to enforce these standards, and provide recognition of good attendance habits, the Company and the Union have agreed to the following. In recognition of the unique location of the Santa Cruz Facility (SCF) and the fact that difficulties accessing the Facility may occur, the Company and the Union agree to the following modifications to the Hourly Attendance Control Plan Letter of Agreement.

GENERAL

- A. Regular attendance by each employee is essential so that Company work may be performed on schedule.
- B. This Procedure provides a uniform guide for management's use in monitoring attendance and taking appropriate action.
- C. Management judgment must be exercised in applying these standards. Consideration must be given to the facts in each employee's case before taking disciplinary action. Cases which the organization manager believes warrant deviation from the disciplinary sequence in Procedure B.4., below, should be reviewed with the Labor Relations Manager.

PROCEDURE

A. Attendance

1. The following attendance codes are infractions (except as noted) for purpose of this Procedure: B, N, O, S, T.

NOTE: (1) A maximum of three periods of B code absences per calendar year shall be excused if preceded by a medically authorized W code, as specified in Paragraph 4 below, or doctor's verification is received for the days absent. Such B code absences are to be circled on the employee's record.

(2) In instances where an employee's tardiness is caused by a verified circumstance such as road closures or adverse weather conditions causing unsafe driving conditions, Acts of God, fire or flood, the SCF Human Resources Representative will inform Base supervision that such attendance code will be circled and not charged as an attendance infraction.

(3) Paid sick leave days of absence will not be attendance infractions.

2. Any one continuous period of B or 0 codes is considered as one infraction.
3. In situations where an employee can show that his/her phone service has been lost due to storms, etc., consideration shall be given regarding his/her inability to report an absence.
4. Reasonable allowance for part-day absence for necessary medical/dental care is provided when an employee submits written verification of doctor and dentist visits. Such part-day absences are coded ~~W~~ for a maximum of six within a calendar year. Beyond six, each is documented as a short-time infraction (code S).

The Company will review cases where mitigating circumstances may be present to determine if additional verified doctor or dentist visits should be excused.
5. Employees who become ill after reporting to their work station and starting their shift may be granted an approved W code at the discretion of supervision, prior to leaving the plant. Such approval shall not be unreasonably denied.
6. All absences must be reported, if possible, within two (2) hours of the start of shift to the supervisor or department office. At that time, the anticipated length of absence and/or expected return date should be explained. If unable to call personally, each employee should have someone call for them where possible.
7. A reported absence is valid until the date of return specified by the employee or, if the return date is indefinite, for two working days. The third day of absence constitutes the first day of unreported absence.

Part C

B. Discipline

1. Employees having combined attendance infractions as specified in A.1., which exceed five (5) in the preceding six-month (or shorter) period are considered to have unsatisfactory attendance and are subject to progressive disciplinary action as set forth in B.4.
2. When it is apparent that an employee's attendance infractions are approaching the unsatisfactory level for the first time, that employee should be counseled about the importance of regular attendance.
3. Prior to imposing discipline, the complete attendance record of the employee should be reviewed and the nature and frequency of infractions considered.
4. Progressive disciplinary action for unsatisfactory attendance, as specified in B.1., will be imposed in the following sequence:
 - a. Oral Criticism - recorded on record. The employee must be advised of action in writing .
 - b. Employee Performance Notice - formal written criticism.
 - c. Second Employee Performance Notice - formal written criticism.

NOTE: When it is apparent that an employee's attendance infractions may result in dismissal, the employee will be counseled in order to ensure the employee has a clear understanding of the severity of the situation and the imminent possibility of dismissal.

- d. Dismissal.

NOTE: An employee may be subject to termination depending upon the circumstances involved without regard to the progressive discipline sequence if absence from work becomes excessive to the point that the individual has become unemployable or whenever an employee's attendance is considered unsatisfactory even after applying aforementioned standards set forth in Section B.4. above. All such cases must be reviewed by the Labor Relations Manager prior to termination.

5. The following criteria are guides to the administration of disciplinary action:

a. Each month, normally during the first week, each employee's attendance record is examined by the department.

b. When an employee's attendance infractions exceed five (5) within any six-month (or shorter) period, that employee's record must be reviewed for possible disciplinary action.

c. Once discipline has been issued for specified attendance infractions, those infractions cannot be counted in determining the need for subsequent discipline. A new six-month period begins immediately after the issuance of discipline.

d. When an employee who has received disciplinary action makes a serious attempt to improve his or her attendance record, the following recognition shall be given for the effort.

(1) If the employee compiles five or fewer attendance infractions in a six-month period following receipt of disciplinary action, that disciplinary action shall be cancelled insofar as issuance of subsequent disciplinary action is concerned, (i.e., the disciplinary action remains in the record but is not considered in the event of subsequent unsatisfactory attendance.)

Example: An employee has been given oral criticism followed by the first Employee Performance Notice (EPN). In a six-month period following receipt of the EPN, only five attendance infractions occur. Five months later the employee compiles six infractions; the discipline issued will be an EPN.

(2) If the employee compiles five or fewer attendance infractions in any two consecutive six-month periods following receipt of disciplinary action, then two steps of prior discipline shall be cancelled; (i.e., the disciplinary action remains in the record but is not considered in the event of subsequent unsatisfactory attendance.)

Example: Referring to the example cited in d(1) above, the Oral Criticism and the EPN would not be considered in the event the employee's attendance subsequently becomes unsatisfactory.

e. Prior to dismissal of an employee, the Labor Relations Representative must be consulted.

Part C

6. Absentee terminations

- a. A five-day unreported absence (or four-day for employees on a 4x10 workweek) on scheduled workdays without a reasonable explanation for failure to report shall be considered a resignation.
- b. If an employee's medical absence continues for more than 10 consecutive workdays, medical documentation must be submitted to the Company certifying the employee's disability. An employee who fails to provide such documentation may be terminated (unless a reasonable explanation is offered for not complying).
- c. To effect the termination of an absent employee under this procedure, a telephone call will be made followed by a registered letter sent to the employee's address of record.

C. Commendation

Employees with six months of perfect attendance should receive a Commendation Notice. Perfect attendance is defined as no absences, tardiness or short-times except those caused by military duty, Union business, jury duty, vacation or holidays.

D. Implementation

1. Responsibility for maintaining attendance standards rests with each organization manager.
2. Employees should be made aware of the attendance requirements set forth in this Procedure.
3. The Base Human Resources Representative is available to assist in the interpretation and application of attendance standards.

Please refer questions to your Base Human Resources Representative.

FOR THE UNION

FOR THE COMPANY

G. Holt
IAM&AW, District 725

E. P. Lombardi
Lockheed Martin Space Systems
Company

M. Zercher
IAM&AW, Local 2228

Reference: ARTICLE I, Section 4

March 3, 2014**Subject: OVERTIME DISTRIBUTION**

This is to set forth the agreement between the Company and the Union with respect to overtime distribution.

A. AFFECTED GROUP

An affected group for overtime purposes is normally those employees within a department, classification, workweek and shift; however, by mutual agreement an affected group may be further defined as employees in a supervisory group, and the Union shall not unreasonably refuse to agree. Department Heads and Senior Stewards may agree on a different definition of affected group based on recognition of operational requirements in their area. All such proposals will be documented in writing, signed by the Department Head and Senior Steward and forwarded to the Area 5 Director, District 725 and the Labor Relations Manager for concurrence or rejection by either party. In the event there is rejection by either party, either party may present their proposal to the Labor Relations Committee. Any such agreement may be terminated by either the Area 5 Director, District or the Labor Relations Manager through written notice to the other party with such notice to become effective within ten (10) working days. In the event such agreement is terminated by either party, overtime records will be handled in accordance with paragraph J of this Coded Letter. (Probationary employees work overtime only after all other employees in the affected group have been scheduled or asked to work.)

B. OVERTIME RECORDING

- (1) Accurate information will be maintained on Overtime Record, Form LMSC 837-3 or equivalent computerized record, within each department in order to assure equitable distribution of overtime among employees. Hard copies will be given to the Union Steward upon request and will be made available to employees upon request.
- (2) The department's central record will be updated weekly to reflect overtime hours worked or refused.
- (3) Overtime records will be maintained to reflect the equivalent of straight time hours paid. Fractional hours will be rounded off to the nearest tenth of an hour; e.g., 3.3 x 1.5 = 4.95. 5.0 hours will be recorded.
- (4) The Overtime Records will be retained within the Department for two years.
- (5) Overtime hours for an affected group may be "zeroed out" only by agreement with the Senior Steward, Department Head, Area 5 Director, District 725 and the Labor Relations Manager.

- (6) Reduction of hours within an affected group may be made by subtracting a common factor. For example, in an affected group where all employees have more than 100 accumulated hours, all may be reduced by 100, resulting in no relative change within the group.

C. SCHEDULING

- (1) Affected employees will be notified of overtime work schedules as soon as reasonably possible. An employee absent from work normally will not be scheduled for overtime until returning to work after the absence. Normally, if an employee accepts weekend overtime and is absent on Friday, the overtime offered to that employee will be canceled unless the Friday absence is for an approved one day vacation, personal leave or Union call-out. Similarly, if an employee is asked to work overtime two days hence but is absent the day before the scheduled overtime, the overtime offered to that employee will be canceled. If overtime offered is canceled, the employee will be notified when reporting their absence to supervision.

- (2) The Company normally will offer the first available overtime to the employee with the lowest accumulated overtime hours in the affected group who is qualified to perform the work involved unless continuity of work operations requires an employee to follow through on work started during regular working hours.

When due to specific job skills or job continuity requirements an employee's accumulated overtime is substantially higher than that of the next person in the affected group, and it appears that the overtime difference will continue to grow, the department will initiate appropriate cross training for interested employees who are qualified to be cross trained. The cross trained employee with the lowest accumulated overtime will be rotated into the job being performed by the high overtime employee. Refusal of cross training will be documented.

- (3) An employee who refuses overtime will be charged for those hours offered unless the employee who worked was sent home early at Company request, in which case the actual hours worked will be charged.

- (4) No charge will be made to the overtime record if overtime is refused because:

- a. The overtime assignment is on an agreed upon holiday.
- b. The employee is on Union business and the Company has been properly notified.
- c. The employee is on jury duty during the day when the overtime is to be worked or is to appear as a subpoenaed witness in a Court of Law in a case to which the employee is not a party either directly or as a member of a class.
- d. Overtime is on the 6th or 7th day immediately preceding or following the employee's vacation of at least one week.
- e. Overtime work anticipated is subsequently canceled.
- g. The employee is called for temporary military duty.

Part C

(5) Employees who do not want to work overtime or do not want to change job assignment or location necessary for more equitable distribution of overtime, shall indicate those preferences in writing. Such written notice will remain active for a minimum of 90 calendar days.

(6) If a sufficient number of employees in the affected group are not available for overtime work after the appropriate trainee classification is exhausted, supervision normally, as determined by operational requirements, will attempt to locate employees in the following order:

	<u>Department</u>	<u>Classification</u>	<u>Shift</u>
a.	Same	Different	Same
b.	Same	Same	Different
c.	Same	Different	Different

(7) If a sufficient number of employees are not available after exhausting the provisions of Paragraph 6, the Department Manager may impose Mandatory Overtime as defined under either Short Term Mandatory Overtime or Extended Mandatory Overtime, or may attempt to locate employees in other departments in the following order:

	<u>Department</u>	<u>Classification</u>	<u>Shift</u>
a.	Different	Same	Same
b.	Different	Different	Same
c.	Different	Different	Different

(8) If a sufficient number of employees are not available after exhausting the provisions of Paragraphs 7a, b, and c, the Department Manager may still impose Mandatory Overtime as defined under either Short Term Mandatory Overtime or Extended Mandatory Overtime.

D. MANDATORY OVERTIME DEFINITIONS

An extended mandatory workweek may be established in recognition of operational requirements. Such overtime may be short term or long term as defined below.

The approval of the Department Head is required whenever mandatory overtime is to be invoked.

(1) Short Term Mandatory Overtime

Short term mandatory overtime is an overtime assignment such as one day or one weekend.

When mandatory overtime is required the employee with the least amount of accumulated overtime in the affected group will be required to work.

1 In the event of a hardship situation affecting an employee's ability to work, the
2 employee may request a hardship exemption in writing, and if the cause of the
3 employee's hardship cannot be resolved, the employee will not be directed to work
4 overtime, but will be charged with the highest overtime worked.

5 (2) Extended Mandatory Overtime

6 Extended mandatory overtime is a work schedule that exceeds one week requiring
7 the affected overtime group to work in excess of their normal shift or workweek.
8 The operational requirements that necessitate the extended mandatory overtime
9 will be documented by the Department Head to the Labor Relations Manager and
10 forwarded to the Union. Employees will be notified of such mandatory overtime in
11 writing.

12 In the event of a hardship situation affecting an employee's ability to work, the
13 employee may request a hardship exemption in writing. Such request must be
14 submitted to the Department Head for approval. When an employee has such an
15 approved request on file, the employee will not be asked to work the overtime, but
16 will be charged with the highest overtime worked in each one day period.

17
18 **E. OVERTIME CHARGES - WHEN ALL OR PART OF OVERTIME SHIFT**
19 **OFFERED IS NOT WORKED**

20 (1) When all or part of the overtime shift offered is not worked due to cancellation by
21 management, employees will be charged only for hours worked. Employees who
22 initially declined overtime will be charged for hours worked. The charge will be
23 deleted if overtime is canceled before the end of the shift in which the overtime is
24 offered.

25 (2) Tardies

26 An employee who is tardy in reporting to an overtime assignment will be charged
27 the full amount of time scheduled to be worked.

28 (3) Short Times

29 An employee who short times when work still is available, will be charged for the
30 time scheduled to be worked.

31 (4) Absences

32 An employee who has agreed to work overtime but fails to report for work without
33 a legitimate excuse will be charged for double the time scheduled to be worked.

34 (5) Employees who accept overtime and then do not report as scheduled for the
35 accepted overtime may be subject to disciplinary action in addition to the
36 appropriate overtime charges.

F. ABSENCE FROM AFFECTED GROUP MORE THAN 5 WORKING DAYS

- (1) An employee who is absent for over five (5) working days will be charged overtime hours in the amount of the average overtime worked by their affected group during the absence, except in the following circumstances:
 - a. When an employee is on vacation.
 - b. When an employee is on extended recognized Union business.
 - c. When an employee is on jury duty or is to appear as a subpoenaed witness in a Court of Law in a case to which the employee is not a party either directly or as a member of a class.
 - d. When an employee is required to engage in annual two consecutive weeks of Military Reserve training.
 - e. When an employee is on a temporary salaried assignment of four weeks or less.
 - f. When an employee is absent 30 days or more, the provisions specified for "addition of transferred or recalled employees" will apply.
 - g. When an employee cancels a "No Overtime" request the provision specified for "addition of transferred or recalled employees" will apply.
- (2) The average overtime worked by their affected group during the absence will be calculated and added to the employee's accumulated total prior to the absence.

G. TRAVEL AND FIELD DUTY

All overtime worked while on travel and field duty shall be added to the employee's permanent overtime record.

H. LOANED EMPLOYEES - POSTING AND DISTRIBUTION OF OVERTIME

- (1) Posting - The permanent (home) department overtime record will be posted as notification is received from the borrowing department of overtime hours worked.
- (2) Distribution of Overtime to Employees on Loan - Departments utilizing the services of employees on loan from other departments will use the following basic rules as a guide in the distribution of overtime:
 - a. Employees who have been on loan for less than ten (10) working days will not be considered eligible for overtime. Exceptions to this rule may be made when any of the following conditions exists:
 1. All of the affected employees of the department are required to work overtime.
 2. The borrowed employee possesses special skills necessary to perform the overtime assignment, and none of the affected employees of the department is qualified to perform the work.
 3. Continuity of work operations requires the borrowed employee to follow through on overtime work started during regular working hours. When this condition exists to the point that operational requirements would be

adversely affected, the employee on temporary loan may be assigned to the overtime work.

- b. Employees who have been on loan for ten (10) or more working days will be considered members of the "affected group" in the borrowing department for purposes of equitable distribution of overtime. Such an employee will be given the average of the affected group as of the 10th working day or the first date on which overtime occurs, whichever is first.

I. ADDITION OF NEW OR REHIRED EMPLOYEES

A new/recalled employee is added to the overtime group when employee becomes eligible to work overtime. Calculate the average overtime hours of the Employees in the classification or "work group" on their shift and show the Average on the overtime list.

J. ADDITION OF TRANSFERRED OR RECALLED EMPLOYEES

The average overtime charged to and/or worked by others in the affected group as of the date the employee begins work in the new affected group will be calculated and posted to the overtime record for the transferred or recalled employee.

K. CONSOLIDATION OF TWO OR MORE DEPARTMENTS

- (1) Overtime hours will revert to zero for employees in a classification common to two or more of the consolidated departments.
- (2) Overtime records will be carried over without change for employees in a classification common to only one department.

FOR THE UNION

FOR THE COMPANY

G. Holt
IAM&AW

E. P. Lombardi
Lockheed Martin Space Systems
Company

M. Zercher
IAM&AW, Local 2228

Reference: ARTICLE VI, Section 2 B

Intentionally Blank

PART D
SUPPLEMENT FOR
VANDENBERG
California Central Coast Lodge 2786
(Santa Barbara County plants)

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Part D

SUPPLEMENT FOR VANDENBERG

Section 1. Description of Contract Enforcement Group

- A. The C.E.G. for the plants of the Company now existing or hereafter established or acquired in Santa Barbara County engaged in the manufacture of missiles, spacecraft, aircraft, ocean systems, ground vehicle systems, energy systems, communication systems, weapons and detection systems, information systems, and related products or items necessary to their functions, shall include, and the terms "employee" and "employees" as used in this Part or as used in Part A when applying such Part A to this C.E.G. shall mean only those employed by the Company to work in the classifications listed in Section 2 of this Part and those employed in new classifications established for this C.E.G. under Article VII, Section 1, Subsection C of Part A of this Agreement, excluding there from the following persons:
- (1) Secretarial and office clerical personnel reporting to the office of the Site Manager and personnel in the Human Resources organization except those in the Medical and Safety organizations and in the Fire Emergency personnel, Locksmith and Identification units. This exclusion does not apply to any employee performing a different function or activity within the Company which subsequent to the date of this Agreement is transferred to the Human Resources organization.
- (2) Personnel represented by another collective bargaining representative.
- B. The term "Local Union" as used in this part shall include only California Central Coast Lodge 2786.
- C. If the provisions of this Part conflict with or are additions to provisions contained in Part A of this Agreement, such provisions of this Part shall apply to this C.E.G. and any such conflicting provisions of Part A shall be inapplicable to such Group.

Section 2. Job Classifications and Labor Grades Vandenberg

A. Factory

Code	Classification	Labor Grade
350-9	HVAC Mechanic	17
374-1	Carpenter – Maintenance/Locksmith	17
374-9	Carpenter - Maintenance	16
407-3	Fabrication & Structures Development Mechanic	16
412-9	Electronics Systems Mechanic - Test Base	14
438-3	Plant Services Worker	3
439-3	Precision Cleaner	4
444-3	Locksmith - Industrial	16
450-9	Machinist - General	18

			Labor Grade
1			
2	Code	Classification	
3	463-4	Fleet Mechanic	17
4	467-3	Materials Fabricator – Senior	9
5	482-9	Painter - Maintenance	14
6	484-9	Launch Technician - Mechanic - Test Base	18
7	485-9	Launch Mechanic - Mechanical Systems	13
8	550-1	Cargo Specialist	16
9	550-3	Truck Driver - Heavy	14
10	550-5	Truck Driver	11
11	553-9	Test Base Calibration Technician - Electronics	18
12	555-9	Test Base Measurements Standards Technician	19
13	557-9	Test Base Maintenance Mechanic	16
14	559-9	Electronic & Electrical Systems Technician - Test Base	18
15	563-9	Welder - Test Base	16
16	592-3	Test Base Maintenance Worker	11
17	629-5	Inspector - AGE and Launch Support	15
18	629-9	Inspector - Missile and Systems Test	18
19	649-9	Maintenance Electrician A	18

B. Technical and Office

			Labor Grade
21			
22			
23	Code	Classification	
24	673-5	Clerk - Special Programs	6
25	673-7	Program Industrial Security Coordinator	<u>10</u>
26	674-3	Department Clerk - Typist	5
27	678-5	Document Center Clerk	8
28	686-3	General Clerk - Typist	2
29	702-3	Test Base Material Control and Investigator	11
30	726-3	Long Distance Switchboard Operator	7
31	734-3	Material Records Clerk	7
32	738-3	Material Procurement Clerk - Maintenance	11
33	743-3	Vehicle Delivery Documentation Clerk	10
34	745-3	Operations Support Clerk	7
35	750-3	Copier/Duplicator Operator	5
36	794-1	Office Resource Specialist	10
37	794-3	Secretary	9
38	805-3	Stock Clerk	6
39	846-3	Copy System Equipment Operator	7
40	854-3	Test Base Financial Operations Clerk	11
41	856-3	Property Classification Analyst	11
42	869-3	Electronic Duplicating Systems Operator	9

Part D

Section 3. Labor Grade Structure
(Applicable at Contract Enforcement Group covered by Part D. Also see Article VIII, Section 8, for Guaranteed Personal Rate Table)

(1) The minimums and the maximums of the Factory Labor Grades (Non-GPR) are as follows:

FACTORY RATE RANGES

March 3, 2014

Labor Grade	Minimum	Maximum
19	<u>\$22.52</u>	<u>\$38.93</u>
18	<u>\$21.90</u>	<u>\$37.94</u>
17	<u>\$21.33</u>	<u>\$37.33</u>
16	<u>\$20.76</u>	<u>\$36.81</u>
15	<u>\$20.17</u>	<u>\$36.06</u>
14	<u>\$19.62</u>	<u>\$32.45</u>
13	<u>\$19.04</u>	<u>\$31.32</u>
12	<u>\$18.49</u>	<u>\$30.14</u>
11	<u>\$17.89</u>	<u>\$29.02</u>
10	<u>\$17.31</u>	<u>\$27.80</u>
9	<u>\$16.74</u>	<u>\$27.09</u>
8	<u>\$16.10</u>	<u>\$26.36</u>
7	<u>\$15.55</u>	<u>\$25.71</u>
6	<u>\$14.90</u>	<u>\$24.98</u>
5	<u>\$14.62</u>	<u>\$24.29</u>
4	<u>\$13.18</u>	<u>\$23.92</u>
3	<u>\$12.83</u>	<u>\$22.95</u>
2	<u>\$12.35</u>	<u>\$21.99</u>
1	<u>\$11.87</u>	<u>\$21.03</u>
00	<u>\$20.34</u>	<u>\$32.84</u>

- (2) The minimums and the maximums of the Technical and Office Rate Ranges are as follows:

TECHNICAL & OFFICE RATE RANGES

March 3, 2014

Labor Grade	Minimum	Maximum
20	<u>\$21.70</u>	<u>\$39.03</u>
19	<u>\$21.19</u>	<u>\$38.67</u>
18	<u>\$20.69</u>	<u>\$38.17</u>
17	<u>\$20.14</u>	<u>\$37.14</u>
16	<u>\$19.64</u>	<u>\$34.54</u>
15	<u>\$19.13</u>	<u>\$33.98</u>
14	<u>\$18.61</u>	<u>\$29.34</u>
13	<u>\$18.11</u>	<u>\$28.27</u>
12	<u>\$17.60</u>	<u>\$27.17</u>
11	<u>\$16.79</u>	<u>\$26.06</u>
10	<u>\$16.29</u>	<u>\$24.98</u>
9	<u>\$15.92</u>	<u>\$24.35</u>
8	<u>\$15.26</u>	<u>\$23.69</u>
7	<u>\$14.84</u>	<u>\$23.01</u>
6	<u>\$14.41</u>	<u>\$22.37</u>
5	<u>\$14.05</u>	<u>\$21.74</u>
4	<u>\$13.88</u>	<u>\$21.07</u>
3	<u>\$12.70</u>	<u>\$20.44</u>
2	<u>\$12.35</u>	<u>\$19.76</u>
1	<u>\$11.87</u>	<u>\$19.15</u>

Section 4. Coded Letters for C.E.G. D

Coded Letter D-1

March 3, 2014

Subject: TEMPORARY LOAN & SHIFT TRANSFERS AND ODD SHIFTS & WORKWEEK

Temporary loaning of employee and shift transfers will be made on the basis of operational requirements of the Company.

Temporary Shift Transfers

1. The Company will first offer temporary shift transfers, in order of seniority, to qualified employees within the appropriate classification in the organization in which the temporary requirements exist. (Placement Requests are not considered in selection.)
2. If an insufficient number of employees accept the temporary transfer as provided in Paragraph 1 above, the Company may then transfer the required number of qualified employees in inverse order of seniority from the appropriate classification and from within the organization where the temporary vacancy exists.
3. Should an insufficient number of qualified employees be available from within the organization wherein the vacancy exists, the Company may then temporarily transfer employees from other organizations in the same order of sequence as provided in Paragraph 1 and 2 above.

Temporary Loan

1. When an employee is loaned for more than a one day assignment, such as to fulfill a work cycle, the employee shall be considered a member of the organization after two (2) calendar days for purposes of shift assignment.
2. When operations necessitate the transferring of employees, the Company will first offer temporary organization transfers to qualified employees in the appropriate classifications from within the loaning organization in order of seniority.
3. If an insufficient number of employees accept the temporary transfer as provided for in Paragraph 2 above, the Company may then temporarily transfer the required number of qualified employees in inverse order of seniority.

4. Employees affected by the conditions set forth in Paragraph 1 and 2 above, will be given a written notice of the temporary transfer provided the assignment is for more than one work shift. A copy of the notice will be furnished to the Base Steward.

Odd Workweek/Shift

Should the need for an odd workweek or an odd shift occur within a department, the department manager and the senior steward will meet and reach an understanding. Should the need for an odd workweek/shift occur which involves multiple departments, a representative of the Company and the chairperson of the Union Labor Relations Committee or his/her designee will meet and reach an understanding.

It is mutually agreed that time is of the essence in reaching an understanding and the Union will not unreasonably deny such requests. The Company will make every effort to notify the Union of the need for the odd workweek/shift as soon as possible and the Union will respond as soon as possible.

FOR THE UNION

D. Johnson
IAM&AW
Local Lodge 2786

G. Holt
IAM&AW, District Lodge 725

FOR THE COMPANY

E. P. Lombardi
Lockheed Martin, Space Systems
Company

Q. Lacaille
Lockheed Martin IS&GS

Reference: ARTICLE IV, Section 5 B
ARTICLE VI, Section 3 B and C

March 3, 2014

Subject: PROCESSING OF GRIEVANCES - STEPS 2 and 3

The parties mutually agree to process grievances in Steps 2 and 3 of the Grievance Procedure as noted in Article III, Section 2, with the exception of the following. .

Step 2. The grievance shall be delivered by the Senior Steward with a Facts and Issues sheet signed by the Senior Steward and cognizant Department Head to the Human Resources Office of the Company. After investigation, a representative of the Company and the Base Steward shall meet and use their best effort to reach a settlement according to the provisions of Article III, Section 2.

Step 3. Union representation on this Committee shall consist of three (3) employees and an official representative of the IAM&AW, or an authorized credentialed representative. Company representatives will be at the discretion of the Human Resources Office.

FOR THE UNION

D. Johnson
IAM&AW
Local Lodge 2786

G. Holt
IAM&AW, District Lodge 725

Reference: ARTICLE III, Section 2

FOR THE COMPANY

E. P. Lombardi
Lockheed Martin, Space Systems
Company

Q. Lacaille
Lockheed Martin IS&GS

Coded Letter D-3

March **3, 2014** |**Subject: OVERTIME DISTRIBUTION AND RECORD KEEPING**

This agreement between the Company and the California Central Coast Lodge 2786 of the International Association of Machinists and Aerospace Workers is entered into following a review of local overtime practices, understanding and agreements. The purpose of this agreement is to standardize overtime procedures for the benefit of both parties. Nothing herein is intended or understood as a deterrent to Management or the Local Union on any other matter other than the establishment of a standardized overtime agreement of all local organizations. The agreement supersedes all prior local practices, and agreements or parts thereof, whether written or oral, and is not in any way intended to give or gain an advantageous overtime position to any employees.

A. GENERAL

In order to assure equitable distribution of overtime among employees, uniform records shall be maintained within each organization/department. Overtime lists shall normally be by employee classification or "work group", by shift and organization/department. (Work group as used herein means several related classifications of employees working together as a work unit.)

B. POSTING PROCEDURE

(1) Enter employee's name by shift, by classification or "work group", cumulative overtime balance brought forward, number of overtime hours worked each day, number of hours charged at the appropriate rate if overtime is refused, and any absence code if the employee is not at work. Overtime records will be maintained to reflect the equivalent of straight time hours.

(2) No charge or entry will be made to the overtime record if overtime is refused because:

- a. The overtime assignment is on an agreed upon holiday.
- b. The employee is on Union business and the Company has been properly notified.
- c. The employee is on jury duty during the day when the overtime is to be worked or is to appear as a subpoenaed witness in a Court of Law in a case to which the employee is not a party either directly or as a member of a class.
- d. Overtime is on the 6th or 7th day immediately preceding or following employee's vacation.

Part D

e. Overtime work anticipated is subsequently canceled.

f. On the day an employee is called for temporary military duty.

An employee who refused overtime for any reason not listed above will be charged an amount equivalent to the time worked had the employee accepted.

(3) An employee who is absent for over five (5) working days will be charged overtime hours in the amount of the average overtime worked by their work group during the absence, except in the following listed circumstances: (Note: No entry is made to the employee's O.T. Record when there is an absence of five (5) working days or less.)

a. When an employee is on vacation.

b. When an employee is on extended recognized Union business.

c. When an employee is on jury duty or is to appear as a subpoenaed witness in a Court of Law in a case to which employee is not a party either directly or as a member of a class.

d. When an employee is required to engage in annual two (2) consecutive weeks of Military Reserve training.

e. Employees may be returned to regular duty after medical restrictions are removed that prevented any overtime being worked. The amount of O.T. worked divided by the number of eligible employees in the work group, from the date the restrictions were imposed to the date the restrictions were removed, shall be added to the employees O.T. Record. This would not apply to an employee who was injured on the job and is the subject of a Worker's Compensation case. This employee would retain the overtime hours accumulated immediately prior to the injury.

(4) A new/recalled employee is added to the overtime group when employee becomes eligible to work overtime. Calculate the average overtime hours of the employees in the classification or "work group" on their shift and show the average by inserting a red circled figure on the overtime list.

(5) When an employee is transferred from one "work group" to another (other than temporary) use the following formula to determine employees new overtime average:

EMPLOYEE'S PRESENT OVERTIME TOTAL
PRESENT WORK GROUP AVERAGE

EQUALS (=)

EMPLOYEE'S NEW AVERAGE
NEW WORK GROUP AVERAGE

EXAMPLE:

An employee with sixty (60) hours charged overtime is transferred from Organization A to B. The average in A's overtime group is seventy-five (75) and the average in the B overtime group is sixty (60). The employee's new overtime charge in Organization B is as shown:

60		EMPLOYEE'S NEW AVERAGE
—	=	_____
75		60
60		48
—	=	—
75		60

However, in no case is a transferred employee's new average to be greater than that of the highest employee in the new group, or below that of the lowest in the new "work group". If such be the case, the employee will be assigned either the highest or the lowest figure in the new group. The new average is to be indicated by a circled red figure on the overtime list.

- (6) Employees (including leads) who are temporarily loaned from one "work group" to another, for more than a one (1) day assignment, will assume the average overtime hours (after two (2) calendar days) of the "work group" to which they are reporting. When the employee returns to the permanent "work group" any overtime worked or refused will be posted to the employees' permanent overtime record. Employees temporarily transferred or promoted to a position outside the CEG will be charged with the overtime hours worked by the employee or the average of the employee's group while the employee was absent, whichever is greater.

Part D

(7) An employee who does not want to be offered overtime should submit a signed written notice to that effect. The written notice will be placed in the organization/department personnel folder. The overtime record will show: "employee declines overtime. See written notice dated (date)." The employee must understand they are still subject to work if operational requirements so dictate. Should the written notice be rescinded at a later date, the employee shall be reaveraged into the operational unit as a new employee, thirty (30) calendar days after receipt of the dated written notice (employee will not be eligible to work overtime until reaveraged in the work group), but in no case will the employee's relative position in the operational unit be improved.

(8) A mutually agreed upon written notification form will be provided to each employee within five (5) calendar days of the time an employee is loaned from one organization/department to another organization/department.

(9) Employees will carry their accumulated overtime with them when transferred and/or re-transferred to other shifts within their organization/department and classification.

(10) Effective the date of the Agreement the employee with the lowest accumulated overtime balance in an overtime group will revert to a zero balance, and all employees' overtime balance in the group will be reduced by the same number of hours, and annually on the anniversary date of the Agreement.

C. SCHEDULING

(1) In accordance with Article VI, Section 2 of the Agreement, overtime will be divided as equally as practicable among affected employees. The Company will normally offer the first available overtime to the employee with the lowest accumulated overtime hours in the affected group, including holiday overtime.

Exceptions to this general rule include such things as: Not qualified to perform the work assignment, bonafide safety and medical limitations, access considerations.

It is herein agreed that holiday overtime scheduling will be handled in the same manner as pre-shift, post-shift, or weekend overtime.

(2) Employees will be notified of overtime work schedules as soon as reasonably possible.

- 1 (3) Nothing herein is meant to prevent an employee from being scheduled or working
2 consecutive normal assigned work shifts such as the sixth and seventh work day,
3 or working in excess of twenty (20) hours in a given week.
4
- 5 (4) For Call-in and Call-off purposes, a list of all employees scheduled for overtime
6 will be passed from shift to shift and designation made as to high O.T. employee,
7 next high employee, etc. In cases where O.T. is to be canceled the Company will
8 refer to this list and attempt to cancel starting from the highest overtime employee.
9
- 10 (5) An employee who volunteers for a temporary shift or loan assignment will not be
11 considered if the employee's accumulated overtime is fifty (50) hours greater than
12 other employees in the employee's working group who have volunteered for the
13 assignment.
14
- 15 (6) When employees are assigned to pre-shift overtime in areas other than their normal
16 work area, they will report directly to the overtime area. Sufficient travel time will
17 be allowed for the employee to report to the employee's normal work area. In the
18 case of post-shift overtime in an area other than the employee's normal work area
19 sufficient travel time will be allowed for employees to report to the overtime
20 assignment. In neither case will the employee be reimbursed for travel expense or
21 be furnished Company transportation.
22
- 23 (7) If an insufficient number of employees in the affected group are available for in-
24 week, weekend, or holiday overtime (i.e., all employees in the "work group" have
25 been asked to work and where necessary directed to work by lowest accumulated
26 overtime hours), supervision will normally, as determined by operational
27 requirements, attempt to locate employees in the following order:
28
- 29 a. Same classification or "work group", same organization/department, different
30 shift.
 - 31
 - 32 b. Same classification or "work group", same shift, different organization/
33 department, if employees are qualified to do the work.
 - 34
 - 35 c. Other classifications, same shift, same organization/ department, if employees
36 are qualified to do the work.
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Part D

1 All additional agreements and/or understandings concerning overtime distribution or any
2 other factors affecting equal distribution of overtime shall be handled by a letter of
3 understanding agreed to by the Local Negotiating Committee and Human Resources.
4

5
6 FOR THE UNION

7
8 D. Johnson

9 IAM&AW

10 Local Lodge 2786

11
12 G. Holt

13 IAM&AW, District Lodge 725

14 Reference: ARTICLE VI, Section 2 B
15

FOR THE COMPANY

E. P. Lombardi

Lockheed Martin, Space Systems
Company

Q. Lacaille

Lockheed Martin IS&GS

Coded Letter D-13

March **3, 2014** |**Subject: PROMOTION TO HIGHER-RATED JOBS**

In accordance with the understanding reached during Company-Union negotiations, it is mutually agreed that in promotions to higher-rated jobs, consideration will be given to all valid Placement Requests.

The parties further agree consideration will be given to Placement Requests received in Human Resources within three (3) full working days after job is posted.

FOR THE UNION

D. Johnson
IAM&AW
Local Lodge 2786

G. Holt
IAM&AW, District Lodge 725

Reference: ARTICLE IV, Section 4 B

FOR THE COMPANY

E. P. Lombardi
Lockheed Martin, Space Systems
Company

Q. Lacaille
Lockheed Martin IS&GS

March 3, 2014

**Subject: UNION STEWARD COVERAGE DURING TEMPORARY FIELD
 SERVICE ASSIGNMENT**

The Company agrees that whenever employees are assigned to temporary field service and there is no Union Steward among the employees selected, the Union may appoint a steward from among those employees.

Further, the Company agrees when employees are assigned to field duty assignments where there is no Union representation that the Company will notify the Base Steward prior to departure, when time permits. The Base Steward or Senior Steward in the department may appoint a steward from among those employees.

During the temporary assignment, the steward will be expected to assist in the resolution of complaints and grievances that occur. In instances where complaints and grievances have not been resolved, the time limits will be waived until such temporary assignment has concluded and the employees have returned to their home base. The normal grievance procedure outlined in the Company-Union Agreement will then be followed.

FOR THE UNION

FOR THE COMPANY

D. Johnson
IAM&AW
Local Lodge 2786

E. P. Lombardi
Lockheed Martin, Space Systems
Company

G. Holt
IAM&AW, District Lodge 725

Q. Lacaille
Lockheed Martin IS&GS

Reference: ARTICLE II, Section 1
 ARTICLE III, Section 2
 ARTICLE VI, Section 10

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PART E

SUPPLEMENT FOR

EASTERN RANGE

Missile and Electronic District Lodge 166

and

affiliated Florida Missiles Systems Local Lodge 610

(Brevard County, Florida plants)

PART E

SUPPLEMENT FOR EASTERN RANGE

Section 1. Description of Contract Enforcement Group

- A. The C.E.G. for the facilities of the Company now existing or hereafter established or acquired by the Company in Brevard County, Florida engaged in the manufacture of missiles, spacecraft, aircraft, ocean systems, ground vehicle systems, energy systems, communication systems, weapons and detection systems, information systems, and related products or items necessary to their functions, shall include, and the terms "employee" and "employees" as used in this Part or as used in Part A when applying such Part A to this C.E.G. shall mean only those employed by the Company to work in classifications listed in Section 2 of this Part and those employed in new classifications established for this C.E.G. under Article VII, Section 1, Subsection C of Part A of this Agreement, excluding there from the following persons:
- (1) Personnel in the Human Resources organization and personnel performing secretarial and clerical duties and reporting directly to the Resident Director. This exclusion does not apply to any employee performing a different function or activity within the Company which subsequent to the date of this Agreement is transferred to the Human Resources organization.
- (2) Personnel represented by another collective bargaining representative.
- B. The term "Local Union" as used in this Part shall include only Missile and Electronic District Lodge 166 and affiliated Florida Missiles Systems Local Lodge 610.
- C. If the provisions of this Part conflict with or are additions to provisions contained in Part A of this Agreement, such provisions of this Part shall apply to this C.E.G. and any such conflicting provisions of Part A shall be inapplicable to such Group.

Section 2. Job Classifications and Labor Grades

A. Factory

			Labor Grade
	Code	Classification	
	350-3	HVAC Mechanic	17
	355-5	Missile Mechanic - Senior	16
	355-9	Missile Mechanic	13
	376-5	Test Base Passenger Vehicle Operator	7
	407-3	DASO Mechanic - Senior	16
	407-5	DASO Mechanic	13
	450-9	Machinist - General	18
	463-3	Fleet Mechanic	17
	475-9	Missile Crane Operator	16
	532-9	Missile/Test - Fluid Systems	16
	548-9	Launch Technician - Mechanical - Test Base	18
	552-9	Calibration Technician - Mechanical	18
	553-9	Calibration Technician - Electronics	18
	557-5	Maintenance Mechanic - Senior	16
	557-9	Maintenance Mechanic	13
	563-9	Welder	16
	571-3	Computer Repair Services Technician	19
	571-7	Computer Repair Services Technician - Trainee	16
	580-3	Engineering and Operations Support Technician - Senior	18
	580-5	Engineering and Operations Support Technician	16
	580-7	Engineering and Operations Support Technician - Associate	13
	584-9	Missile and Spacecraft Systems Technician - Senior - Test Base	18
	590-5	Proof Test Mechanic	16
	597-3	Sheet Metal Mechanic - Test Base	16
	602-9	Inspector Mechanical	16
	625-9	Inspector - Shipping and Receiving	15
	629-3	Inspector - Missiles & Systems - Senior	18
	629-5	Inspector - Missile & Systems Test	16
	629-7	Inspector - Missile & Systems - Associate	13
	630-1	Inspector - Non-Destructive Evaluation (NDE) - Specialist	19
	634-7	Ordnance Technician - Associate	13
	634-9	Ordnance Technician	17
	635-3	Launch Technician - Mechanical and Propellants	16

Part E

1	B. Technical and Office		
2			Labor
3	Code	Classification	Grade
4	666-5	Engineering Clerk - Test Base	7
5	674-3	Department Clerk - Typist	5
6	686-3	General Clerk - Typist	2
7	702-3	Test Base Material Control and Investigator	11
8	702-5	Test Base Material Control Clerk	7
9	706-5	Technical Documentation Controller - Specialist	11
10	706-7	Technical Documentation Controller - Senior	9
11	706-9	Technical Documentation Controller - Clerk	6
12	719-3	Invoice Processing Clerk	6
13	725-3	Test Base Office Assistant	8
14	742-3	Material Clerk	8
15	752-3	Motor Vehicle Dispatcher	9
16	753-3	Lithographic Printer	11
17	756-3	Lithographic Press Operator	9
18	778-3	Property Control Clerk II	11
19	782-3	Purchasing Follow-up Clerk	11
20	789-3	Secretary	9
21	848-3	Office Service Clerk	7
22	854-3	Test Base Financial Operations Clerk	11
23	857-3	Identification Clerk	7
24	879-3	Central U.S. Mail Clerk	7

Section 3. Labor Grade Structure
(Applicable at Contract Enforcement Group covered by Part E. Also see Article VIII, Section 8, for Guaranteed Personal Rate Table)

- (1) The minimums and the maximums of the Factory Labor Grades (Non-GPR) are as follows:

FACTORY RATE RANGES

March 3, 2014

Labor Grade	Minimum	Maximum
19	<u>\$22.52</u>	<u>\$38.93</u>
18	<u>\$21.90</u>	<u>\$37.94</u>
17	<u>\$21.33</u>	<u>\$37.33</u>
16	<u>\$20.76</u>	<u>\$36.81</u>
15	<u>\$20.17</u>	<u>\$36.06</u>
14	<u>\$19.62</u>	<u>\$32.45</u>
13	<u>\$19.04</u>	<u>\$31.32</u>
12	<u>\$18.49</u>	<u>\$30.14</u>
11	<u>\$17.89</u>	<u>\$29.02</u>
10	<u>\$17.31</u>	<u>\$27.80</u>
9	<u>\$16.74</u>	<u>\$27.09</u>
8	<u>\$16.10</u>	<u>\$26.36</u>
7	<u>\$15.55</u>	<u>\$25.71</u>
6	<u>\$14.90</u>	<u>\$24.98</u>
5	<u>\$14.62</u>	<u>\$24.29</u>
4	<u>\$13.18</u>	<u>\$23.92</u>
3	<u>\$12.83</u>	<u>\$22.95</u>
2	<u>\$12.35</u>	<u>\$21.99</u>
1	<u>\$11.87</u>	<u>\$21.03</u>
00	<u>\$20.34</u>	<u>\$32.84</u>

Part E

(2) The minimums and the maximums of the Technical and Office Rate Ranges are as follows:

TECHNICAL & OFFICE RATE RANGES

March 3, 2014

Labor Grade	Minimum	Maximum
20	<u>\$21.70</u>	<u>\$39.03</u>
19	<u>\$21.19</u>	<u>\$38.67</u>
18	<u>\$20.69</u>	<u>\$38.17</u>
17	<u>\$20.14</u>	<u>\$37.14</u>
16	<u>\$19.64</u>	<u>\$34.54</u>
15	<u>\$19.13</u>	<u>\$33.98</u>
14	<u>\$18.61</u>	<u>\$29.34</u>
13	<u>\$18.11</u>	<u>\$28.27</u>
12	<u>\$17.60</u>	<u>\$27.17</u>
11	<u>\$16.79</u>	<u>\$26.06</u>
10	<u>\$16.29</u>	<u>\$24.98</u>
9	<u>\$15.92</u>	<u>\$24.35</u>
8	<u>\$15.26</u>	<u>\$23.69</u>
7	<u>\$14.84</u>	<u>\$23.01</u>
6	<u>\$14.41</u>	<u>\$22.37</u>
5	<u>\$14.05</u>	<u>\$21.74</u>
4	<u>\$13.88</u>	<u>\$21.07</u>
3	<u>\$12.70</u>	<u>\$20.44</u>
2	<u>\$12.35</u>	<u>\$19.76</u>
1	<u>\$11.87</u>	<u>\$19.15</u>

Section 4. Coded Letters for C.E.G. E**Coded Letter E-1****March 3, 2014** |

**Subject: UNION STEWARD COVERAGE DURING TEMPORARY FIELD
SERVICE ASSIGNMENT**

The Company agrees that whenever employees are assigned to temporary field service and there is no Union Steward among the employees selected, the Union may appoint a steward from among those employees.

Further, the Company agrees when employees are assigned to field duty assignments the Company will notify the Union prior to departure, when time permits. The Union may appoint a steward from among those employees.

During the temporary assignment, the steward will be expected to assist in the resolution of complaints and grievances that occur. In instances where complaints and grievances have not been resolved, the time limits will be waived until such temporary assignment has concluded and the employees have returned to their home base. The normal grievance procedure outlined in the Company-Union Agreement will then be followed.

FOR THE UNION

FOR THE COMPANY

A. Thompson
Local Lodge 610, IAM&AW

D. L. Chickonski
Lockheed Martin Space Systems
Company

G. Holt
IAM&AW, District Lodge 725

E. P. Lombardi
Lockheed Martin Space Systems
Company

Reference: ARTICLE II, Section 1
ARTICLE III, Sections 1 and 3A
ARTICLE VI, Section 10

March 3, 2014

**Subject: PROCESSING OF GRIEVANCES - STEPS 2 THROUGH
 ARBITRATION**

During the recent contract negotiations the parties mutually agreed to process grievances in Steps 2, 3 and 4, of the Grievance Procedure as noted in Article III, Section 2, with the exception of the following:

Step 2. The grievance shall be delivered by the Base Steward to the Human Resources Office of the Company. After investigation by that office, the Human Resources Representative and the Base Steward shall meet and use their best efforts to reach a settlement according to the provisions of Article III, Section 2.

Step 3. Union representation on this Committee shall consist of three (3) employees of the C.E.G., the Business Representative or an authorized representative and, if available, another IAM&AW or Local Union official.

Step 4. The parties, by mutual agreement, shall select an arbitrator. If the parties fail to agree upon an arbitrator they may request the Federal Mediation and Conciliation Service to submit a list of seven persons from which the arbitrator shall be chosen. Company and Union representatives shall alternately strike one name from such list (the right to strike the first name having been determined by lot) until only one name remains and that person shall be the arbitrator.

FOR THE UNION

A. Thompson
Local Lodge 610, IAM&AW

G. Holt
IAM&AW, District Lodge 725

Reference: ARTICLE III, Section 2

FOR THE COMPANY

D. L. Chickonski
Lockheed Martin Space Systems
Company

E. P. Lombardi
Lockheed Martin Space Systems
Company

Coded Letter E-3

March 3, 2014 |**Subject: LAYOFFS**

This is to confirm the understanding reached during negotiations of the company-union agreement wherein it was mutually agreed that in the application of the layoff procedure, employees at C.E.G. E would have actual hire date in place of the first of the month in which hired, for the purpose of layoff and displacement.

FOR THE UNION

A. Thompson
Local Lodge 610, IAM&AW

G. Holt
IAM&AW, District Lodge 725

Reference: ARTICLE IV, Section 6

FOR THE COMPANY

D. L. Chickonski
Lockheed Martin Space Systems
Company

E. P. Lombardi
Lockheed Martin Space Systems
Company

March 3, 2014

Subject: EMPLOYEE BADGES

The parties mutually agree that employees represented by the Union in C.E.G. E will not be required to wear Company identification badges. This Letter of Understanding may be terminated by Human Resources or the President of Local Lodge 610 upon thirty (30) days written notice.

FOR THE UNION

FOR THE COMPANY

A. Thompson
Local Lodge 610, IAM&AW

D. L. Chickonski
Lockheed Martin Space Systems
Company

G. Holt
IAM&AW, District Lodge 725

E. P. Lombardi
Lockheed Martin Space Systems
Company

Reference: ARTICLE I, Section 13

Coded Letter E-6

March **3, 2014** |

Subject: PROMOTION TO HIGHER-RATED JOBS ARTICLE IV, SECTION 4B OF THE COMPANY-UNION AGREEMENT

In accordance with the understanding reached during Company-Union negotiations, it is mutually agreed that in promotions to higher-rated jobs, consideration will be given to all employees in C.E.G. E who request such consideration in writing.

FOR THE UNION

A. Thompson
Local Lodge 610, IAM&AW

G. Holt
IAM&AW, District Lodge 725

FOR THE COMPANY

D. L. Chickonski
Lockheed Martin Space Systems
Company

E. P. Lombardi
Lockheed Martin Space Systems
Company

March 3, 2014

Subject: OVERTIME DISTRIBUTION AND RECORD KEEPING

This agreement between LMSSC and Local Lodge 610 of the International Association of Machinists & Aerospace Workers supersedes all previous written and oral agreements, prior local practices.

GENERAL

- A. Overtime will be distributed by classification, by operational unit, by shift. An operational unit is defined as: Those employees on a shift who report to the same supervisor or designated coordinator. In some areas, a supervisor or coordinator may have more than one operational unit as depicted by the department or organization chart. In this case, overtime will be distributed by each operational unit reporting to the supervisor or coordinator.
- B. In some areas overtime will be distributed by "work group". Work group, as used herein, means several classifications of employees working together as a temporary work unit. Overtime will be distributed by classification, by shift within the work group.
- C. In the event that an insufficient number of employees accept an overtime assignment, the Company may direct the employee low on the overtime list within the classification, operational unit and shift to fulfill the overtime requirement. In the event that an insufficient number of employees accept the overtime assignment within the operational unit, the Company may ask within the needed classification from other operational units. When determining which employees are to be selected for overtime, the employee who is lowest in overtime hours within the classification needed will be selected. Should two (2) or more employees have the same number of hours, the most senior employee will be selected. If no employees outside the original operational unit accept the overtime, then the employee who is lowest on the overtime list in the original group will be required to work the overtime.

OVERTIME RECORDS

- A. Accurate information will be maintained on the overtime record (Form LMSC 837-3 or equivalent) within each operational unit in order to assure equitable distribution of overtime among employees. The overtime record will be openly posted within each operational unit and shall be retained for two (2) years on a continuing basis.
- B. Employees' names (by classification) within the same operational unit will be entered on the overtime record, and cumulative overtime balances will be brought forward from any previous overtime record. Overtime will be recorded daily to show overtime hours worked or refused on the appropriate calendar day. A cumulative total will be made at the end of each day.
- C. Overtime records will be maintained to reflect the equivalent of straight time. Fractional hours will be rounded off to the nearest tenth of an hour, e.g. $3.3 \times 1.5 = 4.95$, 5.0 hours will be recorded.
- D. Overtime offered but refused will be recorded to show the number of hours the employees would have worked, had it been accepted, by an "O" to denote "offered".
- E. Reduction of hours may be made by subtracting a common factor. For example, in an affected group where all employees have more than 100 accumulated hours, all may be reduced by 100, resulting in no relative change within the group. When a reduction takes place it must be coordinated with all operational units to be done concurrently and in the same manner

SCHEDULING

- A. Affected employees will be notified of overtime work schedules as soon as reasonably possible. An employee absent from work normally will not be scheduled for overtime until returning to work after the absence. Normally, if an employee accepts weekend overtime and is absent on Friday, the overtime offered to that employee will be canceled unless the Friday is a normally scheduled off-Friday, an approved one day vacation, personal leave or union call-out. Similarly, if an employee is asked to work overtime two days hence but is absent the day before the scheduled overtime, the overtime offered to that employee will be canceled. If overtime offered is canceled, the employee will be notified when reporting their absence to supervision.
- B. The Company normally will offer the first available overtime to the employees with the lowest accumulated overtime hours in the affected group who is qualified to perform the work involved. Exceptions to this rule will include: job continuity, which requires the employee to follow through on overtime work started during normal

Part E

1 working hours. When this condition exists to the point that operational requirements
2 would be affected, the employee may continue the overtime work. Other exceptions
3 include: qualifications, access considerations and medical limitations.
4

5 When due to specific job skills or job continuity requirements an employee's
6 accumulated overtime is substantially higher than that of the next person in the
7 affected group, and it appears that the overtime difference will continue to grow, the
8 department will initiate appropriate cross training for interested employees who are
9 qualified to be cross trained. The cross trained employee with the lowest accumulated
10 overtime will be rotated into the job being performed by the high overtime employee.
11

12 Refusal of cross training will be documented.

13 C. An employee who refuses overtime will be charged for those hours offered unless the
14 employee who worked was sent home early at company request, in which case the
15 actual hours worked will be charged.
16

17 D. No charge will be made to the overtime record if overtime is refused because:
18

- 19 1. The overtime assignment is on an agreed upon holiday.
- 20
- 21 2. The employee is on union business and the company has been properly notified.
- 22
- 23 3. The employee is on jury duty during the day when the overtime is to be worked or
24 is to appear as a subpoenaed witness in a court of law in a case to which the
25 employee is not a party either directly or as a member of a class.
- 26
- 27 4. Overtime is on the 6th or 7th day immediately preceding or following the
28 employee's vacation of at least one week.
- 29
- 30 5. Overtime work anticipated is subsequently canceled.
- 31
- 32 6. The employee is called for temporary military duty.
- 33
- 34 7. When an employee has a medical or dental appointment prior to the time the
35 overtime is offered (Doctor's verification required).
- 36
- 37 8. All employees outside of the requesting operational unit refuse the overtime and
38 the Company returns to the original operational unit.
39

40 E. Employees who do not want to work overtime or do not want to change job
41 assignment or location necessary for more equitable distribution of overtime, shall
42 indicate those preferences in writing. Such written notice will remain active for a

1 minimum of 90 calendar days. Subsequently, if a name is removed and such
2 employee is added back to the list such activation shall be for a minimum of 90
3 calendar days. Once an employee has removed his name from the overtime list he is
4 not eligible for overtime unless all eligible employees in same classification are
5 working and additional employees are needed.
6

- 7 F. Drivers required to drive the vehicle to transport missiles and/or missile motors shall
8 be qualified and licensed operators. When employees are assigned as "shotgun" riders
9 for missile and missile motor transport, they will be assigned from the above
10 supervisory group. Should the "shotgun" rider be required to perform duties calling for
11 specific skills in addition to the "shotgun" duties, the assignment shall be per the
12 affected classification. In all overtime assignments, "scheduling" provisions of this
13 agreement shall apply.
14

15 OVERTIME CHARGES - WHEN ALL OR PART OF OVERTIME SHIFT OFFERED
16 IS NOT WORKED.
17

- 18 A. When all or part of the overtime shift offered is not worked due to cancellation by
19 management, employees will be charged only hours worked. Employees who initially
20 declined overtime will be charged for hours worked. The charge will be deleted if
21 overtime is canceled before the end of the shift in which the overtime is offered.
22

23 B. Tardies
24

25 An employee who is tardy in reporting to an overtime assignment will be charged the
26 full amount of time scheduled to be worked.
27

28 C. Short times
29

30 An employee who short times when work still is available, will be charged for the
31 time scheduled to be worked.
32

33 D. Absences
34

35 An employee who has agreed to work overtime but fails to report for work without a
36 legitimate excuse will be charged for double the time scheduled to be worked.
37

- 38 E. Employees who accept overtime and then do not report as scheduled for the accepted
39 overtime may be subject to disciplinary action in addition to the appropriate overtime
40 charges.
41
42

Part E

1 ABSENCE FROM AFFECTED GROUP MORE THAN 5 WORKING DAYS

2 A. An employee who is absent for over five (5) working days will be charged overtime
3 hours in the amount of the average overtime worked by their affected group during the
4 absence, except in the following circumstances:

- 5
6 1. When an employee is on vacation.
- 7
8 2. When an employee is on extended recognized union business.
- 9
10 3. When an employee is on jury duty or is to appear as a subpoenaed witness in a
11 court of law in a case to which the employee is not a party either directly or as a
12 member of a class.
- 13
14 4. When an employee is required to engage in annual two consecutive weeks of
15 military training.
- 16
17 5. When an employee is absent 30 days or more, the provisions specified for
18 "addition of transferred or recalled employees" will apply.
- 19

20 B. An employee identified in A who is not exempt in 1 through 5 above will be averaged
21 back into their group as follows: the average overtime worked by their affected group
22 during the absence will be calculated and added to the employee's accumulated total
23 prior to the absence.

24 TRAVEL AND FIELD DUTY

25
26
27 All overtime worked while on travel and field duty shall be added to the employee's
28 permanent overtime record.

29 LOANED EMPLOYEES - POSTING AND DISTRIBUTION OF OVERTIME.

30
31
32 A. Posting - the permanent (home) operational unit overtime record will be posted as
33 notification is received from the borrowing operational unit of overtime hours worked.

34
35 B. Distribution of overtime to employees on loan - operational unit utilizing the services
36 of employees on loan from other operational units will use the following basic rules as
37 a guide in the distribution of overtime:

- 38
39 1. Employees who have been on loan for less than ten (10) working days will not be
40 considered eligible for overtime. Exceptions to this rule may be made when any of
41 the following conditions exists:
42

(a) all of the affected employees of the department are requested to work overtime.

(b) the borrowed employee possesses special skills necessary to perform the overtime assignment, and none of the affected employees of the department is qualified to perform the work.

(c) continuity of work operations requires the borrowed employee to follow through on overtime work started during regular working hours. When this condition exists to the point that operational requirements would be adversely affected, the employee on temporary loan may be assigned to the overtime work.

2. Employees who have been on loan for ten (10) or more working days will be considered members of the "affected group" in the borrowing department for purposes of equitable distribution of overtime. Such an employee will be given the average of the affected group as of the 10th working day or the first date on which overtime occurs, whichever is first.

ADDITION OF NEW OR REHIRED EMPLOYEES

The average overtime hours of 50% of the employees in the affected group who have worked the highest number of overtime hours as of the date the new or rehired employee begins to work overtime or at the end of the probationary period whichever occurs first will be calculated and posted to the overtime record for the new or rehired employee.

Example: if there are 10 names in the affected group, add the overtime of the 5 highest and divide by 5.

ADDITION OF TRANSFERRED OR RECALLED EMPLOYEES

The average overtime charged to and/or worked by others in the affected group as of the date the employee begins work in the new affected group will be calculated and posted to the overtime record for the transferred or recalled employee.

CONSOLIDATION OF TWO OR MORE OPERATIONAL UNITS

- A. Combination of two or more operational units will be agreed upon by the Company and the Union.
- B. Overtime records will be carried over without change for employees in a classification common to only one operational unit.

Part E

REMOVAL FROM OVERTIME RECORD

A. An employee who does not want to be offered overtime should submit a written request to that effect. The written request will be placed in the organization personnel folder. The overtime record will show: "Employee declines overtime. See written request dated (DATE)." The employees must understand they are still subject to work if operational requirements so dictate.

B. When an employee cancels a "no overtime" request the average overtime worked by their affected group during the no overtime request will be calculated and added to the employee's accumulated total at the time the request was submitted, but, in no case, will the employee's relative position in the operational unit be improved.

C. All additional agreements and/or understandings concerning overtime distribution shall be handled by a letter of agreement between the Base Steward and the Human Resources Representative.

FOR THE UNION

A. Thompson
Local Lodge 610, IAM&AW

G. Holt
IAM&AW, District Lodge 725

Reference: ARTICLE VI, Section 2 B

FOR THE COMPANY

D. L. Chickonski
Lockheed Martin Space Systems
Company

E. P. Lombardi
Lockheed Martin Space Systems
Company

Coded Letter E-10

March **3, 2014** |

**Subject: NON-BARGAINING UNIT EMPLOYEES PERFORMING
BARGAINING UNIT WORK**

This will confirm the understanding reached between the Company and the Union on the above subject.

The Human Resources Representative and the Base Steward will meet at times mutually agreeable for the purpose of investigating problems related to non-bargaining unit employees performing bargaining unit work.

It is understood that this agreement will in no way prejudice the right of any employee to file a grievance as provided in this Company-Union Agreement.

This letter will be in effect for the duration of the Agreement.

FOR THE UNION

A. Thompson
Local Lodge 610, IAM&AW

G. Holt
IAM&AW, District Lodge 725

Reference: ARTICLE I, Section 13

FOR THE COMPANY

D. L. Chickonski
Lockheed Martin Space Systems
Company

E. P. Lombardi
Lockheed Martin Space Systems
Company

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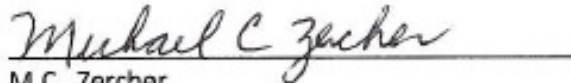
FOR THE UNION



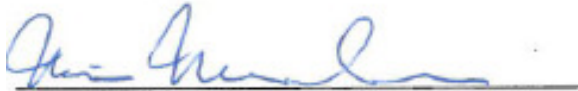
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Aerospace Coordinator
IAM&AW



M. Goddard
Grand Lodge Representative
IAM&AW



M.C. Zercher
Business Representative
District 725, IAM&AW



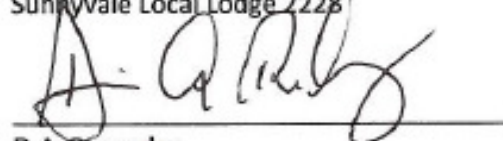
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Labor Relations Committee Member
Sunnyvale Local Lodge 2228



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D.A. Resendez
Labor Relations Committee Member
Sunnyvale Local Lodge 2228


FOR THE COMPANY



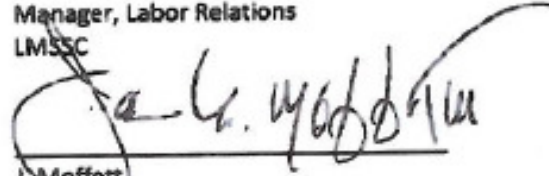
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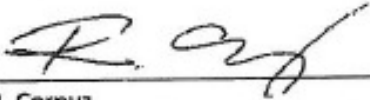


D.L. Chickonski
Human Resources
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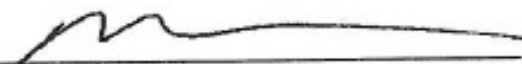
FOR THE UNION



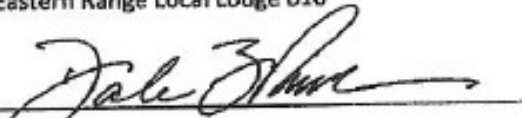
V. Lee
Labor Relations Committee Member
Sunnyvale Local Lodge 2228



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Santa Cruz Local Lodge 2228

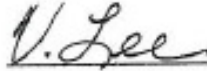


H.A. Thompson
Labor Relations Committee Member
Eastern Range Local Lodge 610



D. Brase
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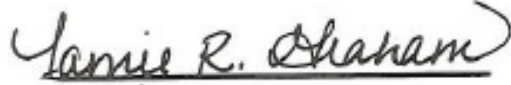
FOR THE COMPANY



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A. Reiter
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2014

January S M T W T F S H 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							July S M T W T F S 1 2 3 H C 6 7 8 9 10 11 A 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31						
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2	= CONTRACT ANNIVERSARY DATE												
A	= AUTOMATIC RATE PROGRESSION (\$.25/4 MONTHS)												
C/CF	= COLA / COLA FOLDIN												
H	= HOLIDAYS												
L	= COLA SUPPLEMENT												

2015

January							July						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
				H	2	CF				1	2	H	C
4	5	6	7	8	9	10	5	6	7	8	9	10	A
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25	26	27	28	29	30	31	26	27	28	29	30	31	
February							August						
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8	9	10	11	12	13	14	2	3	4	5	6	7	8
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							23	24	25	26	27	28	29
							30	31					
March							September						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
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8	9	10	11	12	13	GA	6	H	8	9	10	11	12
15	16	17	18	19	20	21	13	14	15	16	17	18	19
22	23	24	25	26	27	28	20	21	22	23	24	25	26
29	30	31					27	28	29	30			
April							October						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
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12	13	14	15	16	17	18	11	12	13	14	15	16	17
19	20	21	22	23	24	25	18	19	20	21	22	23	24
26	27	28	29	30			25	26	27	28	29	30	31
May							November						
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17	18	19	20	21	22	23	22	23	24	25	H	H	28
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31													
June							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
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21	22	23	24	25	26	27	20	21	22	23	H	H	26
28	29	30					27	H	H	H	H		

2 = CONTRACT ANNIVERSARY DATE
A = AUTOMATIC RATE PROGRESSION (\$.25/4 MONTHS)
C/CF = COLA / COLA FOLDIN
H = HOLIDAYS
L = COLA SUPPLEMENT

2016

January							July						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
					1	CF						1	C
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17	18	19	20	21	22	23	17	18	19	20	21	22	23
24	25	26	27	28	29	30	24	25	26	27	28	29	30
							31						
February							August						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
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14	15	16	17	18	19	20	14	15	16	17	18	19	20
21	22	23	24	25	26	27	21	22	23	24	25	26	27
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March							September						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5					1	2	3
6	7	8	9	10	11	GA	4	H	6	7	8	9	10
13	14	15	16	17	18	19	11	12	13	14	15	16	17
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27	28	29	30	31			25	26	27	28	29	30	
April							October						
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24	25	26	27	28	29	30	23	24	25	26	27	28	29
							30	31					
May							November						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
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8	9	10	11	12	13	14	6	7	8	9	10	11	A
15	16	17	18	19	20	21	13	14	15	16	17	18	19
22	23	24	25	26	27	28	20	21	22	23	H	H	26
29	H	31					27	28	29	30			
June							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
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12	13	14	15	16	17	18	11	12	13	14	15	L	17
19	20	21	22	23	24	25	18	19	20	21	22	H	24
26	27	28	29	30			25	H	H	H	H	H	31
2	= CONTRACT ANNIVERSARY DATE												
A	= AUTOMATIC RATE PROGRESSION (\$.25/4 MONTHS)												
C/CF	= COLA / COLA FOLDIN												
H	= HOLIDAYS												
L	= COLA SUPPLEMENT												

2017

January							July						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
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22	23	24	25	26	27	28	16	17	18	19	20	21	22
29	30	31					23	24	25	26	27	28	29
							30	31					
February							August						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4			1	2	3	4	5
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12	13	14	15	16	17	18	13	14	15	16	17	18	19
19	20	21	22	23	24	25	20	21	22	23	24	25	26
26	27	28					27	28	29	30	31		
March							September						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4						1	2
5	6	7	8	9	10	GA	3	4	5	6	7	8	9
12	13	14	15	16	17	18	10	11	12	13	14	15	16
19	20	21	22	23	24	25	17	18	19	20	21	22	23
26	27	28	29	30	31		24	25	26	27	28	29	30
April							October						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
						C	1	2	3	4	5	6	C
2	3	4	5	6	7	8	8	9	10	11	12	13	14
9	10	11	12	13	14	15	15	16	17	18	19	20	21
16	17	18	19	20	21	22	22	23	24	25	26	27	28
23	24	25	26	27	28	29	29	30	31				
30													
May							November						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6				1	2	3	4
7	8	9	10	11	12	13	5	6	7	8	9	10	A
14	15	16	17	18	19	20	12	13	14	15	16	17	18
21	22	23	24	25	26	27	19	20	21	22	H	H	25
28	H	30	31				26	27	28	29	30		
June							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
				1	2	3						1	2
4	5	6	7	8	9	10	3	4	5	6	7	8	9
11	12	13	14	15	16	17	10	11	12	13	14	L	16
18	19	20	21	22	23	24	17	18	19	20	21	H	23
25	26	27	28	29	30		24	H	H	H	H	H	30
							31						
2	= CONTRACT ANNIVERSARY DATE												
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L	= COLA SUPPLEMENT												

2018

January							July						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
	H	2	3	4	5	CF	1	2	3	4	5	6	7
7	8	9	10	11	12	13	8	9	10	11	12	13	A
14	15	16	17	18	19	20	15	16	17	18	19	20	21
21	22	23	24	25	26	27	22	23	24	25	26	27	28
28	29	30	31				29	30	31				
February							August						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
				1	2	3				1	2	3	4
4	5	6	7	8	9	10	5	6	7	8	9	10	11
11	12	13	14	15	16	17	12	13	14	15	16	17	18
18	19	20	21	22	23	24	19	20	21	22	23	24	25
25	26	27	28				26	27	28	29	30	31	
March							September						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
				1	2	3							1
4	5	6	7	8	9	A	2	3	4	5	6	7	8
11	12	13	14	15	16	17	9	10	11	12	13	14	15
18	19	20	21	22	23	24	16	17	18	19	20	21	22
25	26	27	28	29	30	31	23	24	25	26	27	28	29
							30						
April							October						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7		1	2	3	4	5	6
8	9	10	11	12	13	14	7	8	9	10	11	12	13
15	16	17	18	19	20	21	14	15	16	17	18	19	20
22	23	24	25	26	27	28	21	22	23	24	25	26	27
29	30						28	29	30	31			
May							November						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5					1	2	3
6	7	8	9	10	11	12	4	5	6	7	8	9	A
13	4	15	16	17	18	19	11	12	13	14	15	16	17
20	21	22	23	24	25	26	18	19	20	21	22	23	24
27	28	29	30	31			25	26	27	28	29	30	
June							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
					1	2							1
3	4	5	6	7	8	9	2	3	4	5	6	7	8
10	11	12	13	14	15	16	9	10	11	12	13	14	15
17	18	19	20	21	22	23	16	17	18	19	20	21	22
24	25	26	27	28	29	30	23	24	25	26	27	28	29
							30	31					
4	= CONTRACT ANNIVERSARY DATE												
A	= AUTOMATIC RATE PROGRESSION (\$.25/4 MONTHS)												
H	= HOLIDAYS												