LOCAL 1069 TENTATIVE AGREEMENT
OCTOBER 18, 2009

HIGHLIGHTS

- Long Term Job Security
- Five General Wage Increases
- Three Lump Sum Bonus Payments
- Medical Benefits Maintained
- Major Pension Increase
- Hundred’s of Job Upgrades
Dear Brothers and Sisters,

Enclosed within this booklet are the highlights and changes to the what your Bargaining Committee feels is the most significant and groundbreaking Tentative Agreement in the history of UAW Local 1069. It is the culmination from a year of hard work, dedication and cooperation of all 13 members of your Bargaining Team.

This agreement provides security and peace of mind for over 1800 union members and their families for 5 years. During the next 5 years each of you will enjoy a general wage increase in every year of the agreement. For the first time since 1983 you will not see an increase in co-pays, deductibles or percentages in your health care. Your Union has done something unheard of and in light of today's economic uncertainty and health care crisis you can come to work knowing that you are protected by one of the strongest labor agreements in the country.

The membership made this possible. It was you, the membership, which answered the call time and again demonstrating the powerful force of solidarity. The company could no longer ignore your displays of unity. Each time your union leadership asked for help you responded with a single voice of support. There has been no dissent in the ranks and because of it we can all reap the rewards.

With the ratification of this agreement more than 400 brothers and sisters will receive a higher pay grade. Over 800 members currently in the Seniority Increase Step system will receive a onetime $0.35 raise. This is in addition to $7000.00 in bonuses and wage increases of 15%. At the end of this agreement the average hourly rate of our workforce will be over $35.00. Every member with more than 2 years seniority will be at his or her maximum rate of pay by the end of this contract.

Every segment of our workforce including retirees was addressed with this agreement. Our Union has regained the strength and respect it deserves and all of you can once again be proud of the roll you played in making it happen.

I want to extend a special thanks to Al Gavetti our International Servicing Representative for his experience and tireless commitment in helping us reach this milestone agreement. Without him standing side by side with your team our goal may have never been reached. I also want to recognize UAW International Region 9 Director, Joe Ashton along with the UAW Social Security Department's Synnomenon Harrel and UAW Vice-President, Aerospace Department, Jimmie Settles for their continued support and guidance throughout these negotiations.

Each and every member of your Bargaining Team strongly endorses and recommends your vote to accept this historic agreement.

In Solidarity,

Anthony J. Forte, President
UAW Local 1069
AJF/nsh
Highlights

General Wage Increases Every Year of The Contract!

3% - 2% - 3% - 3% - 4% = 15%

Retroactive Pay Back to October 2\textsuperscript{nd}, 2009

$7000 in Bonuses

$3,500 – 1\textsuperscript{st} Year (within 30 days) after ratification

$1,500 – 4\textsuperscript{th} Year October 4, 2012

$2,000 – 5\textsuperscript{th} Year October 3, 2013

Locked Current Medical Benefit Levels

@

10% for 5 Years
Wages, Bonuses and One Time Payments

General Wage Increases

- 3% - Effective October 2, 2009
- 2% - Effective October 2, 2010
- 3% - Effective October 14, 2011
- 3% - Effective October 12, 2012
- 4% - Effective October 11, 2013

- Additionally, 840 members in the SIS Steps after the ratification of this agreement shall receive a onetime increase to their base rate of $.35 per hour subject to the maximum of their labor grade, as soon as practicable after October 3rd, 2009.

Bonuses

$3,500 – 1st Year (within 30 days) after ratification
$1,500 – 4th Year October 4, 2012
$2,000 – 5th Year October 3, 2013

New Philadelphia Performance Incentive Plan Secured

- Bonus Payout as of the end of September 2009 currently at 10 days pay.

ALL GROUP MEDICAL BENEFIT PLANS MAINTAINED FOR ACTIVE AND RETIRED MEMBERS AT CURRENT LEVELS
Company proposed take backs *Rejected*

1. 50% reduction in your union representation on the floor (Steward’s and Committeemen)
2. Reduction in premium pay for Overtime
3. Deleting of Language in the Grievance Procedure that would have removed the 3rd step.
4. Deleting the Discharge Board of Review.
5. Elimination of the Labor Pool
6. Elimination of Medicare Part B for the duration of the contract
7. Sick Leave accrual
8. Fought back attempt to extend the time that ER’S stay in your record (12 months back to 10 months)
9. Company’s attempt to increase percentage of premium cost to you for your Medical Benefits.
10. Maintained current COLA Formula & Fold-in Language
11. Elimination of the SIS Zoom to Maximum Rate
12. Elimination of Afternoon breaks
13. Elimination of red circle rates
14. Fought back Company’s attempt to reduce shift preference to only once a year
15. Fought back Company’s attempt to immediately eliminate shift differentials of 10% and 8% for two additional years

**Contract Changes**

- Double Time will be paid for all hours worked after 8 hours on holidays
- All shift differentials earned after 1/1/2012 will be $1.00 for 2nd shift and $0.75 for 3rd shift.
- Company intends to use Point of Use as originally negotiated in 2005.
Pension increased from $70.00 to $80.00
Effective 1/1/2010

Example:  
10 years service times $80 = $800
20 years service times $80 = $1600
30 years service times $80 = $2400
40 years service times $80 = $3200

Employees hired on or after January 1, 2014 will not be eligible for participation in the Non-Contributory Retirement Plan.

A new Defined Contribution Plan will be implemented in lieu of the Defined Benefit Plan. Employees hired on or after January 1, 2014, will receive a Company contribution of 4% of their base pay per pay period into the VIP (Voluntary Investment Plan) in addition to the current voluntary contribution rate of 50% up to 8% of their base pay for the pay period. Employees will immediately be 100% vested in this new Company contribution.

Contract Improvements

- Improved Vacation Language Usage - defined prior scheduling
- Improved Sick Leave Usage Language
- Reinstitution of Tool & Die Breakdown Man
- Enhanced Business Case Language
- ACLC-Advance Craft Learning Center with Bargaining Unit Members
- Improvement to the Grievance Procedure – 2\textsuperscript{nd} Step must have meeting now from 5 to 3 days
- Redefined issuance of Corrective Action Memo
- New clearly defined Joint Leadership Language to re-vitalize Employee Involvement
Over 400 members will receive immediate labor grade increases:

- 316 members will receive 1 labor grade increase = $0.56 per hour
- 29 members will receive 2 labor grade increases = $1.12 per hour
- 64 members will receive 3 labor grade increases = $1.68 per hour
- 2 members will receive 4 labor grade increases = $2.24 per hour

**2009 JOB COMBINATIONS AND UPGRADES**

The following Job Classifications shall be combined as follows:

- **Assembly and integration Tech. Family Groups 10 & 11. (Labor Grade 10) (Will remain in Family Groups 10 (Flight Test) and 11 (Instrumentation)**
  - Aircraft Mechanic (Labor Grade 9)
  - Aircraft Electrician (Labor Grade 9)
  - Aircraft Assembler (Labor Grade 7)
  - Electrician Auto Checkout (Labor Grade 10)
  - Tube Bender Mock-up (Labor Grade 7)

- **Material Support Operator. Family Group 1. (Labor Grade 8)**
  - Automotive Equipment Operator (Labor Grade 5)
  - Crane Rigger (Labor Grade 7)
  - Material Handler A (Labor Grade 7)
  - Surplus and Salvage Processor (Grade 8)
  - Tool Procurementman A (Grade 8)
  - Toolkeeper (Labor Grade 6)
  - Senior Automotive Equipment Operator (Labor Grade 6)

- **Maintenance Worker. Family Group 35. (Labor Grade 6)**
  - Maintenance Oiler (Labor Grade 4)
  - Tank and Spray Booth Cleaner (Labor Grade 2)
  - Millwright A (Labor Grade 9) (Red Circle to a 9)
  - Automotive Equipment Operator (Labor Grade 5)

- **Tooling A. Family Group 21 (Labor Grade 11)**
  - Toolmaker A (Labor Grade 11)
  - Maintenance Carpenter/Mason Painters (IDS) (Labor Grade 10) (Previously Toolmaker Wood - 2 Employees)

- **The Following Jobs Have Been Upgraded**
  - Boiler Operators (Labor Grade 8 to Labor Grade 9)
  - Maintenance Air Conditioning Mechanic (Labor Grade 9 to Labor Grade 10)
  - Maintenance Metal Fabricator/Welder (Old Maintenance Metalman) (Labor Grade 9 to Labor Grade 10)
  - Automotive Equipment Mechanic (Labor Grade 9 to Labor Grade 10)
Re:  Letters of Understanding

Dear Mr. Forte:
This letter confirms our understanding concerning the disposition of Letters of Understanding contained in the 2006 - 2009 collective bargaining agreement. As we discussed, the substance of numerous Letters of Understanding have been merged into the Articles of Agreement for a proposed new collective bargaining agreement as follows:

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<td>No.3 - Committeeman Shift</td>
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<td>No. 42 - Grievance Review Meetings</td>
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<td>No. 48 - Disqualified Employees</td>
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<td>No. 50 - Vacation Accrual and Usage</td>
<td>Article XII, §3</td>
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<td>Changes</td>
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In addition to the foregoing, the Company and UAW Local 1069 have tentatively agreed to delete LOU No.7 - Electrical Maintenance, Building 3-28, and LOU No. 49 - Off-Setting Health and Insurance Expenses for Employees.

The Company has also proposed to delete LOU No. 12 - Lump Sum Payment for Occupational Leave of Absence; LOU No. 22 - Pilot Projects, Special Overtime Shifts; LOU No. 34 - Union Director-Employee Involvement, with language merged into a proposed LOU No. 4 - Employee Involvement Program; and P&M Job Description.

The Company intends to sequentially renumber all remaining Letters of Understanding for the new collective bargaining agreement for ease of reference.

**CONTRACT DURATION**

October 1, 2009 to October 1, 2014
LOCAL 1069 BARGAINING COMMITTEE

Anthony J. Forte
President

Mike Patterson
Vice President

Arthur Myers
Recording Secretary

Tom Ewing
Financial Secretary

Kieran Martin
Shop Chairman

Howard Bishop
Richard Cropper
Andy Duris
Jim Hulton

Albert Gavetti
International Representative

Bill Leggett
Chris Owens
Tony Semola
Craig Steckel

Joe Ashton
Director, Region 9

Solidarity Forever