

	Agreement	3
Article 1	Promotion of Harmonious Relations.....	3
Article 2	Representation	3
Article 3	Plant Chairs/Stewards	4
Article 4	Business Representative	5
Article 5	Right To Interview	5
Article 6	Union Leaves of Absence.....	7
Article 7	Union Dues.....	7
Article 8	Bargaining Unit Work	8
Article 9	Management Rights	8
Article 10	Seniority.....	8
Article 11	Transfers.....	10
Article 12	Twenty-First (21st) Street Training	11
Article 13	New Aircraft Model Start-Up	12
Article 14	Layoff And Recall	13
Article 15	Hours and Days Of Work	13
Article 16	Alternative Work Schedules	14
Article 17	Part-Time Employees	16
Article 18	Overtime	18
Article 19	Guaranteed Time	20
Article 20	Methods of Wage Determination and Rates of Pay	20
Article 21	Wages.....	22
Article 22	Longevity Pay	23
Article 23	Automatic Increases.....	24
Article 24	Shift Premium.....	25
Article 25	Cost-of-Living Plan	26
Article 26	Vacations	27
Article 27	Holidays	30
Article 28	Personal and Sick Leave (PSL)	32
Article 29	Bereavement Pay	33
Article 30	Severance Pay	33
Article 31	Leaves of Absence	34
Article 32	Discipline.....	35
Article 33	Grievance/Arbitration Procedure	36
Article 34	Jury and Subpoena Duty	38
Article 35	Crew Chiefs	39
Article 36	Safety and Health	41
Article 37	Safety Committee	42
Article 38	Smoking.....	43
Article 39	Government Regulations	43
Article 40	Work Away From Plant	44
Article 41	Non Discrimination.....	44
Article 42	Bulletin Boards.....	44
Article 43	Insurance and Benefits.....	45
Article 44	Retirement Plan	50
Article 45	High Performance Work Organization.....	52
Article 46	A&P Development Program.....	52
Article 47	Training.....	52
Article 48	Plant Relocation.....	53
Article 49	Subcontracting.....	54
Article 50	Miscellaneous Provisions.....	54
Article 51	Duration and Status of Agreement	55
	Historical Increases in Job Grades.....	57

	Agreement	3
Article 46	A&P Development Program.....	52
Article 16	Alternative Work Schedules	14
Article 23	Automatic Increases.....	24
Article 8	Bargaining Unit Work	8
Article 29	Bereavement Pay	33
Article 42	Bulletin Boards.....	44
Article 4	Business Representative	5
Article 25	Cost-of-Living Plan	26
Article 35	Crew Chiefs	39
Article 32	Discipline.....	35
Article 51	Duration and Status of Agreement	55
Article 33	Grievance/Arbitration Procedure	36
Article 39	Government Regulations	43
Article 19	Guaranteed Time	20
	Historical Increases in Job Grades.....	57
Article 45	High Performance Work Organization.....	52
Article 27	Holidays	30
Article 15	Hours and Days Of Work	13
Article 43	Insurance and Benefits.....	45
Article 34	Jury and Subpoena Duty	38
Article 14	Layoff And Recall	13
Article 31	Leaves of Absence	34
Article 22	Longevity Pay	23
Article 9	Management Rights	8
Article 20	Methods of Wage Determination and Rates of Pay	20
Article 50	Miscellaneous Provisions.....	54
Article 13	New Aircraft Model Start-Up	12
Article 41	Non Discrimination.....	44
Article 18	Overtime	18
Article 17	Part-Time Employees	16
Article 28	Personal and Sick Leave (PSL)	32
Article 3	Plant Chairs/Stewards	4
Article 48	Plant Relocation.....	53
Article 1	Promotion of Harmonious Relations.....	3
Article 2	Representation	3
Article 44	Retirement Plan	50
Article 5	Right To Interview	5
Article 36	Safety and Health	41
Article 37	Safety Committee	42
Article 10	Seniority.....	8
Article 30	Severance Pay	33
Article 24	Shift Premium.....	25
Article 38	Smoking.....	43
Article 49	Subcontracting.....	54
Article 47	Training.....	52
Article 11	Transfers.....	10
Article 12	Twenty-First (21st) Street Training	11
Article 7	Union Dues.....	7
Article 6	Union Leaves of Absence.....	7
Article 26	Vacations	27
Article 21	Wages.....	22
Article 40	Work Away From Plant	44

AGREEMENT

THIS AGREEMENT or CONTRACT made and entered into by and between the CESSNA AIRCRAFT COMPANY of Wichita, Kansas, hereinafter referred to as the "Company" and District Lodge No. 70, Local Lodge No. 774 of the INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, hereinafter referred to as "Union."

ARTICLE 1 PROMOTION OF HARMONIOUS RELATIONS

- 1.01 The Union and Company recognize that the success of the business is vital to all concerned. This requires that both the Company and employees work together to the end that quality and costs of the products will prove increasingly attractive to the customers so that the business will be continuously successful.
- 1.02 Both parties hold that the basic interests of the employers and the employees are the same; however, at times employees and the Company may have different ideas on various matters affecting their relationship. Both the Union and Company are convinced that differences can be peacefully and satisfactorily adjusted by sincere and patient efforts on both sides.
- 1.03 In furtherance of the promotion of harmonious relations between the Company and the Union, meetings of a Manufacturing Representative, Industrial Relations Representatives, and Union Representatives shall be held on at least a monthly basis. At such meetings there shall be discussions of matters of mutual interest. The Company will submit to the Union and the Union will submit to the Company at least five (5) working days before such meetings proposed subjects for discussion. Such meetings shall be held at all facilities.
- 1.04 The Union and Company agree that neither the Union nor the Company nor the employees will intimidate or coerce any employee in respect to the employee's working right or in respect to Union activities or membership. There shall be no solicitation of employees, including solicitation for Union membership or dues on working time; it is understood that the lunch period, break periods and the time before and after shift changes are not working time for these purposes. The Company agrees that Union members shall not be discriminated against as such.

ARTICLE 2 REPRESENTATION

- 2.01 The International Association of Machinists is hereby recognized as the sole bargaining agency for the purpose of collective bargaining for and in behalf of employees as designated by the National Labor Relations Board under date of July 13, 1940, and as set forth in the consent agreement for payroll check entered into and signed July 10, 1940, as follows:
- 2.02 Those who for the purpose of this payroll check shall be eligible and who comprise said bargaining unit are all employees engaged in production, maintenance work and parts rooms at the Wichita plants of the employer, including working supervisor such as Crew Chief, janitor, clean-up man, maid, productions and maintenance stock clerk and warehouseman, and tool crib attendant, but EXCLUDING the following classifications: non-working supervisors, engineers in any department, office workers, watchman and guards.

2.03 It is understood and agreed that messengers, timekeepers, employees of the inspection department, employees of the cafeteria, and employees engaged in looking after warehouses and storerooms are part of the accounting or administrative Industrial Relations and as such are classified as office workers.

2.04 It is expressly understood that the conditions of this Agreement shall apply to the Company's Aircraft Division, the Citation Service Center, and the Service Parts Center all at Wichita, Kansas, and shall be binding upon the company, its successors and assigns at its Aircraft Division, the Citation Service Center, and the Service Parts Center.

ARTICLE 3 PLANT CHAIRS/STEWARDS

- 3.01 PLANT CHAIRS. It is recognized that performance of Union responsibilities by the first shift Plant Chair at the Pawnee (Wichita) plant and the Mid-Continent plant will require most of their working time. When the employment of bargaining unit personnel on third shift at the Pawnee or Mid-Continent plants reaches two hundred (200), a Plant Chair shall be authorized for such shifts at their respective plant. The Union shall have the right to appoint an assistant Plant Chair on the third shift at both plants until the 200 employee level is reached. These Plant Chairs will be allowed to check off the job as provided in paragraph 3.03 when necessary to perform their duties. These new Plant Chairs will be expected to perform their regular job duties when not performing their Union duties, and the Plant Chair position will not occupy their full time.
- 3.02 The Company will allow the Plant Chairs to use designated office areas to confer privately on Union matters.
- 3.03 The Plant Chair, when necessary in the performance of the duties of this position as outlined under the terms of this Agreement, shall have the right to enter any other department in the bargaining unit for the purpose of investigating complaints, grievances and job classifications. When a Plant Chair is assigned to work in a production department, the Plant Chair shall check off the job with the office of the Supervisor of the department to which assigned and shall check in when returning to regular work. When visiting another department, the Plant Chair shall check in and out with the office of the Supervisor of that department. All full-time Plant Chairs at both the Pawnee and Mid-Continent facilities will be paid the maximum of the grade of the highest grade level in the bargaining unit which they represent and all working Plant Chairs at both the Pawnee and Mid-Continent facilities will be paid in accordance with their classification at the time of appointment of the maximum rate for the grade 4 classification, whichever is higher and both will be subject to and have the benefits of all provisions of this agreement. When it will not otherwise interfere with their Union duties, the Company may assign the first shift Plant Chair to special assignments. The second and third shift Plant Chairs at both Facilities may serve as the Stewards of their departments. A second or third shift Plant Chair shall not be loaned or transferred from the shift to which assigned provided work is available on that shift for which such Plant Chair is qualified and willing to perform.
- 3.04 STEWARDS. The Union may select one (1) employee to be the Steward for each Supervisor on each shift in each department covered by this Agreement. There shall be only one (1) Steward for each Supervisor in each department and such Steward shall represent only that area of the department except that when the

number of employees in any one (1) department area per shift exceeds one hundred (100) or when there is a definite geographical separation of the sections within an area of a department, one (1) additional Steward may be selected for each one hundred (100) employees or for each geographically separated section. (Up to 100 employees = 1 Steward; 101-200 = 2 Stewards, etc.) A duly selected Steward shall not be loaned or transferred from the department or shift which the Steward represents provided work is available for which the Steward is qualified and willing to perform.

- 3.05 Stewards and Local Lodge Officers will be excused from work to attend a monthly Union membership meeting without the need to use PSL or vacation.

ARTICLE 4 BUSINESS REPRESENTATIVE

- 4.01 The Business Representative of the Union shall have access to the Company plant during working hours for the purpose of investigating grievances. The Business Representative shall obtain from the Company specific authorization for each visit and such visit shall be subject to such regulations as may be made from time to time by the Company and the Department of Defense. The Company will not impose regulations which will exclude the Business Representative from the plant nor render ineffective the intent of this provision.

ARTICLE 5 RIGHT TO INTERVIEW

- 5.01 The Company agrees that all new employees and all rehired employees in the bargaining unit who are not members of the Union will be interviewed by a Union representative prior to starting to work for the purpose of soliciting memberships in the Union.
- 5.02 Such interviews are to be conducted by the Plant Chair or in the Plant Chair's absence by an alternate designated by the Plant Chair; or at the request of the Union, by a regular representative of the Union from the local district office.
- 5.03 Such interviews shall not exceed ten (10) minutes per employee, and if conducted by an active employee of the Company, the employee's time off shall be paid for by the Union.
- 5.04 The Company agrees not to discourage membership in the Union, and the Union agrees that new employees will not be intimidated or coerced while soliciting their Union memberships, and to interfere as little as possible with the operations of the Industrial Relations Department.
- 5.05 Both parties agree to cooperate in carrying out detailed operations of this section in good faith, to present honest, factual statements to new employees interviewed of the relationships between the parties, and that joining the Union is not required as a condition of employment.
- 5.06 INTERVIEW OF NEW EMPLOYEES. It is recognized by the Company that the Union has an interest and responsibility in explaining the function of the Union in a collective bargaining relationship and the advantages of membership in the Union.

- 5.07 The Union is also aware and has agreed that solicitation of membership cannot be conducted during working time due to the interference and disruption that could result in working schedules. To accommodate both viewpoints and assure that an ample opportunity exists for the Union to explain their role in the bargaining relationship while preserving minimal interference in the Company's working schedule, the following procedure will be utilized:

- A. The Human Resources Department conducts a formal orientation session for all bargaining unit employees. During these sessions, information concerning employee rights will be in keeping with the intent of this Article. The Union will be advised of the time and location of employee orientation sessions of these bargaining unit employees.
- B. At an appropriate time, individuals employed into the IAM bargaining unit will be advised that an IAM & AW representative will discuss representation and Union membership.
- C. The following message will be used by the Company representative to introduce the IAM & AW representative:
"For those of you who are employed in the IAM & AW bargaining unit, the Union representative will explain their designation as your bargaining agent, your opportunity for membership, and the payroll deduction of dues for members."
- D. Interviews may be on an individual basis during the interview process for new employees provided such interview shall not exceed ten (10) minutes. These interviews may be conducted by one or more Union representatives, which may include regular Business Representatives of District Lodge No. 70. If more than one Union representative conducts the interview, the group will be divided so that they are as nearly as equal in size as possible. Time for interviewing will be governed by the agreement. The Union will advise the employees that a membership in the IAM & AW is voluntary and not a required condition of employment.
- E. Both the Company and the Union agree to cooperate in the implementation and administration of this procedure. Neither party will interfere, restrain or coerce employees and both parties agree to use good judgment in all words and actions during this procedure.
- F. The Union agrees to minimal interference with the new employee orientation session by adhering to the agreed time limits, and the Company and the Union agree to refrain from any actions or statements which could adversely reflect upon the Union or the Company.

G. The Union agrees to pay their representative's time allotted by this procedure and the Company agrees to have the new employees available unless the IAM & AW representative is not present at the time and place specified.

5.08 INTRODUCTION TO SHOP STEWARD. When any bargaining unit employee is brought into a department, the Supervisor will introduce the Shop Steward to the employee.

**ARTICLE 6
UNION LEAVES OF ABSENCE**

6.01 Any employee appointed to any position with the Union as the representative of the employees or an Organizer shall be granted a leave of absence, if requested, from the Company for the duration of such appointment and shall accumulate seniority for retirement benefits. Upon return from leave of absence, the employee will be eligible to utilize any unused sick leave and vacation accruals accumulated by the employee at the time of his appointment to the Union position. Furthermore, upon return from a leave of absence, the employee's seniority for all future accruals will not be reduced by the amount of time the employee was on a leave of absence. Not more than six (6) such leaves of absence may be in effect at one time.

**ARTICLE 7
UNION DUES**

7.01 It is agreed between the Company and the Union that any employee of the Company who is a member of the Union may authorize the collection of the employee's initiation, or reinstatement fee and Union dues by signing of a payroll deduction card which will be specified by agreement between the Union and the Company. The Company will provide the first shift Plant Chair with a copy of the written notice of revocation. The authorization will become void when the employee leaves the bargaining unit or when the employee's separation papers have been processed by the Company, provided however, if an employee transfers out of and returns to the bargaining unit during the term of this Agreement the authorization shall be automatically reinstated for the remainder of the term of this Agreement subject to the other provisions of this paragraph. If the employee is placed on layoff the Company is authorized to reinstate the employee's payroll deduction when the employee returns to work within their recall rights. The Union dues shall be collected weekly. Such dues shall be remitted to the Union on the fifth (5) of each month. A list of the members from whom dues were collected shall be attached to the report given to the Union with the remittance.

7.02 REINSTATEMENT. The Company will develop procedures to insure that employees returning from lay-off, returning to the bargaining unit from non-bargaining jobs, returning from leaves of absence or transferring to another division will have the Union dues reinstated. In the case of those returning from extended leaves of absence, a procedure will be adopted to prevent double deduction of dues.

7.03 NOTICE TO UNION OF EMPLOYEE SHOP DEDUCTIONS. During the period of the Agreement, the Company will furnish the Plant Chair a list on a weekly basis of those employees who have furnished the Company written notice revoking their dues deduction authorization.

7.04 The Company will notify supervision that employees inquiring about revoking their Union deduction authorization are to be informed that they must do so before or after their shift or at lunch time. Supervision will also be told they are not to encourage or solicit employees to cancel their Union dues deduction authorization.

7.05 When employees provide the Company with written and signed notification canceling their dues deduction authorization, they will be instructed to take a copy of such notification to their Shop Steward. In the event an employee wishes to reverse their decision to revoke the dues deduction authorization, they will do so by providing a new dues withholding authorization card.

**ARTICLE 8
BARGAINING UNIT WORK**

8.01 In principle, non-bargaining unit employees are not paid to perform bargaining unit work. They are paid to perform their job duties such as supervise employees, see that employees are trained to do their jobs and inspect products or to avoid production shutdowns or other critical shortage situations such as customer requirements, expedite parts or materials. The Company will not use non-bargaining unit employees to keep from recalling employees laid off in the bargaining unit or to keep from working overtime.

8.02 EMERGENCY WORK. The preceding paragraph will not be construed to mean that non-bargaining unit employees must refrain from any work or action which could alleviate an emergency. An example of emergency work is moving aircraft when a storm is approaching.

8.03 The Company and the Union both agree to meet with the people involved if a situation develops where there is a question as to whether an emergency exists or not. But this meeting may take place after the circumstance in question has passed, in which case the meeting will seek to establish whether future similar circumstances will be considered as emergencies.

**ARTICLE 9
MANAGEMENT RIGHTS**

9.01 The right to promote, discharge or discipline for cause and to maintain discipline and efficiency of employees is the sole responsibility of the Company and is subject only to the grievance procedure set out herein. In addition, the right to hire, the products to be manufactured, the location of the Company's plants, the schedules of production, and the methods, processes and means of manufacturing are solely and exclusively the responsibility of the Company.

**ARTICLE 10
SENIORITY**

10.01 DIVISION SENIORITY. In transferring employees from one classification to another when vacancies or new positions are created or in cases of layoff,

promotion and re-hiring employees temporarily laid off, the rule of seniority shall prevail on a division wide basis on related work or on work previously performed, based on ability to efficiently perform the work involved.

- 10.02 Employees shall be regarded as temporary or probationers for the first seventy-five (75) continuous calendar days of employment. There shall be no responsibility for the reemployment of temporary employees or probationers if laid off or discharged during this period. It is agreed, however, that in the event they are not laid off or discharged during this period then their seniority shall date back to the date of their commencement of said seventy-five (75) days of employment.
- 10.03 The Company shall keep a seniority list for the bargaining unit in the Pawnee Wichita Facility, which shall include a seniority list for the bargaining unit of the Service Parts Center, a seniority list for the bargaining unit in the Mid-Continent Facility plants, which shall include a seniority list for the bargaining unit of the Citation Service Center, and a combined seniority list for all the above. Within the second (2nd) week of each month, the Plant Chair of each facility shall receive seven (7) up-to-date copies of the applicable seniority lists. Such lists shall contain the names, seniority dates, department and badge numbers and wage rates. The list shall be used only by the Business Representative, the Plant Chair and the Shop Stewards. It is agreed that they will use diligent care in retaining the information on such lists for their own individual use. Lists will be destroyed by the Plant Chair when new lists are furnished, except that old lists may be retained for an additional thirty (30) days at which time they will be destroyed.
- 10.04 SENIORITY LISTS. In the second week of each month, Plant Chairs at the Pawnee and Mid-Continent Facilities shall receive seven (7) copies of the applicable seniority lists. In the case of a reduction in force, when the Industrial Relations Department and the Union mutually agree to produce a job classification run, the respective Plant Chair will be provided the same run as it pertains to the bargaining unit. In the event employees with the same seniority dates are to be affected by the layoffs or promotions, badge numbers will be utilized to make the final selection.
- 10.05 Employees on leaves of absence, except as provided in paragraph 6.01, and employees with less than five (5) years' seniority who are laid off, and do not return to work for any reason within a period of twenty-four (24) months shall forfeit their seniority rights, and their names will be stricken from the seniority list. Employees with more than five (5) years' seniority who are laid off and do not return to work for any reason within a period of forty-eight (48) months shall forfeit their seniority rights and their names will be stricken from the seniority list. Employees with ten (10) or more years of service shall receive seventy-two (72) months of call back rights. Any employee who resigns or is discharged by the Company shall likewise forfeit seniority rights and such employee's name shall be stricken from the seniority list.
- 10.06 SENIORITY ACCRUAL. Seniority for all purposes of this Agreement shall be on a division-wide basis, determined by the last continuous period of employment in a division. The Service Parts Center, the Citation Service Center, the 21st Street Training Division, and the Aircraft Division shall each be considered as a separate division for the purposes of this paragraph. In the event any employees are transferred to or from the Aircraft Division, the Service Parts Center or the

Citation Service Center, said employees shall retain and continue to accumulate seniority in the division in which they were originally hired. Further, such employees shall start accumulating seniority in the division to which they were transferred on the date of said transfer. Employees on layoff status at any of the above divisions will be given employment preference upon application when any other of the above divisions have openings for which they qualify, prior to hiring new employees.

- 10.07 In the relocation of work from one Division to another, those employees performing the work at the Division from which the work is being transferred will be transferred to and carry their seniority to the Division to which the work is being transferred.
- 10.08 Any employee transferring out of the bargaining unit after January 1, 1988, will cease to accumulate bargaining unit seniority while in positions outside of the bargaining unit. If such employee returns to the bargaining unit, they shall only be allowed to utilize the seniority they have accumulated in the bargaining unit. It is understood between the parties that any Company employee who has never been in the bargaining unit shall not be allowed to be placed in a bargaining unit position except as a new hire as far as seniority is concerned.

ARTICLE 11 TRANSFERS

- 11.01 Once an employee has accepted a fully approved transfer opportunity, the effective date for that transfer will normally be within thirty (30) calendar days. In the event the employee has not been transferred in thirty (30) days, he or she will be reclassified to the position to which they will transfer at that time. Under no circumstances will the period to transfer an individual exceed sixty (60) calendar days.
- 11.02 Lateral transfers or transfers to lower classifications will be granted when an employee's work experience and abilities qualify him or her for positions with higher labor grades than the one in the new area to which he or she transfers. Employees with **ten (10)** or more years of service may transfer, without restrictions, once per calendar year provided they have the required experience and ability.
- 11.03 Employees transferred to a position they formerly occupied in a higher classification shall return to the same relative position in the rate range at which they left.
- 11.04 DEPARTMENTAL EXPANSION TRANSFERS. Cessna will grant transfers to employees to vacancies on the more desirable shifts in their respective departments and classifications except those caused by department expansion before filling openings with new and/or junior employees within six (6) months from the time such transfer is requested. In the event such transfer is not granted within six (6) months, the employee shall then be transferred to the first available opening in his respective classification and department except in the case where that opening is created by department expansion. In the case of departmental expansion where less senior employees are assigned to more desirable shifts, the Supervisor and Departmental Steward shall mutually agree to the time necessary for familiarization or training after which the less senior employee will be reassigned to another shift. In the selection of employees for

such transfer, the senior employees that have a request for transfer filed with their Supervisor or Industrial Relations Department prior to the opening shall be acted upon first. An employee will not be entitled to be transferred pursuant to this paragraph more than once in a twelve (12) month period.

- 11.05 DIVISION TRANSFERS. The Company will fill openings by honoring the requests of qualified employees for transfers from one division to another division before hiring new employees into the opening in the division in which it exists.
- 11.06 JOB OPENINGS. Bargaining unit positions and the qualifications for those positions which are not filled by employee transfer request or recall from layoff shall be posted on Company bulletin boards. Copies will also be furnished to the Plant Chair and supervision.
- 11.07 Employees will be eligible for transfers to positions for which they are qualified upon the completion of six (6) months in their present job.
- 11.08 The Company will consider requests for transfer of employees with less than six (6) months of continuous service in their current position. Transfer of these employees will be upon mutual agreement between the Company and the Union.
- 11.09 In transferring and/or promoting employees where job openings exist the following procedure will be followed in accordance with paragraphs 10.01 and 33.15.
 - A. Employees presently classified for these vacancies with shift preference transfers on file in the department will be processed first.
 - B. Transfers/Promotions within the department for qualified employees with transfer request on file will be processed second.
 - C. Transfers/Promotions outside the department for qualified employees with transfer request on file will be processed third.
 - D. Transfers/Promotions will be processed prior to any new hire entering the department.

ARTICLE 12 TWENTY-FIRST (21ST) STREET TRAINING

- 12.01 Employees of the 21st Street Facility who are in training may be assigned by the Company to any Division for additional training. This supplemental training period may last up to seventy-five (75) days during which time these employees will be paid the applicable 21st Street training rate. Positions to which trainees may be assigned shall be mutually agreed upon.
- 12.02 Employees who successfully complete the supplemental training and who are immediately hired by any division will be considered as having completed their probationary period.

ARTICLE 13 NEW AIRCRAFT MODEL START-UP

- 13.01 In order to staff the production start-up of a new aircraft model, the Company will determine qualifications for specific groups of jobs on the new model that will exist during the start-up phase of the operation. The start-up phase will be considered completed after the first production unit is sold to Marketing.
- 13.02 To identify those employees currently on the payroll that are interested in being considered for assignment to the new model, a brief questionnaire will be distributed to employees. The employees will be required to indicate their preference for assignment to the new model, sign it, and return it to their supervisor. After all the forms have been returned, the respective Department Stewards will initial each form.
- 13.03 The Company will then review, in order of seniority, those employees who indicated a desire to be assigned to the new model on their questionnaires and compare their qualifications against the existing qualifications for jobs on the new model and make a determination as to whether or not the individual can be placed on the new model during the start-up phase of the operation. If the employee meets the qualifications, **they will be tested on a pass/fail basis. Those who pass the standardized test will be selected on the basis of seniority for the job in question, then the employee will have the right to be moved to the new model to receive additional training and familiarization.** If the employee is qualified, but due to current requirements in the job he is currently performing is not able to move to the new model immediately, that employee will not be laid off if a less senior person is assigned to the position to which he would have otherwise been assigned on the new model. The Company will provide the Union with a list of (1) those employees desiring assignment, (2) those that are scheduled for assignment to the new model, and (3) those that are judged unqualified by the Company and the reasons why.
- 13.04 Should there be a disagreement between the Company and the employee as to the employee's qualifications for the jobs on the new model during the start-up phase of the operation, the employee will be allowed to discuss their qualifications for the jobs with the new model Superintendent, Operations Manager, and Industrial Relations Representative and, a representative from the Union. Should this fail to satisfy the employee, the employee may request assistance from the Union and pursue the issue through the grievance procedure.
- 13.05 Employees who are qualified for and indicate a desire for assignment to jobs on the new model during the start-up phase will be moved into that operation on a timetable established by the company. Employees who have indicated a desire to be assigned to the new model will be required to take an assignment during the start-up phase to that model when it becomes available.
- 13.06 It is also agreed that employees who do not desire assignment to the new model or employees who are not qualified for the new model jobs, will not be able to displace employees that are assigned to the new model should a layoff or plant shutdown occur.

13.07 The Company will make available to the Union all employee records pertaining to the procedure outlined above.

ARTICLE 14 LAYOFF AND RECALL

14.01 The Company agrees insofar as is possible to give at least **eighty (80)** hours notice of all reductions in force and general layoffs, as well as the anticipated length of the layoffs, except where work is stopped by events beyond the control of the Company. During a reduction of forces when it is necessary to transfer employees to different or new jobs in their respective departments, qualified senior employees will be favored with the more desirable jobs when consistent with efficiency and production. During such periods of notice, there shall be no let-down in efficiency. After notifying the employees involved, the Supervisor will notify the Department Steward of the layoffs.

14.02 Employees laid off who desire to retain their positions, as well as their seniority, shall keep the Company Industrial Relations Office and the IAM Office advised of their correct mailing addresses. Should any employee laid off as aforesaid be notified by certified mail to report back to work and fail to report within five (5) days after said notice, their names shall be stricken from the seniority list and they shall lose their seniority rights unless sickness or other valid reasons beyond the control of the employee, which does not include other employment, can be shown to the full satisfaction of the Company and the Plant Chair.

14.03 This shall not prevent the Company from temporarily filling any vacancy with available personnel until laid off employees can report back to work as provided herein.

14.04 TRACKING DOWNGRADED EMPLOYEES DURING LAYOFF AND RECALL. A system will be developed and implemented no later than January 1, 1985, to track downgraded employees and ensure they are given an opportunity to transfer back to the higher labor grade job classification(s) they have held consistent with the recall provisions of the Agreement.

ARTICLE 15 HOURS AND DAYS OF WORK

15.01 Both the Company and the Union understand and agree that due to changing conditions of the business it is impossible for the Company to permanently fix both hours and days of shifts. In the event, however, of any further changes of regular (permanent) hours or days of shifts, the Company will first take up the contemplated changes with the Plant Chairs of all shifts at the affected plant at least two (2) calendar days in advance of the change. The Business Representative may assist the Plant Chair in any meetings. Every effort will be made to reach a mutual agreement. The Company, upon request of the Plant Chairs of all shifts at the affected plant, will explain the contemplated change to the negotiating committee within five (5) working days in advance of the change before a final decision is made. The Company will notify the Department Steward and Plant Chair of departmental changes in regular (permanent) hours or days of shifts as far in advance as possible. Any changes of regular (permanent) hours or days of shifts will be announced by the Industrial Relations Department. The regular starting time for permanent first shift schedules will be not earlier than 5 a.m. or later than 9 a.m. unless changed by mutual agreement of the parties.

For purposes of this paragraph the regular work week shall be Monday through Friday.

15.02 WORK WEEK DEFINITIONS. The work week shall start at 12:01 a.m., Monday, and shall extend through 12:00 o'clock midnight, Sunday.

15.03 The work week for Mid-Continent Service Center employees assigned to 10-hour shifts on Thursday through Sunday shall start at 12:00 a.m. on Thursday and shall extend through 12:00 o'clock midnight, Wednesday.

15.04 The regular work day shall begin at the starting time of the employee's regular shift and extend for the following twenty-four (24) consecutive hours.

15.05 Sunday shall be considered to begin at the regular starting time of the employee's shift on Sunday and extend for the following twenty-four (24) consecutive hours.

15.06 In determining consecutive days, it is not necessary that each day worked be a full shift. On any day when work is prevented by events beyond the control of the Company and no work has been performed by an employee, that day shall not count as a consecutive day worked for that employee. If the employee is absent at the instruction of the Company or is required to report to a military induction center for physical examination, such days lost will be counted in determining consecutive days of work. An employee is not considered to be absent at the instruction of the Company on the employee's regular days off, nor when the employee is scheduled in advance to be off work because of vacation, inventory, and general plant closings, nor in case of absences resulting from changes in an employee's regular (permanent) work schedule. The holidays enumerated in Article 27 shall be considered as days worked whether or not work is performed on those days.

ARTICLE 16 ALTERNATIVE WORK SCHEDULES

16.01 4X10 WORK WEEKS. The Company may transition work areas from the traditional eight-hour five-day schedule to a 4x10 schedule subject to the following:

- A. Temporary assignment to an alternative work schedule for the purpose of training may at times be necessary, temporary assignments shall not exceed 90 days.
- B. **Prior to transitioning an area to an Alternative Work Schedule, the Company agrees to consult with the Plant Chair and consider the Plant Chair's input and guidance. The Company may then implement with sixty (60) days notice to affected employees.**
- C. **Alternative Work Schedules will first be staffed via volunteers and then by reverse seniority.**
- D. **All time worked over ten (10) hours a day will be voluntary.** All time worked over 10 hours in one day will be paid at time and one-half.

- E. All time worked on the fifth day will be paid at time and one-half. **Scheduled or mandatory overtime will be limited to eight (8) hours.**
- F. All time worked on the sixth and seventh days will be paid at double time. **The Company will not schedule employees to work overtime more than two consecutive weekends.**
- G. Hours for holidays not scheduled to be worked by an employee will be credited to the employee's vacation/holiday account.
- H. Employees assigned to the Alternative Work Schedule whose workweek includes Saturday or Sunday shall observe the regular holiday.
- I. PSL, vacations and holidays shall be paid at 10 hours per day off.
- J. Employees on this schedule will be allowed to take two weekends off during the Christmas holiday. Employees will also be given the opportunity to be off Easter Sunday. Employees may use vacation or PSL to be compensated for this time off or without pay.
- K. Assignment to the alternative shift will be accomplished by seniority for establishing employee preference for placement to the day or night shift.
- L. There will be two (2) breaks of ten (10) minutes each.
- M. The Company may transition work areas from a 4x10 schedule to the traditional 3-shift five-day schedule with thirty (30) calendar days notice.
- N. Employees will be advised thirty (30) days in advance the specific shift to which they will be assigned.**

16.02 3X12 WORK WEEKS. The Company may transition work areas from the traditional eight-hour five-day schedule to a 3x12 schedule subject to the following:

- A. Temporary assignment to an alternative work schedule for the purpose of training may at times be necessary, temporary assignments shall not exceed 90 days.
- B. Prior to transitioning an area to an Alternative Work Schedule, the Company agrees to consult with the Plant Chair and consider the Plant Chair's input and guidance. The Company may then implement with sixty (60) days notice to affected employees.**
- C. Alternative Work Schedules will first be staffed via volunteers and then by reverse seniority.**
- D. All time worked over twelve (12) hours a day will be voluntary.** All time worked over 12 hours in one day or 36 hours in a workweek will be paid at time and one-half.

- E. All time worked on the fourth and fifth day will be paid at time and one-half. **Scheduled or mandatory overtime on the 3 x 12 schedules will be limited to eight (8) hours.**
- F. All time worked on the sixth and seventh day will be paid at double time. **The Company will not schedule employees to work overtime more than two consecutive weeks.**
- G. Hours for holidays not scheduled to be worked by an employee will be credited to the employee's vacation/holiday account.
- H. PSL, vacations and holidays shall be paid at 12 hours per day off.
- I. Employees assigned to the Alternative Work Schedule whose workweek includes Saturday or Sunday shall observe the regular holiday.
- J. Employees on this schedule will be allowed to take two weekends off during the Christmas holiday. Employees will also be given the opportunity to be off Easter Sunday. Employees may use vacation or PSL to be compensated for this time off or without pay.
- K. There will be two (2) breaks of ten (10) minutes each.
- L. Employees assigned to the 3x12 workweek will be paid for one (1) thirty (30) minute lunch period occurring during that shift.
- M. Employees assigned to the 3x12 workweek will be paid forty (40) hours for thirty-six (36) hours worked. To establish an hourly rate, employees will be paid their individual hourly base rate times 1.1112.
- N. The Company may transition work areas from a 3x12 workweek to the traditional 3-shift five-day schedule with thirty (30) days notice.
- O. Assignment to the alternate shift will be accomplished by seniority for establishing employee preference for placement to the day or night shift.
- P. Employees will be guaranteed **ninety-six (96) hours** of holiday pay each year at their individual hourly base rate times 1.1112.
- Q. Employees will be advised thirty (30) days in advance the specific shift to which they will be assigned.**

**ARTICLE 17
PART-TIME EMPLOYEES**

17.01 The Company and the Union agree to the employment of regular part-time employees. However, these regular part-time employees will be limited to no more than sixteen (16), unless there is Union agreement to increase this number. Classifications for these regular part-time employees are identified in the addendum to this letter. These employees will also be subject to the following terms and conditions:

**ARTICLE 18
OVERTIME**

- A. The regular number of work hours for a regular part-time employee will be twenty (20) hours per week. Premium pay for overtime will not commence until after the employee has worked forty (40) hours in the applicable week. Overtime premium as it applies to the sixth (6th) and seventh (7th) day of work, will be consistent with the terms and conditions of the collective bargaining agreement.
- B. All benefit accruals and usage for vacations, holidays, sick leave, automatic raises, longevity, bonuses and severance will be at one-half (1/2) the rate of regular full time employees. Medical and dental benefits will be optional and administered as they are for regular full time employees.
- C. Regular part-time employees will be eligible for hourly retirement plans in accordance with the terms of those plans and applicable statutes.
- D. Regular part-time employees will not be eligible for any benefits not listed in paragraphs (a) and (b) above.
- E. During times of layoff, regular full time employees will be given consideration for regular part-time work within their classifications consistent with the terms and conditions of paragraph 10.01.
- F. Regular part-time employees will accumulate seniority for the regular part-time group only. Should a full time opening occur for which the regular part-time employee applies and is accepted, his seniority for purposes of layoff and promotion in the full time seniority group begins the day he is assigned to a full time position. His benefit seniority date will be the day he began work in the regular part-time classification.
- G. Regular part-time employees performing work which is defined by the Collective Bargaining Agreement as bargaining unit work, will be represented by the IAM and subject to the IAM interview process as stated in the Collective Bargaining Agreement. Union membership fees and monthly dues will be regulated by the IAM.
- 17.02 The above stated conditions and terms of this agreement apply to regular bargaining unit part-time employees only and shall not apply to casual part-time employees hired from time to time by the Company. Additional interpretations of the applicability of the Collective Bargaining Agreement to regular part-time employees will be made by Labor Relations and the Union as the need arises.
- 17.03 The following classifications would be populated by regular part-time employees:
- SPC - DEPT 702 (not to exceed 10 employees unless mutually agreed)
 - Packer/Crater - Labor Grade 5-7
 - Shipper Express Parcel Post & Freight - Labor Grade 7
 - Stock Clerk - Labor Grade 9
 - CPD - DEPT 711 (not to exceed 6 employees unless mutually agreed)
 - Spare Parts Clerk - Labor Grade 8
 - Parts Control Clerk - Labor Grade 7
- 18.01 When the Company requires employees to work overtime, their overtime pay shall be computed as follows:
- 18.02 All time worked in excess of eight (8) hours per day or six and one-half (6-1/2) hours per day for employees scheduled on third shift (except on the employee's seventh (7th) consecutive day in any work week) shall be considered as overtime and paid for at the rate of time and one-half time.
- 18.03 Any hours worked over ten (10) will be voluntary for those employees assigned to a regular (5 x 8) work schedule.
- 18.04 Any hours worked over twelve (12) will be voluntary for those employees assigned to an Alternate Work Schedule.
- 18.05 All time worked on the sixth (6th) day of an employee's normal work week shall be considered as overtime and paid for at the rate of time and one-half time, except as noted in paragraphs 18.06 and 18.08.
- 18.06 All time worked on the seventh (7th) day of an employee's normal work week shall be considered as overtime and double time will be paid for all hours worked, except as noted in paragraph 18.08 below.
- 18.07 All Sunday overtime will be voluntary.
- 18.08 Except as provided elsewhere in this agreement, employees whose normal work week commences other than on Monday shall be paid time and one half time (1-1/2) for all hours worked on Saturday and double time for all hours worked on Sunday, except when such employee works a six (6) or seven (7) day week, in which event the sixth (6th) day shall be considered as Saturday and the seventh (7th) day shall be considered as Sunday for overtime purposes, and no overtime will be paid for working a regular shift on the other five (5) days. Employees scheduled to work on alternative work schedules shall be paid in accordance with Article 16.
- 18.09 Employees who accept overtime assignments or who are assigned overtime assignments and do not report to work, that overtime assignment will be charged time and one half (1-1/2) overtime credit unless the overtime for which the employee was scheduled would be paid at double time. In that case, the employee will be charged at double the hours scheduled.
- 18.10 OVERTIME NOTICE. When required to work overtime, employees shall be notified in advance. Four (4) hours notice shall be given for daily overtime and eight (8) hours notice shall be given when employees are required to work the sixth (6th) or seventh (7th) day of their normal work week, where possible.
- 18.11 It is the Company's policy to notify employees as far in advance as possible when they are to work overtime. Four (4) hours notice shall be given for daily overtime. Notice for overtime beyond the employee's normally scheduled work week will be given by the end of the shift on the day preceding the last scheduled work day. Except in emergency situations, which include customer

requirements, employees who have not been given the applicable notice described above shall not be charged the overtime credit or be required to work.

- 18.12 The Company, in exercising its right to schedule employees for overtime work, will attempt to minimize the scheduling of overtime on holidays and holiday weekends. All overtime on holidays and weekends which follow a Friday holiday or precede a Monday holiday shall be assigned on a voluntary basis except in emergency situations.
- 18.13 No employee will be scheduled for weekend overtime in conjunction with his or her vacation provided the vacation is scheduled three (3) or more days prior to the start of the vacation.
- 18.14 Subject to the equalization of overtime provision of the Company/Union Agreement, the Company will first try to fill overtime assignments with qualified employees desiring the overtime; and when it is necessary to require employees to work overtime, qualified junior employees will be assigned the overtime ahead of qualified senior employees.
- 18.15 No employee will be scheduled for more than two (2) consecutive weekends except in emergency situations.
- 18.16 Overtime shall be divided as equally as possible between employees regularly assigned to work in a section of the department in which overtime applies. Employees moving from one overtime group to another shall be assigned the highest number overtime hours of the new group. Where possible, the Supervisor shall notify the Department Steward of the daily overtime to be worked before the end of the shift and for the sixth (6th) or seventh (7th) day overtime by the end of the shift on the day preceding the overtime. Each Department Supervisor shall maintain a record of each employee's overtime on a calendar year basis and review the overtime records with the Department Steward on a monthly basis so that they can create an equalization program if needed. An equalization program is needed if there is a disparity of twenty-four (24) hours or more in a section of a department within the same classification. The Department Steward, Plant Chair, or the Business Representative may review the record upon request.
- 18.17 The Company and the Union both recognize that it is very difficult to equalize overtime between shifts. The Company will, however, make a sincere effort to equalize overtime between shifts in the section or the department in which the overtime applies.
- 18.18 SCHEDULING SATURDAY, SUNDAY OVERTIME. Company and Union agree to the following conditions regarding the scheduling of Saturday and Sunday overtime only for employees whose normal work week begins on Monday and who are scheduled for eight (8) hour shifts or six and one-half (6-1/2) hour third shifts.
- A. For purposes of bargaining unit overtime compensation on Saturday, all time worked from 12:01 a.m. Saturday to 12:00 midnight Saturday will be compensated at the rate of one and one-half (1-1/2) times an employee's regular pay rate.

- B. For purposes of bargaining unit overtime compensation on Sunday, all time worked from 12:01 a.m. Sunday to the beginning of an employee's regular assigned start time on Monday, will be compensated at the rate of two (2) times the employee's regular pay rate.

ARTICLE 19 GUARANTEED TIME

- 19.01 Employees required to report back to work after the regular working hours will be guaranteed two (2) hours and forty (40) minutes work. The guaranteed time for work applies only when an employee has gone home and is required to report back to the plant but does not apply when the employee continues working after the expiration of the employee's regular shift or continues working after such employee takes time off for meals or rest periods.
- 19.02 Employees scheduled to work on an overtime day and who report for work will be guaranteed four (4) hours of work at the applicable overtime rate of pay for the sixth (6th) day and three (3) hours of work at double time rate of pay for the seventh (7th) day, unless notified at least two (2) hours in advance of the scheduled starting time not to report to work.
- 19.03 EMPLOYEES SENT HOME. Any employee called in for work on a regularly scheduled work day while the plant is in regular operation shall be paid for not less than four (4) hours whether worked or not, provided, however, that when any employee is discharged for cause, voluntarily terminates, or where work is stopped by events beyond the control of the Company, the employee shall be paid only for hours actually worked.

ARTICLE 20 METHODS OF WAGE DETERMINATION AND RATES OF PAY

- 20.01 The Company will continue to write job requirements and initially determine the classification of each job in accordance with the job evaluation plan presently in effect, with such modifications in the plan as shall be mutually agreed to by the Union and the Company.
- 20.02 When new jobs are created, write-ups will be installed within ninety (90) days and then be immediately submitted in writing by the Company to the Plant Chair. The Plant Chair shall have thirty (30) days to disapprove the evaluation in writing; otherwise, the evaluation shall stand approved. If disapproved, the Plant Chair shall list and describe in detail the basis for disapproval, and shall submit the written disapproval to the Company. If the disapproval is not removed within five (5) working days, the written disapproval will then be immediately submitted to Step 2 of the grievance procedure and be processed through all steps up to and including Arbitration. Any earned retroactivity will be computed from the date of installation of the write-up as described above. Any employee whose classification is reduced to a lower grade as a result of a job reevaluation under the plan shall continue to receive the same pay the employee received in the former classification for one (1) year, and, where applicable, shall receive automatic increases in the new classification in accordance with paragraph 23.08 until the employee reaches the maximum of the new classification. At the end of one (1) year such employee's pay shall be in accordance with the new classification.

- 20.03 The Plant Chair (or Business Representative) shall have the right to ask for and receive a review of any existing job classification within the bargaining unit in the plant, provided the request is accompanied by a description of a change of job assignment, content, method or other reasons for change since the last review and which results in changes in the point evaluation of one or more factors. The requested reviews shall be completed by the Company and be submitted to the Plant Chair within thirty (30) days. The disapproval procedure shall be as outlined in paragraph 20.02 above.
- 20.04 As necessary, the Company may review existing jobs and install the revised write-ups. The Plant Chair will be notified when existing jobs are being reviewed. All revised write-ups will be submitted to the Plant Chair. Write-ups with changes in the point evaluation of one or more factors will be subject to the disapproval procedure set forth in paragraph 20.02 for each factor change. Write-ups with significant changes in duties will also be subject to the disapproval procedure as set forth in paragraph 20.02 and, as provided in paragraph 20.02, such disapproval shall describe in detail the basis for the factor or factors on which the disapproval is based.
- 20.05 The parties recognize that certain jobs in the various Aircraft Facilities are identical, certain jobs are similar but not the same in their requirements and that some jobs with the same title have different duties assigned. All Plant Chairs at the Pawnee and Mid-Continent facilities will be given two (2) copies of jobs installed in the Wichita Divisions. Should the Union feel that a job presented for installation in one Aircraft Facility is the same as a job that has been installed in another Aircraft Facility, the Business Representative assigned to these Aircraft Facilities shall have the right to request a meeting with the Aircraft Division Labor Relations Manager. All Plant Chairs in the two Aircraft Facilities concerned may attend any such meetings. Any dispute on this issue is subject to the grievance procedure.
- 20.06 A Business Representative may assist the Plant Chair in any stage of the job evaluation.
- 20.07 New employees may be started at the minimum rate or at rates above the minimum rates, but not in excess of the maximum rates of the classification for the jobs to which they are assigned.
- 20.08 Should the Company revise a hire rate upward and the subject classification has a single new hire rate, employees in the effected classification who are paid at a rate below the new hire rate shall have their rate increased to the new hire rate.
- 20.09 Inactive employees with recall rights who are recalled pursuant to this provision will be recalled to the same relative position in the rate range which they were in at the time of layoff if recall is to a job classification the employee has previously held. Should the employee be recalled to a new job classification in a lower labor grade, the employee will be recalled at either the maximum of the rate range of the new classification or the same relative position in the rate range of the classification from which the employee was laid-off, whichever is lower. If the employee is recalled to a new job classification in a higher labor grade, the employee will be recalled at either the minimum of the rate range of the new classification or to the same relative position in the rate range of the classification from which the employee was laid off, whichever is higher.

- 20.10 JOB EVALUATION SYSTEM. It is the intent of the Company to examine rating factors and degrees of the National Electrical Manufacturers Association (NEMA) scale for the purpose of updating information which may or may not be out of date. It is not the intent of the Company to change factors and degrees to the point which it will affect the labor grade of job description ratings presently in use.
- 20.11 The Company and the Union will meet within ninety (90) days after ratification of the new Collective Bargaining Agreement to discuss the findings of the NEMA shop scale examination.
- 20.12 Failure to agree on any factor description and/or degree description change will result in continued use of the NEMA shop scale as it existed prior to the new Collective Bargaining Agreement.
- 20.13 The Company and Union will form a job evaluation committee for the purpose of discussing any new or revised job description before that description is routed for final approval. Members of this committee will consist of three (3) members from the Company and three (3) members from the IAM. They are as follows:
 Superintendent or Supervisor Business Representative
 Labor Relations Representative Plant Chair
 Compensation-Job Evaluation Analyst Shop Steward
- 20.14 The Company will make a presentation on the NEMA job evaluation system to the negotiating committee within ninety (90) days of the date of this agreement.

**ARTICLE 21
WAGES**

- 21.01 Effective **SEPTEMBER 17, 2007**, hourly rates of pay for classified employees in all divisions shall be as follows:

<u>Grade</u>	<u>Minimum</u>	<u>Maximum</u>
1	19.28	28.96
2	18.42	28.02
3	17.44	26.94
4	16.50	25.96
5	15.98	25.39
6	15.39	24.76
7	15.10	24.43
8	14.36	23.38
9	14.36	22.94
10	12.89	22.49

21.02 Effective **SEPTEMBER 15, 2008**, hourly rates of pay for classified employees in all divisions shall be as follows:

<u>Grade</u>	<u>Minimum</u>	<u>Maximum</u>
1	20.05	30.12
2	19.16	29.14
3	18.14	28.02
4	17.16	27.00
5	16.62	26.41
6	16.01	25.75
7	15.70	25.41
8	14.93	24.32
9	14.93	23.86
10	13.41	23.39

21.03 Effective **SEPTEMBER 14, 2009**, hourly rates of pay for classified employees in all divisions shall be as follows:

<u>Grade</u>	<u>Minimum</u>	<u>Maximum</u>
1	20.85	31.32
2	19.93	30.31
3	18.87	29.14
4	17.85	28.08
5	17.28	27.47
6	16.65	26.78
7	16.33	26.43
8	15.53	25.29
9	15.53	24.81
10	13.95	24.33

21.04 PAYROLL CORRECTIONS. Any Company error consisting of eight (8) hours or more on an employee's weekly check shall be corrected the next business day.

21.05 A lump sum of **\$3,000** will be paid on **September 28, 2007** to employees on the payroll as of that date if this Agreement is ratified on Saturday, **September 15, 2007**.

**ARTICLE 22
LONGEVITY PAY**

22.01 LONGEVITY PAY. Each employee who has completed five (5) years current continuous service shall receive five cents (5¢) per hour longevity pay. Longevity

pay shall be increased to ten cents (10¢) per hour after completion of ten (10) years of current continuous service, to fifteen cents (15¢) per hour after completion of fifteen (15) years of current continuous service, to twenty cents (20¢) per hour after completion of twenty (20) years of current continuous service, to twenty-five cents (25¢) per hour after completion of twenty-five (25) years of current continuous service, to thirty cents (30¢) per hour after completion of thirty (30) years of current continuous service, and to thirty-five cents (35¢) per hour after completion of thirty-five (35) years of current continuous service.

**ARTICLE 23
AUTOMATIC INCREASES**

23.01 Employees hired as general helpers will be reclassified to the classification of work to which they are assigned upon completion of the seventy-five (75) day probationary period.

23.02 After inexperienced employees have been classified, they shall receive automatic increases of twenty-one cents (21¢) per hour every three (3) months thereafter until the maximum rates of the job classifications are attained. The automatic increase amount will be increased to twenty-three (23¢) per hour on October 14, 2002, and twenty-six (26¢) per hour on October 13, 2003.

23.03 Classified employees who have been hired at the minimum of their job classifications will be advanced twenty-one cents (21¢) per hour at the end of each three (3) months of service until they have attained the maximum rates for their job classifications. The automatic increase amount will be increased to twenty-three (23¢) per hour on October 14, 2002, and twenty-six (26¢) per hour on October 13, 2003.

23.04 Classified employees hired at a rate above the minimum for their job classification will be advanced twenty-one cents (21¢) per hour at the end of each three (3) months of service until they have attained the maximum rates for their job classifications. The automatic increase amount will be increased to twenty-three (23¢) per hour on October 14, 2002, and twenty-six (26¢) per hour on October 13, 2003.

23.05 EMPLOYEES ON LEAVE OF ABSENCE OR LAYOFF. Employees who are laid off or are on leave of absence for more than sixty (60) consecutive days, except in the case of an employee injured in an on-the-job accident, shall be required to make up all time lost in excess of sixty (60) days to receive credit on their automatic length of service advancement schedule. If more than one (1) such layoff or leave of absence of an employee begins in any consecutive twelve (12) months, the make-up applies to the full number of days involved in such additional layoff or leave of absence.

23.06 Employees laid off or on leave of absence for a period of less than sixty (60) days duration shall continue to participate in their automatic length of service advancement schedule.

23.07 TRANSFERRED EMPLOYEES. Any classified employee transferred to another job in a higher classification in the same or another department shall be reclassified within thirty (30) days, and shall receive his or her current rate of pay or the starting rate of pay for that job classification to which he is being transferred,

whichever is higher. The employee transferred shall continue to receive the regular automatic increases at the rate of twenty-one cents (21¢) per hour for each three (3) months of service until the maximum rate of the new classification is attained. The automatic increase amount will be increased to twenty-three (23¢) per hour on October 14, 2002, and twenty-six (26¢) per hour on October 13, 2003.

- 23.08 Classified employees who have reached the maximum of their job classifications and have not received an increase for three (3) or more months and who are transferred to another job in a higher classification in the same or another department shall be reclassified within thirty (30) days. These employees shall receive an increase of twenty-one cents (21¢) per hour over their current rates at the time of the transfer or the minimum of the new job classification, whichever is higher. They shall then receive twenty-one cents (21¢) per hour increases automatically at the end of every three (3) months from the time of reclassification until the maximum rates of the new job classification are attained. (Also see paragraph 11.03.) The automatic increase amount will be increased to twenty-three (23¢) per hour on October 14, 2002, and twenty-six (26¢) per hour on October 13, 2003.
- 23.09 Any classified employee permanently transferred to another job that carries the same rate of pay in the same or another department shall be reclassified within thirty (30) days. If the employee who is transferred has not attained the maximum of the rate of pay for their new classification, they shall continue to receive their automatic increases of twenty-one cents (21¢) per hour for each three (3) months until they attain the maximum rate for the new classification. The automatic increase amount will be increased to twenty-three (23¢) per hour on October 14, 2002, and twenty-six (26¢) per hour on October 13, 2003.
- 23.10 Any classified employee transferred to another job in a lower classification in the same or another department shall be reclassified within thirty (30) days and receive the same rate of pay, or the maximum rate of the new job classification, whichever is lower. If the employee has been transferred at the same rate of pay, the employee shall continue to receive the regular automatic increases at the rate of twenty-one cents (21¢) per hour for each three (3) months of service until the maximum rate of the new job classification is attained. If the employee is transferred at the maximum rate of the new job classification, there will be no further increases, as the employee is already at the maximum rate for the new job classification. The automatic increase amount will be increased to twenty-three (23¢) per hour on October 14, 2002, and twenty-six (26¢) per hour on October 13, 2003.
- 23.11 Classified employees transferred to another job in the same or another department, which job is in the same grade, shall continue to receive automatic increases the same as if they had remained on the original job.

ARTICLE 24 SHIFT PREMIUM

- 24.01 Second shift employees shall receive forty cents (40¢) per hour more than the rates for the same classification on the first shift.
- 24.02 Third shift employees shall receive fifteen cents (15¢) per hour more than the rates for the same classifications on the first shift plus eight (8) hours' pay for six

and one-half (6-1/2) hours work except in the case of certain employees whose hours of necessity are established on different schedules.

- 24.03 Where employees work irregular shifts and such shifts start after 12:00 noon, they shall be considered as second shift employees.
- 24.04 Where employees are required to work part time on one regular shift and part time on another regular shift when the same is continuous the regular shift period on which they spend the majority of their time shall determine their right to shift premiums.

ARTICLE 25 COST-OF-LIVING PLAN

- 25.01 The subsequent cost-of-living adjustments, in accordance with the following paragraph, will be determined in accordance with changes in the consumer price index for urban wage earners and clerical workers revised (January 1987 CPI-W) (Rental Equivalency) (United States Average 1967 = 100 as now published monthly by the Bureau of Labor Statistics, United States Department of Labor, and hereinafter referred to as the BLS index.
- 25.02 A cost-of-living adjustment shall be effective on **July 21, 2008**. The adjustment shall be one cent (.01) per hour for each 0.3 point increase of the average of the months of March, April, and May **2008** in excess of three percent (3%) over the average of the months of March, April, and May **2007**.
- 25.03 A cost-of-living adjustment shall be effective on **July 27, 2009**. The adjustment shall be one cent (.01) per hour for each 0.3 point increase of the average of the months of March, April and May **2009**, in excess of three percent (3%) over the average of the months of March, April, and May **2008**.
- 25.04 A cost-of-living adjustment shall be effective on **July 26, 2010**. The adjustment shall be one cent (.01) per hour for each 0.3 point increase of the average of the months of March, April, and May **2010**, in excess of three percent (3%) over the average of the months of March, April, and May **2009**.
- 25.05 The Company plans to continue to utilize the 1967 = 100 base, but if the Bureau of Labor Statistics changes the form or the basis for calculating the official CPI-W, the parties agree to use the Corrected Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) (1982-1984 = 100). The calculation would also change to provide the same yield as the current formula.
- 25.06 A decline in the CPI-W average shall not affect or cause a reduction in the wage rates specified in Article 21. The cost-of-living adjustment shall not be added to the base rates of any labor grades but only to all employees' hourly earnings. The applicable cost-of-living adjustment shall be included in computing overtime, vacation, holiday, jury, and PSL pay.
- 25.07 No adjustment, retroactive or otherwise, shall be made after the effective date of any cost-of-living adjustment because of any revision which may later be made in the published figures of the CPI-W.
- 25.08 The parties to this Agreement agree that the payment of the cost-of-living adjustments is dependent upon the availability of the CPI-W, in its present form.

- 25.09 If the Bureau of Labor Statistics changes the form or the basis for calculating the official CPI-W, the parties agree to use the Corrected Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) (1982-84 = 100).
- 25.10 **During the term of the previous Agreement, cumulative cost-of-living adjustments amounted to twenty cents (\$0.20) per hour. This twenty cents (\$0.20) per hour has been included in the maximums of the base rates specified in Article 21 – Wages, and shall no longer be paid as a cost-of-living adjustment and will be added to the base rates of all hourly employees who are on the payroll as of September 17, 2007.**

**ARTICLE 26
VACATIONS**

- 26.01 It is agreed by and between the Company and the Union that any employee who completes one (1) year of working time with unbroken seniority with the Company shall be entitled to forty (40) hours' vacation with pay when vacations are scheduled by the Company or forty (40) hours' pay in lieu of a vacation at the option of the Company. Pay shall be for forty (40) hours at straight time rates including any shift bonuses. Payment in lieu of a vacation shall likewise be computed at forty (40) hours' straight time rates.
- 26.02 Any employee who has had two (2) years or more of working time with unbroken seniority with the Company shall be entitled to eighty (80) hours' vacation with pay or eighty (80) hours' pay in lieu of vacation. Employees who are not included in the annual vacation shutdown who have two (2) or more years of working time may take up to ten (10) days of their vacation eligibility during a year in half-day (1/2) increments provided they are scheduled in accordance with the vacation scheduling policy.
- 26.03 Any employee who has had ten (10) years or more of working time with unbroken seniority with the Company shall be entitled to one hundred twenty (120) hours' vacation with pay or one hundred twenty (120) hours' pay in lieu of vacation.
- 26.04 Any employee who has had twenty (20) years or more of working time with unbroken seniority with the Company shall be entitled to one hundred sixty (160) hours' vacation with pay or one hundred sixty (160) hours' pay in lieu of vacation.
- 26.05 Employees who successfully complete probation shall receive vacation accruals on a monthly basis. Accrued vacation in excess of vacation hours required for the annual shutdown will be available for use as it is accrued. Such accruals will be posted for use the week following each employee's monthly-adjusted benefit date. Vacation hours will continue to accrue in accordance with the annual vacation accrual schedule described in the preceding paragraphs.
- 26.06 Under this Article in determining the working time of an employee, any leave of absence or layoff (except in the case of an employee injured in an on-the-job accident) for more than sixty (60) consecutive days shall extend the vacation eligibility date for the number of days the lay off or leave of absence exceeds sixty (60) days. If more than one (1) such layoff or leave of absence occurs before the employee has become eligible for a vacation, the employee's eligibility

date shall be further extended by the full number of days in each such additional leave of absence or layoff. After the full year of unbroken seniority has been established to qualify for a vacation, the determination of working time for each subsequent vacation will follow the same rules as just described in this paragraph.

- 26.07 Leaves of absence in excess of **twelve (12)** months shall be considered as a break in working time and a loss of seniority. Employees with less than five (5) years' seniority who are laid off in excess of twenty-four (24) months shall be considered to have a break in working time and will lose their seniority. Employees with over five (5) years' seniority who are laid off in excess of sixty (60) months shall be considered to have a break in working time and will lose their seniority. Employees with ten (10) years or more seniority who are laid off in excess of seventy-two (72) months shall be considered as a break in working time and loss of seniority. All other terminations shall be considered as a break in working time and a loss of seniority.
- 26.08 In keeping with the Company's right to schedule vacations, it is the Company's policy to schedule individual vacations at a time mutually convenient to the employee and the Company. There is always a restriction of the number of employees that can be gone from a work group at any one time.
- 26.09 Request for vacations by employees must be made by submitting vacation request forms to their immediate Supervisors.
- 26.10 It is further agreed that vacation may be scheduled in one-half (1/2) day increments.
- 26.11 When the Company deems it necessary to have a plant shutdown all employees will be encouraged to use their vacation eligibility during the shutdown. The Company recognizes that to be fair to employees with vacation scheduling problems, it will be necessary to allow employees to use their vacation eligibility at other times.
- 26.12 Vacation eligibility not used during a shutdown shall be scheduled initially by seniority in each department. This should be accomplished by the end of the third (3rd) month of each year. If an employee's vacation is cancelled by supervision after approval, then the employee shall reschedule within thirty (30) days of cancellation or, at the employee's option, receive pay in lieu of the vacation hours the employee is entitled to at the end of his or her vacation eligibility year.
- 26.13 Employees whose vacation credits exceed the annual maximum hours that may be accrued for payment under this Article will **automatically have those credits carried over into the next eligibility year. Employees shall receive pay in lieu of unused vacation credit for all credits in excess of two (2) times the employee's annual accrual rate within two weeks following their benefit seniority date.**
- 26.14 Employees on military leaves of absence who return to work in compliance with provisions covered in paragraphs 31.01 and 31.02, upon their return shall receive vacation privileges for the year in which they return and thereafter the same as other regularly employed employees.

- 26.15 Employees leaving the employment of the Company, either by discharge, voluntary termination or layoff, for periods in excess of thirty (30) consecutive days who are eligible for vacations will receive vacation pay at the time the termination or layoffs become effective.
- 26.16 Paid holidays occurring during a vacation period shall entitle the employee to one (1) extra day's vacation with pay.
- 26.17 A vacation allowance will be paid to employees who are separated from the Cessna payroll for any reason or at the time of their vacation period as follows:
- A. Employees with one (1) year of continuous service (actual working time) but less than nine (9) years will receive six and two thirds (6 2/3) hours vacation credit for each full month worked since their last vacation eligibility dates.
 - B. Employees with nine (9) years of continuous service (actual working time) or over shall receive ten (10) hours vacation credit for each full month worked since their last vacation eligibility date.
 - C. Employees with nineteen (19) years of continuous service (actual working time) or over shall receive thirteen and one third (13 1/3) hours vacation credit for each full month worked since their last vacation eligibility date.
- 26.18 VACATION SHUTDOWN. The Company shall continue to have the right to reschedule for the annual inventory and/or a vacation shutdown. In the case of inventory shutdown, the Company shall review the method of inventory taking, the scheduling of bargaining unit employees during the inventory and any rescheduling which may be planned with the Plant Chair prior to the announcement to the employees. In the event of either an inventory or vacation shutdown, the dates of the shutdown will be announced at least ninety (90) days prior to the beginning of the shutdown.
- 26.19 Employees earning from two (2) to four (4) weeks vacation and who are not scheduled to work during the vacation shutdown, will use five (5) days of that vacation during the annual five (5) day vacation shutdown.
- 26.20 Employees with less than (2) years of seniority will be allowed to schedule earned pro rata vacation during the annual scheduled vacation shutdown up to five (5) days.
- 26.21 Employees who take vacation during the annual scheduled vacation shutdown in accordance with the above provisions, will be eligible to take their remaining vacation in increments of one-half (1/2) day to five (5) days.
- 26.22 Employees will be advised as to whether or not they will be scheduled to work or scheduled off during the vacation shutdown at least ninety (90) days prior to the beginning of the vacation shutdown. Should an employee's department wish to change an employee's status during the vacation shutdown after this ninety (90) day notice, that change shall be voluntary on the part of the employee.

**ARTICLE 27
HOLIDAYS**

27.01 HOLIDAY SCHEDULE. During the term of this agreement, paid holidays and the Christmas Schedule, unless otherwise mutually agreed, shall be as follows:

27.02 2007 AGREEMENT YEAR (2007-2008)	
<u>Holiday and Christmas Schedule</u>	<u>Date of Observance</u>
Veterans Day**	Mon., Nov. 12, 2007
Thanksgiving	Thurs., Nov. 22, 2007
Friday after Thanksgiving	Fri., Nov. 23, 2007
Christmas Schedule:	
Christmas Eve	Mon., Dec. 24, 2007
Christmas Day	Tue., Dec. 25, 2007
Holiday	Wed., Dec. 26, 2007
Holiday	Thurs., Dec. 27, 2007
Holiday	Fri., Dec. 28, 2007
Holiday*	Mon., Dec. 31, 2007
New Year's Day	Tue., Jan. 1, 2008
Martin Luther King, Jr. Day	Mon., Jan. 21, 2008
Memorial Day	Mon., May 26, 2008
Fourth of July	Fri., July 4, 2008
Labor Day	Mon., Sept. 1, 2008

**Day off Without Pay*

***Optional day off without pay*

27.03 2008 AGREEMENT YEAR (2008-2009)	
<u>Holiday and Christmas Schedule</u>	<u>Date of Observance</u>
Veterans Day**	Tue., Nov. 11, 2008
Thanksgiving	Thurs., Nov. 27, 2008
Friday after Thanksgiving	Fri., Nov. 28, 2008
Christmas Schedule:	
Christmas Eve	Wed., Dec. 24, 2008
Christmas Day	Thurs., Dec. 25, 2008
Holiday*	Fri., Dec. 26, 2008
Holiday	Mon., Dec. 29, 2008
Holiday	Tue., Dec. 30, 2008
Holiday	Wed., Dec. 31, 2008
New Year's Day	Thurs., Jan. 1, 2009
Holiday*	Fri., Jan. 2, 2009
Martin Luther King, Jr. Day	Mon., Jan. 19, 2009
Memorial Day	Mon., May 25, 2009
Fourth of July	Fri., July 3, 2009
Labor Day	Monday, Sept. 7, 2009

**Day off without pay*

***Optional day off without pay*

27.04 2009 AGREEMENT YEAR (2009 – 2010)

Holiday and Christmas Schedule

Veterans Day**
 Thanksgiving
 Friday after Thanksgiving
 Christmas Schedule:
Christmas Eve
 Christmas Day
 Holiday*
 Holiday
 Holiday
 Holiday
 New Year's Day
 Martin Luther King, Jr. Day
 Memorial Day
 Fourth of July
 Labor Day

Date of Observance

Wed., Nov. 11, 2009
Thurs., Nov. 26, 2009
Fri., Nov. 27, 2009
Thurs., Dec. 24, 2009
Fri., Dec. 25, 2009
Mon., Dec. 28, 2009
Tue., Dec. 29, 2009
Wed., Dec. 30, 2009
Thurs., Dec. 31, 2009
Fri., Jan. 1, 2010
Mon., Jan. 18, 2010
Mon., May 31, 2010
Mon., July 5, 2010
Mon., Sept. 6, 2010

**Day off without pay*
***Optional day off without pay*

- 27.05 Except as provided above, should any of the above named holidays fall on Saturday, the Friday before the holiday shall be observed as the holiday. Except as provided above, should any of the above named holidays fall on Sunday, the following Monday shall be observed as the holiday.
- 27.06 Employees may elect to receive unused vacation or PSL for days off without pay during the year-end holiday shutdown.
- 27.07 VETERANS DAY. On the federal holiday designated as Veterans Day, employees who wish to observe the holiday will schedule this day off one week in advance. Employees with no available PSL or vacation or employees who have accrued vacation and choose to do so may schedule the day off without pay. Observance of this holiday will not be considered an absence.
- 27.08 HOLIDAY PAY ELIGIBILITY. Employees shall be paid for their normal shift's work at regular rates of pay (excluding temporarily changed schedules) on these paid holidays if not called in to work provided that both the scheduled day before and the scheduled day after the holiday are worked. However, the employee will be paid for the holiday if the employee works either the day before or the day after the holiday and employee's absence on the other day is caused by illness verified by a doctor's written statement, or equivalent verification that the absence was beyond the employee's control.
- 27.09 Unless discharged for just cause, any non-probationary employee who has worked any time during December and who is laid off will be entitled to pay for the holidays occurring in the Christmas-New Year's holiday period for that agreement year.
- 27.10 Employees required to work on any of these paid holidays shall be paid at the rate of three (3) times for all hours worked on such holidays.

- 27.11 Employees not reporting for work on any of these paid holidays, if required to work, will not be paid for such holiday unless the employee presents verification that the absence was beyond the employee's control.
- 27.12 Employees shall not be paid for paid holidays occurring within layoff periods or within leaves of absence except when the leaves of absence are for those required to report to a military induction center for physical examination or those who are absent from work due to a training obligation as a member of a Reserve Component of the Armed Forces or those who are in their first thirty (30) days of a leave of absence for illness or injury. Employees in these exception categories will receive holiday pay upon their return to work.
- 27.13 WICHITA CITATION SERVICE CENTER AND CITATION PARTS DISTRIBUTION. In order to support customers during the Thanksgiving and Christmas holidays, the Wichita Citation Service Center and Citation Parts Distribution must schedule work to insure the continuation of service to customers. Volunteers who work the Thanksgiving weekend and the two holiday weekends during the Christmas shutdown will be paid at two times their base hourly rate of pay. Additionally, employees who work the Christmas shutdown holidays will receive one day of vacation for every three days of work.

**ARTICLE 28
 PERSONAL AND SICK LEAVE (PSL)**

- 28.01 PERSONAL AND SICK LEAVE (PSL) PAY. Effective January 1, 2002, upon completion of probation, employees will be eligible to use accrued personal and sick leave in one-tenth (1/10) of an hour increments. Employees may accumulate a maximum of two hundred forty (240) hours. The schedule is as follows:

<u>Completed Years of Work Time</u>	<u>Hours of PSL Leave Earned per Paid Hour*</u>
<u>Between</u>	
0 and 3	.0133
3 and 4	.0177
4 and 5	.0221
5 and 6	.0265
6 and 7	.0310
7 and 8	.0354
8 and 9	.0398
9 and over	.0442

* Paid hours include: straight time, overtime, vacation, PSL, holiday, bereavement and jury duty.

- 28.02 Personal and sick leave pay will be paid in one-tenth (1/10) of an hour increments, at the employee's regular rate of pay. PSL will be paid out at the employee's straight time rate even if it is used to cover overtime absences.
- 28.03 The accumulation of personal and sick leave time will be permitted to a maximum of two hundred forty (240) hours. Employees using a portion of accumulated personal and sick leave will retain the unused portion and the

Company will add to the unused hours credit for the following years until a maximum of two hundred forty (240) hours is accumulated.

- 28.04 Employees whose personal and sick leave credits exceed the maximum of two hundred forty (240) hours that may be accrued for payments under this Article will be paid for all such excess credits on their benefit seniority dates occurring on or after October 13, 1996.

**ARTICLE 29
BEREAVEMENT PAY**

- 29.01 The Company will grant employees time off with pay, up to three (3) days for a single bereavement, due to a death in the immediate family (mother, father, husband, wife, children, grandchildren, grandparents, grandparents-in-law, great grandparents, brothers, sisters, mothers-in-law, fathers-in-law, sisters-in-law, brothers-in-law, sons-in-law, daughters-in-law, step mother, step father, step brothers, step sisters, step mother-in-law, step father-in-law, step children and *loco parentis*).

**ARTICLE 30
SEVERANCE PAY**

- 30.01 Employees will receive payment of all unused PSL credits earned at the time of their termination. Such payment will be at the employee's straight time rate at the time of termination. Employees may receive severance pay only once in any twelve (12) month period.

**ARTICLE 31
LEAVES OF ABSENCE**

- 31.01 All matters set forth in this article are subject to the terms and conditions of the Selective Service Act.
- 31.02 It is further agreed that all employees who leave or have left the Company to go into military service, either by enlistment or induction, and who have gone or do go into such service within thirty (30) days after leaving the employ of the Company, shall accumulate seniority during such time of service, providing such employees comply with the Selective Service Act.
- 31.03 Employees desiring a leave of absence shall contact their Supervisor state the reason for requesting the leave of absence, and request approval. A leave of absence for a certain number of days shall be for that period only and termination of employment shall be expected if the employees fail to report at the end of the leave of absence period. No leave of absence shall be granted for a period of longer than thirty (30) days, except for medical leaves which will require an initial duration of absence in excess of thirty (30) days. In those cases, the initial leave period will be equal to the forecasted recuperation or recovery period. Extensions for thirty (30) day periods may be granted at the option of the Industrial Relations Department. If the employee does not report, either in person or in writing, to the Industrial Relations Department at the end of each thirty (30) days of such leave of absence, or at the end of the initial medical leave period if it exceeded thirty (30) days, the employee may be terminated. If an extension is requested and the employee is refused an extension at the end of any thirty (30) day period and does not report back to work, the employee shall be terminated. Leaves of absence shall not extend beyond a period of twelve (12) months except for those employees on leaves of absence due to an occupational injury or illness which may be on a leave up to twelve (12) months. Employees currently on leave of absence as of September 13, 2004 will be covered under the leave of absence provisions in the 2001 collective bargaining agreement (non-occupational – 18 months; occupational – 24 months).
- 31.04 Employees on a leave of absence of less than thirty (30) days are required to keep their Supervisor informed of their expected return to work date. If the expected return to work date is uncertain, the employee must report to their Supervisor on a weekly basis. If that leave of absence extends beyond thirty (30) days, the employee will be contacted, in writing, by the Industrial Relations Department with instructions on requirements to maintain or extend that leave of absence.
- 31.05 If the employee fails to meet the requirements for an extended leave of absence, the Company will advise the employee in writing that he or she has ten (10) days from the date of the letter to meet those requirements; and if the employee does not respond within this ten (10) day period, the employee may be terminated. The Plant Chair shall be advised if any employee is to be dropped from the seniority list before they are dropped.
- 31.06 It is agreed that the obtaining of a leave of absence to work for some other employer without the consent of the Company will result in termination.

31.07 Employees shall not begin a leave of absence (LOA) without first obtaining permission from the Supervisor to do so, except in case of emergency, sickness or other causes beyond the control of the employees of which the Supervisor shall be promptly advised. Upon request to the Industrial Relations Department, an employee may obtain a copy of his leave of absence authorization.

**ARTICLE 32
DISCIPLINE**

32.01 Any person who has been an employee of the Company seventy-five (75) calendar days or less is considered a probationary employee and may be discharged or laid off without cause at the discretion of the Company, and such proceedings shall be the sole right of the Company.

32.02 If a probationary employee believes that his or her discharge is for Union activities covered by paragraph 41.02, the Union shall have the right to discuss the matter with the Company subject to the grievance procedure.

32.03 All employees who have been in the continuous employment of the Company for a period of more than seventy-five (75) calendar days may be discharged by the Company for cause such as the following: Insubordination, intoxication, or being under influence of intoxicating liquor or drugs while on duty, gross inefficiency, breach of trust, including commission or concealment of errors, sabotage, and excessive absences.

32.04 The Company recognizes the need to timely notify employees that they are being considered for discipline and the Company will notify the employee of possible disciplinary action as soon as possible and in all cases within three (3) working days of when the Company learned of the alleged infraction. **In all cases, the Company shall have fourteen (14) working days to notify the employee of the status of the investigation.**

32.05 In case of notice of dismissal or a suspension, any employee, who feels unjustly aggrieved thereby, shall give written notice to the Plant Chair to the effect that the employee has been unjustly dealt with; such statement shall include the reasons for the request and why the dismissal or suspension be given further consideration. This written notice must be presented to the Labor Relations Manager's office within seven (7) calendar days of the dismissal or suspension notice. The Labor Relations Manager, or the Labor Relations Manager's designee, and the Plant Chair shall determine within a period of seven (7) calendar days whether the employee's written request shall constitute a case and be subject to the method of adjusting grievances as provided in Article 33. **In the event that a Shop Steward is being considered for possible disciplinary action, the Steward may request the Plant Chair or the Plant Chair's designee to be present.**

32.06 The Company will continue to use disciplinary layoffs when the conduct of the employee is of such a serious nature that in the Company's opinion a disciplinary layoff is necessary. The Company agrees, however, that disciplinary layoffs will not be used routinely, and only after communication between the supervisor involved and the Industrial Relations Department. In those cases when the Company determines an employee should be given a disciplinary layoff, he shall be advised that the Company will notify his Departmental Steward and Plant Chair of the action. If when the Steward and Plant Chair so notified feel the

disciplinary action is unfair, he shall have the right to check off the job at the Supervisor's office and go to the Union Plant Office to confer with the Plant Chair. If the Plant Chair feels additional investigation is called for, he shall advise the Industrial Relations Office so that a further investigation may be conducted. The employee shall, if the employee requests, be granted an interview with the Plant Chair before clocking out.

32.07 Prior to any disciplinary action for insubordination the Company must notify the appropriate Steward of this situation.

32.08 In the event disciplinary action is taken against an employee for a specific issue, after nine (9) consecutive months without accruing additional disciplinary action on this same issue, the write-up shall be removed from all Company records.

**ARTICLE 33
GRIEVANCE/ARBITRATION PROCEDURE**

33.01 DEFINITION. A grievance shall be defined to be any dispute submitted by an employee or Steward involving an alleged violation of the express provisions of this Agreement (including disputes involving the application of discipline) or involving the interpretation or application of the provisions of this Agreement. There shall be no refusal of a grievance or alleged grievance on the part of the Company provided such grievance is covered by the terms of this Agreement.

33.02 Both the Company and the Union want to encourage employees to seek answers to issues that are not grievances, as defined above, with their immediate Supervisor or Department Manager. The employee may also request that the shop Steward be present.

33.03 The parties agree to settle all grievances as set forth below.

33.04 STEP 1. The grievance will be presented verbally to the aggrieved employee's immediate supervisor within seven (7) calendar days after the alleged violation was committed or when the Union or the employee learned of the alleged violation. The grievance shall be discussed with the Supervisor, the aggrieved employee and the aggrieved employee's Steward. The immediate Supervisor and Shop Steward will investigate the grievance. The immediate Supervisor, the aggrieved employee and Shop Steward will meet within seven (7) calendar days to resolve, deny or withdraw the grievance.

33.05 The Company and the Union agree that any settlement of a Step 1 grievance will neither establish precedent nor violate the intent of the Collective Bargaining Agreement.

33.06 STEP 2. If not settled at Step 1, the grievance will be reduced to writing (Grievance Standard Form) signed by the immediate supervisor and submitted by the Union to the Labor Relations Department within seven (7) calendar days after the reply of the immediate supervisor. The Labor Relations Representative will discuss the grievance with the appropriate Union Plant Chair or designee at a time mutually agreeable to the parties and give a reply within seven (7) calendar days after receiving the grievance.

33.07 The parties at Step 2 may return the grievance back to Step 1 if they feel that the grievance was not properly addressed or investigated at Step 1.

- 33.08 STEP 3. If not settled at Step 2, the grievance may be forwarded by the Union to the Labor Relations Manager within seven (7) calendar days after receipt of the Step 2 reply. The Labor Relation Manager or designee will discuss the grievance with the Union Business Representative or designee at a time mutually agreeable to the parties and give a reply within seven (7) calendar days after receiving the grievance. At the request of both parties, the aggrieved employee and Manager of the department where the grievance originated may be present at this hearing. The Company shall send copies of the Step 3 reply to the Union and Manager of the department where the grievance originated. The parties intend for Step 3 to have full disclosure and no new information will be entered into evidence in arbitration unless mutually agreed to by both parties.
- 33.09 STEP 4. If not settled at Step 3, the grievance may be forwarded by the Union to the Industrial Relations Director within seven (7) calendar days after receipt of the Step 3 reply. The Industrial Relations Director or designee will discuss the grievance with the Business Representative at a time mutually agreeable to the parties and give a reply within fourteen (14) calendar days after receiving the grievance.
- 33.10 ARBITRATION. In the event a grievance remains unsettled after Step 4, the grievance may be appealed to arbitration by either the Company or the Union by requesting the Federal Mediation and Conciliation Service (FMCS) or the American Arbitration Association (AAA) to furnish a panel of seven (7) available arbitrators to both parties. Such letter must be mailed and a copy furnished to the other party within seven (7) calendar days after receipt of the Step 4 reply.
- 33.11 After a panel listing is received from the FMCS or AAA, the Company and the Union will select an arbitrator by the method of alternately deleting a name from the panel until a single arbitrator remains. Should either party reject the original panel and request an additional panel, the rejecting party shall pay for the additional panel. The arbitrator will be notified of their election by a joint letter from the Company and the Union, requesting that the arbitrator set a time and place for the hearing, subject to the availability of the Company and Union representatives.
- 33.12 The Arbitrator shall not have the jurisdiction to arbitrate provisions of a new agreement or to arbitrate away, in whole or in part, any provisions of this Agreement. The arbitrator shall have no right to add to, subtract from, nullify, ignore or modify any of the terms of the Agreement. The arbitrator shall consider and decide only the issue(s) presented, and the decision and award shall be based solely upon the arbitrator's interpretation of the application of the terms of this Agreement. The decision of the arbitrator shall be rendered in writing as expeditiously as possible and shall be final and binding upon the Company, the Union and the grievant(s) involved.
- 33.13 It is mutually agreed that each party will pay the salary and expenses of its own representatives. The salary and expenses of the Arbitrator, together with such other expenses that may be necessary and ordered by the Arbitrator, shall be paid one-half by the Company and one-half by the Union.
- 33.14 TIME LIMITS. It is agreed that time is of the essence under this Procedure. It is also agreed that if any time limit set forth in this Article is not complied with, the grievance will automatically be decided against the party who fails to comply with such limits, unless an extension of the time limits is mutually agreed upon in writing by the parties.
- 33.15 It is intended that grievances concerning promotions will be filed in accordance with the Agreement; however, if a senior employee is not notified or does not know of a promotion in his department for which he feels he was qualified at the time the appointment was made, he/she shall be allowed to file a grievance within a period of sixty (60) days after the promotion. Liability for back pay shall commence on the date of the promotion.
- 33.16 REPRESENTATION. It is agreed that the Business Representative of the Union may assist in any phase of the grievance procedure and for this purpose, the Company will provide office space for the Union at both Facilities for use by the Plant Chair and the Business Representatives.
- 33.17 It is recognized that the normal place for the Plant Chair and Departmental Stewards to handle grievances is within the department for which the Department Steward has been elected. However should circumstances arise so that a Departmental Steward must confer with the Plant Chair in the office designated for Union business in connection with the processing of a grievance, the Steward may clock to Union business after notifying their Supervisor. Such meetings shall be kept to a reasonable length of time. Upon the conclusion of such meetings, the Steward shall return to his/her department and check in at the Supervisor's office.
- 33.18 When the Supervisor cannot provide privacy for the employee, the Steward and the Plant Chair to confer, the Supervisor will excuse the employee to accompany the Steward and Plant Chair to the Union Office.
- 33.19 ADDITIONAL GUIDELINES.
A. All hearings shall be held on Company time.
B. Both Parties agree that if there are problems in the administration of the Grievance Procedure they will meet to discuss and resolve those problems.

**ARTICLE 34
JURY AND SUBPOENA DUTY**

- 34.01 Employees will be reimbursed for time lost due to jury or subpoena duty. The reimbursement shall be the daily earnings based on a regular shift (not including overtime) that the employee is unable to earn due to their obligation less the fee paid by the court. Employees summoned to appear must present the summons to their Supervisor the first shift after its receipt. The Supervisor will then authorize the necessary time away from work. First shift employees must return to work or contact their Supervisors for instructions if completing their obligation before the end of their shift. Second or third shift employees who serve for four (4) hours or more other than during the regular shift will be excused from work on their next regular shift upon contacting their Supervisors. All employees must contact their Supervisors daily at the start of their shifts to report they will be absent due to jury or subpoena duty. Upon completion of their duty, employees must submit to their Supervisor, a record signed by the court officer of the total time required, release time and the court-paid compensation.

**ARTICLE 35
CREW CHIEFS**

- 35.01 Crew Chiefs shall receive twenty-five cents (25¢) per hour over the maximum rate of the highest classified job under their direction.
- 35.02 Crew Chiefs cannot be given a classification which has no connection with the work which they are doing or which they supervise, but the rates paid Crew Chiefs must be in line with paragraph 35.01 outlined above.
- 35.03 Crew Chiefs who are demoted for any reason shall immediately lose their twenty-five cents (25¢) per hour supervisory rate and their wages will automatically revert back to the corresponding rate within the rate range of the grade where they would have been had they not been promoted to Crew Chiefs.
- 35.04 CREW CHIEF SELECTION. The following selection and compensation procedure and duties and responsibilities will apply to all Crew Chief positions in the Wichita facility:

A. Crew Chief duties and responsibilities:

1. Qualifications:

- a. **Technically skilled in order to provide training and assistance; capable of performing all essential elements of the classification requested.**
- b. **Effective August 1, 2008, applicants must have successfully completed all courses comprising the Crew Chief Training curriculum. The Supervisor and area Shop Steward will determine the priority for Crew Chief training within their respective areas.**
- c. **Resides in the department for which they are applying for a minimum of six (6) months.**
- d. **Being in good standing; e.g., does not have more than one disciplinary action at the first step or one disciplinary action at the second step.**

2. Crew Chief Responsibility:

- a. Provide training and instruction for **crew members** in all technical areas of the function and apprise them of technical quality and performance standards.
- b. Assist employees in demonstrating proficiency in proper shop methods, processes and techniques in the performance of technical tasks.
- c. Assist the Supervisor with any technical training requirements.
- d. Assist employees in reporting any safety infractions or problems to the Supervisor immediately.

- e. Report status of work in progress to the Supervisor. **Audits and coaches standard work compliance (including FOD, KANBAN maintenance, and time sensitive documents and materials).**
- f. Advise crew members to have proper Company and personally furnished tools in order to perform assigned work.
- g. The Crew Chief **will be expected to stand in and work when another crew member is absent.**
- h. Provide assistance in the use of any interpretation of documents: i.e., blueprints, schematics, diagrams, drawings, etc.
- i. Assist in workload distribution. **Updates schedule and andon boards. Leads/co-leads Area Team meetings and report outs (e.g., review metrics, area/team performance - not to include individual performance).**
- j. Does not act as Assistant Supervisor in terms of dispensing disciplinary action, does not administer attendance policy, dispense overtime, etc.
- k. Crew Chiefs cannot be given a classification which has no connection with the work which they are doing or which they lead.

B. Crew Chief Selection Procedure:

Crew Chief openings will be posted a minimum of seven (7) calendar days in the department/classification where the opening exists. The opening will also be a subject for crew meetings within the area. Crew Chief duties and responsibilities will be listed on the posting.

1. Applications packets for the Crew Chief position may be obtained from the Supervisor and must be returned by the expiration date listed on the posting.
2. The Supervisor and the area Shop Steward will review the applications **by seniority and ensure that Crew Chief qualifications are met.** If the Shop Steward is a candidate for the position, the Plant Chair will serve in the Steward's capacity.
3. **The senior employee who meets the above qualifications will be selected for the Crew Chief position. Note: To be selected, Crew Chief applicants applying for positions on other shifts within their department and classification must be the senior qualified applicant responding to the posting.**
4. If a disagreement occurs between the Supervisor and the Shop Steward **surrounding the selection of the Crew Chief**, the Crew Chief Selection will be reviewed in conference, consisting of the

Supervisor, Superintendent, the area Shop Steward and the Plant Chair. They will also notify the applicants who were not selected in writing with explanations.

5. The promotion to Crew Chief must be selected by mutual agreement.
6. The Supervisor and Shop Steward will review the duties and responsibilities of a Crew Chief with the successful candidate to insure there is complete understanding of what is expected.
7. **A** Crew Chief's performance will be **evaluated** thirty (30) and sixty (60) days after appointments as a Crew Chief and annually thereafter.
8. In the event a Crew Chief returns to their former classification, they will be placed in the same grade and rate of pay their seniority would have allowed them to attain if they would have remained in their own job.
9. Crew Chiefs that are demoted and feel the action was unjust will have the rights under Article 33 of the Collective Bargaining Agreement.
10. In the event of a reduction in force the Crew Chief will be affected consistent with the classification held prior to selection to Crew Chief.
11. **Prior to August 1, 2008, Crew Chief Selection will continue to be conducted as outlined in the 2004 Collective Bargaining Agreement.**
12. **Existing Crew Chiefs as of the date of this agreement will be grandfathered into their positions and will have the Crew Chief Training curriculum made available to them. The timing of training will be prioritized by the Supervisor and area Shop Steward by seniority.**

ARTICLE 36 SAFETY AND HEALTH

- 36.01 In an effort to achieve our vision of zero injuries, **we will strive jointly** to eliminate all unsafe practices and conditions. The Company recognizes its responsibility to provide a safe and healthful working environment for employees. The Union also recognizes its responsibility to cooperate with the Company in maintaining and improving a safe and healthful working environment **for all employees**. The parties agree to use their best efforts jointly to achieve these objectives. It is agreed by both parties that too great an emphasis cannot be laid upon safety. The Company undertakes to continue to provide the best of equipment for fire and accident prevention. Rigid observance of safety regulations must also continue. No set of safety regulations however, can comprehensively cover all possible working practices; therefore the Union and the Company undertake to promote in every way possible the realization of the responsibility of **each** employee **in** preventing accidents to themselves **and/or** their fellow employees. The parties recognize that it is the responsibility of all **persons on Company property** to practice safe and healthful acts.

- 36.02 No Employee shall be required to perform work that endangers the employee's or any other employee's health or physical safety or to work under conditions which are in violation of Company health and safety rules or any local, state or federal health and safety laws.
- 36.03 Employees will be expected to report to their Supervisor **and area Safety Advocate all concerns relative to safety and health conditions** so that **those concerns and/or conditions will be addressed and then** corrected. No employee will be discharged for making such a report.
- 36.04 Any safety matter that can't be satisfactorily resolved shall be subject to the grievance procedure.
- 36.05 DRUG AND ALCOHOL REHABILITATION. The Company and Union agree that substance abuse is a serious problem in today's society and further recognize the importance of maintaining a drug-free work environment. Therefore, the Company and Union will continue to work cooperatively in informing employees about anti-drug program policies, available employee assistance and counseling or rehabilitation options. Additionally, employees who test positive the first time will be required to complete all treatment recommendations made by the Company's Medical Review Officer and will be returned to work only with the Medical Review Officer's approval.
- 36.06 During negotiations, the parties discussed access to and the nature of inpatient drug and alcohol treatment at length. The parties agree to pursue further discussion of this subject following negotiations to assure access is available in a timely manner and that alternative treatment methods are fully examined.

ARTICLE 37 SAFETY COMMITTEE

- 37.01 In order to **support our goal of zero** injuries a Management/Union Safety Committee will be established. The **Joint** Safety Committee shall be organized in the following fashion:
- 37.02 There shall be two co-chairs, one Union and one Company. Further, there shall be representation from various locations allocated in the following fashion: Mid-Continent - **two** Company, **three** Union; Maintenance - one Union, one Company; Pawnee facility - two Union, one Company; Citation Service Center - one Union, one Company; Parts and Supply Facility - one Union, one Company; Aircraft Completion - one Union, one Company and Prospect Facility - one Union and one Company.
- 37.03 The Committee shall meet monthly. The Company shall provide the necessary support resources to the Safety Committee.
- 37.04 Meeting notification and minutes will be furnished to all Committee members, Plant Chairs and assigned Business Representatives.
- 37.05 There shall be a Union advocate and a Company advocate for the identified areas at Pawnee, Prospect, Mid-Continent, Maintenance, Aircraft Completion, Citation Service Center and Parts and Supply Facilities. Advocates will promote compliance with usage of safety equipment and safe acts. It is understood that the right to discipline is solely the responsibility of the Company.

37.06 The importance of providing training for the safety advocates is recognized. These representatives are considered essential to the successful accomplishment of common objectives. Specific training will be provided each year by the Company to improve the advocates' skill levels in the areas of auditing, industrial hygiene, sampling and other appropriate subjects to enable them to identify and help resolve safety-related concerns. The annual training will be jointly planned.

37.07 There shall also be subcommittees with equal representation. Those subcommittees shall be as follows:

- Design Process Review
- Ergonomics
- Rules and Procedures
- **Emergency Planning**
- Safety Training
- **Audit**

These subcommittees will meet **regularly**. These subcommittees may evaluate and make recommendations regarding the safe operation of manufacturing processes and equipment.

37.08 The Safety Co-Chairs and the **area** Union Safety advocate will receive timely notification of accidents which result in serious injury and will be afforded an opportunity to participate in the accident investigation.

37.09 These subcommittees will report on a regular basis their activities. Also these subcommittees will alternate the Chair.

ARTICLE 38 SMOKING

38.01 Effective July 1, 2002, smoking and the use of tobacco expectorant products will not be allowed in Company facilities.

38.02 The Company will make available smoking cessation classes that employees may attend on personal time. Additionally, from November 1, 2001 through July 31, 2002 the Company will make available, at no cost to the employee, over-the-counter and prescribed smoking cessation products and drugs such as gum, patches, and chemical products.

38.03 Employees violating smoking rules will be subject to disciplinary action.

ARTICLE 39 GOVERNMENT REGULATIONS

39.01 The Company and the Union mutually agree that if any rule, regulation or law of the United States Government or State of Kansas conflicts with the terms of this Agreement, then the terms of this Agreement shall be amended automatically to conform to said rules, regulations or laws.

39.02 **DISABILITY ACCOMMODATION.** The Company and the Union acknowledge that the Americans with Disability Act, the Kansas Act Against Discrimination, and the Family Leave Act (Effective 08/05/93) require employers to reasonably

accommodate the physical and mental disability of employees and applicants so long as accommodation will not be an undue hardship. Consistent with the provisions of this Agreement the Company will take those actions required to meet its obligation under those statutes.

ARTICLE 40 WORK AWAY FROM PLANT

40.01 An employee sent away from the plant for repair or emergency work shall be paid as follows: On the day of departure and arrival, if no work is performed on such day, payment for travel shall be at the rate of eight (8) hours pay at the employee's regular straight time hourly rate for this day when such travel occurs on any of the first five (5) days of an employee's regular work week. If the employee works on such day either before departure and/or after arrival, the employee shall be paid for such hours worked on such day and, in addition, for such travel time. In no event will the employee be paid less than eight (8) hours pay when traveling on any of the first five (5) days of the employee's regular work week. When such day of departure and arrival occurs on the sixth (6th) and/or seventh (7th) day of an employee's regular work week, if no work is performed on such day, payment for such travel time shall be for the actual hours of travel time at the overtime premium rate applicable for such day, but in no event shall the hours paid be less than four (4) hours or more than eight (8) hours at such overtime premium rate. While performing work away from the plant the employee shall be governed by hours of work and overtime as stated in this agreement, but shall not engage in overtime work unless at the specific direction of the employee's supervisor. The employee shall also be allowed reasonable expenses for travel, meals and lodging while away from the home point.

ARTICLE 41 NON DISCRIMINATION

41.01 The Company and the Union agree to promote equal employment opportunity principles and that there shall be no discrimination by reason of race, color, sex, age, religion, national origin, ancestry, physical handicap, or veteran status in regard to hiring, tenure or other terms or conditions of employment.

41.02 There shall be no discrimination or intimidation against any employee who may be selected to represent himself or other employees on committees or for engaging in other legitimate Union activity.

ARTICLE 42 BULLETIN BOARDS

42.01 A place shall be provided in the plant for the posting of rules and regulations and of notice of interest to the Union and Company, which notices must first be approved by the Company before being posted. For the purposes of this paragraph, it is understood the following may be posted after Company approval: (1) notice of business meetings of the Cessna Local; (2) Union election notices and notices of results of Union elections; (3) notices of vacancies in and/or appointments to Union offices; (4) monthly calendar of events (excluding items of a political nature); and (5) special notices. It is also agreed that the Company will allow access to info-vision.

**ARTICLE 43
INSURANCE and BENEFITS**

43.01 HEALTH INSURANCE. Effective **April 1, 2008** the Cessna Employee's Health Plan shall consist of **one (1)** Preferred Provider Organization (PPO) Plan offered by Blue Cross and Blue Shield of Kansas, **one Point of Service (POS) plan offered by Preferred Health Systems** and a third health plan option which will provide participating employees broad decisions regarding their health care. It is understood and agreed that the administration and operation of the Cessna Employee's Health Plan are solely and exclusively the responsibility of the Company. The open enrollment period for **2008** medical and life insurance will be during November of **2007**. Thereafter, the open enrollment period will be held annually in the fourth quarter of each year. Active employee monthly premiums for the Cessna Employee's Health and Dental Plan will be paid on a pre-tax basis and will be as follows:

	2008	2009	2010
EE Only	\$60	\$60	\$60
EE + 1	\$100	\$100	\$100
Family	\$150	\$150	\$150

Definity Plan Design Summary (includes Prescription Drugs):

OPTION 1 (EMPLOYEE/ EMPLOYEE AND ONE DEPENDENT/FAMILY)

Personal Care Acct. (PCA): \$1,000/\$1,500/\$2,000

Deductible (includes PCA): \$1,600/\$2,400/\$3,200

Member Responsibility (when PCA benefit dollars are used for traditional services): \$600/\$900/\$1,200

Member Responsibility (when 30% of PCA benefit dollars are used for non-traditional services): \$900/\$1,350/\$1,800

Health Coverage (Plan pays):
In-network: 100%/100%/100%
Out-of-network: 70%/70%/70%

Out-of-pocket Maximum (when PCA benefit dollars are used for traditional services):
In-network: \$600/\$900/\$1,200
Out-of-network: \$4,600/\$5,900/\$7,200

Out-of-pocket Maximum (if 30% of PCA is used for non-traditional services):
In-network: \$900/\$1,350/\$1,800
Out-of-network: \$4,900/\$6,350/\$7,800

PHS - POS with Gatekeeper

- o **PCP must be identified by every employee and their dependents**
- o **Referral required by PCP when utilizing specialists**
- o **Out-of-Network Benefits**
 - \$ **Deductible \$400/\$600/\$800**
 - \$ **Co-Insurance: 30%**
 - \$ **Out-of-pocket maximum - \$2,500/\$3,750/\$5,000**
 - \$ **If referral from PCP not received, out-of-network benefits apply**
 - \$ **If PCP refers employee to a specialist and the employee opts to utilize another specialist without a referral from their PCP, out-of-network benefits apply.**

43.02 OPT OUT. Employees who certify that they participate in other medical and dental insurance plans may elect to not participate in Cessna's medical and dental plans. Employees who elect not to participate in these plans will receive \$100 per month for each month of non-participation.

43.03 Employees who have elected to not participate in these plans may resume coverage if their spouse's medical and dental plans or other sources of medical and dental insurance cease to be available to them. Payments to employees for non-participation will cease when the employee resumes coverage under Cessna's medical and dental plans.

43.04 Employees who elect not to participate in Cessna's medical and dental insurance plans will participate in Cessna's basic life and accidental death and dismemberment insurance plan and the temporary disability insurance plan.

43.05 PRESCRIPTION DRUG CARD BENEFIT PLAN. Effective January 1, 2005, employee co-payments per prescription will be three dollars (\$3.00) for generic drugs and five dollars (\$5.00) for brand name drugs for employees enrolled in the BCBS or PHS health plans.

43.06 HEARING AID BENEFIT COVERAGE. Effective January 1, 2005, hearing aid coverage will be provided by the Company for all employees enrolled in the BCBS or PHS health plans. The plan of benefit is as follows:
\$15 annual examination co-payment
\$400 per ear for device. The frequency allowed for ear devices is once every three (3) calendar years.

Effective January 1, 2005, hearing aid coverage will be provided by the Company for all employees enrolled in the Definity Health Plan. The plan of benefit is as follows:
\$100 examination allowance
\$400 per ear for device. The frequency allowed for ear devices is once every three (3) calendar years.

43.07 VISION CARE. Effective January 1, 2005, employees and their dependents covered by the BCBS or PHS health plans will be reimbursed for any combination of glasses or contact lenses not to exceed two hundred dollars (\$200.00) every

other calendar year. Eye examinations will be reimbursed annually with a \$15 co-payment.

Employees and their dependents covered by the Definity Health Plan will be covered by a vision plan with the following benefits:

Benefit	Frequency	Co-Pay	In-Network	Out of Network
Lenses	12 months	\$20 (lenses & frames)	Single vision, line bifocal and trifocal lenses are covered in full.	Single vision up to \$25 allowance. Lined bifocal up to \$40 allowance. Lined trifocal up to \$55 allowance.
Frames	24 months		Covered up to \$120 allowance	Covered up to \$45 allowance
OR				
Contacts	12 months	None	Covered up to \$105 allowance	Covered up to \$105 allowance

Routine eye exams are covered annually at 100% by the Definity Health Plan.

**43.08 CHIROPRACTIC SERVICES: Effective April 1, 2008, Chiropractic services will be provided to employees and dependents covered by BCBS and PHS health plans with the following limitations:
12 visits per person per year**

43.09 FLEXIBLE SPENDING ACCOUNT. Effective April 1, 2008 employees may elect to participate in a Health Care Flexible Spending Account (HCFSA) and/or a Dependent Care Flexible Spending Account (DCFSA). Enrollment will be offered during each annual open enrollment window. Participation in either the HCFSA or DCFSA is voluntary and will be administered by a third party.

43.10 DENTAL PLAN. Effective January 1, 2005, the Company will provide a group dental insurance program for Wichita hourly employees. The primary provisions of the group dental insurance plan will have deductibles of \$25 single and \$75 family, and an annual maximum benefit of \$2,000 per individual. Child and adult orthodontic coverage will increase to \$2,000 lifetime. Employees and their dependents may use the dentist of their choosing.

43.11 The former "scheduled plan" will be replaced with a Reasonable and Customary (R&C) Plan that reimburses covered preventative services at 100% of R&C with no deductible, covered restorative services at 80% R&C, and covered major services at 50% R&C. Charges of up to \$100 over the reasonable and customary costs will be paid by the plan until September 12, 2004.

43.12 LIFE INSURANCE. Effective January 1, 2002, basic term life insurance and accidental death and dismemberment insurance for active employees will be 100% of annual base pay, rounded to the next highest \$100.00

43.13 GROUP TERM LIFE. Effective January 1, 2005, employees may purchase optional group term life insurance according to provisions of the plan. Options begin at \$10,000 and increase in \$5,000 increments to \$100,000. Rates are subject to change annually based on plan experience. Life insurance rates are age-related and are as follows:

	Monthly Premium Per \$1,000 Coverage
If age is less than 25	\$.045
25-29	.055
30-34	.075
35-39	.085
40-44	.095
45-49	.145
50-54	.220
55-59	.410
60-64	.625
65-69	1.200
70 & Over	1.960

43.14 LIVING LIFE PROVISION. Also effective January 1, 2002 a Living Life Provision will be added to the basic and supplemental life insurance programs. This provision allows employees to receive 50% of basic life and term life policy values if diagnosed with a terminal illness.

43.15 DEPENDENT LIFE INSURANCE. Effective January 1, 2002, employees may elect to purchase optional group term life insurance for their dependents according to provisions of the plan. Rates are subject to change annually based on plan experience. Employees and spouses, who are both employed by Cessna, may insure each other and each may insure eligible dependent children.

Option	Monthly Premium
\$5,000 spouse, \$2,500 each child	\$1.31
\$10,000 spouse, \$5,000 each child	2.61
\$15,000 spouse, \$5,000 each child	3.62
\$5,000 spouse only	1.01
\$10,000 spouse only	2.02
\$15,000 spouse only	3.03
\$2,500 each child	.30
\$5,000 each child	.59

43.16 INVESTMENT PLAN. Effective February 1, 2005, The Textron Savings Plan for Cessna Hourly Employees will merge with the Textron Savings Plan. The following are major plan provisions:

- A. The Company will continue to match employee contributions to the Textron Savings Plan at the rate of fifty percent (50%) of the employees' contributions up to six percent (6%) of their base pay. All Company contributions will be invested under the plan in the Textron Stock Fund. Employees are free to reallocate funds from the Textron Stock Fund to other funds as contributions are made to the stock fund.

- B. Each participant may elect to contribute through payroll deductions up to 40% of eligible compensation, including overtime. Must contribute a minimum of \$50 to after-tax prior to making pre-tax contributions; minimum of \$2/week. Highly compensated employees are limited to contributions of no more than 10% of eligible earnings.
 - C. Contributions may be on a pre-tax basis or post-tax basis.
 - D. Employees may participate in the plan as soon as administratively feasible following the employee's first hour of service.
 - E. Changes to employees' contribution rates are allowed once a month.
 - F. Catch-up contributions are allowed.
 - G. Rollovers from other tax-qualified savings plans are allowed.
 - H. Employee contributions may be allocated to investment funds in 1% increments.
 - I. Vesting occurs at 25% after 24 months of service; 50% after 36 months; 75% after 48 months and 100% after 60 months or death, disability, termination after age 60.
 - J. Loans are available.
 - K. There are twelve investment options including Textron stock.
 - L. Transfers between funds are allowed at any time in 1% increments. Some funds may have specific limits regarding multiple transfers.
 - M. Plan expenses are paid by plan participants.
 - N. In-service withdrawals are allowed once per month of after-tax, rollover, and vested company match accounts.
 - O. Hardship withdrawals are allowed once per month of pre-tax account, provided that hardship qualifications are met and that all other loans and withdrawal options have been exhausted.
 - P. Textron Stock Fund dividends may be reinvested or taken in cash.
 - Q. Final distribution options include lump sum payment, annual installments based upon joint life expectancy, or combination single distribution/installments. Participants with balances under \$5,000 will be automatically paid out.
- 43.17 The Plan Administrator will adopt such rules and procedures which it determines are necessary to operate the plan in accordance with the law and in an equitable, nondiscriminatory manner.

43.18 SICKNESS AND ACCIDENT BENEFITS. The following weekly sickness and accident benefit improvements will be made:

<u>Improvement</u>	<u>Effective Date</u>
\$350 per week up to 13 weeks	January 1, 2002
50% of weekly base earnings with a minimum of \$350 per week to a maximum of \$450 per week up to 13 weeks	January 1, 2003

43.19 SUPPLEMENTAL INSURANCE. This agreement acknowledges that Cessna has agreed to allow the International Association of Machinists and Aerospace Workers to offer the Machinists Custom Choices Worksite Benefits program of supplemental insurance benefits to their employees in the bargaining unit through their designated agent, Employee Benefit Systems, Inc. (EBS). Members will be given an opportunity to spend up to fifteen minutes with an EBS Counselor at the worksite during normal working hours, once per year. Further, Cessna will honor payroll deduction requests and make payments to the underwriting insurance companies. All policyholder service will be provided by the underwriter and Employee Benefit Systems, Inc.

43.20 RETIREE INSURANCE. Effective January 1, 2002, the medical lifetime maximum for individuals who retire at age 55 through age 61 will be increased to \$2,000,000.

**ARTICLE 44
RETIREMENT PLAN**

44.01 The Company agrees to continue the retirement plan (which became effective October 1, 1958) as amended.

44.02 During the **2007-2010** Collective Bargaining Agreement, the following pension improvements will be made:

<u>Improvement</u>	<u>Effective Date</u>
Basic Benefit increased to \$55.00 a month per year of credited service.	September 17, 2007

44.03 DISABILITY PENSION BENEFIT. The disability pension benefit will no longer be tied to Social Security Disability. A panel of three doctors will be selected, one chosen by the Union, one chosen by the Company, and the third chosen by the doctors appointed to the panel. This panel of doctors, by a majority opinion, after a complete examination by all three doctors will determine if an employee is qualified for disability retirement.

44.04 Effective October 8, 1990, any employee attaining the age of fifty-five (55) who accumulates ten (10) years or more of credited service in the retirement plan, may retire early. The early retirement benefit will be reduced according to the standard actuarial reduction table contained in the plan.

44.05 Effective October 1, 1987, any employee attaining the age of 62 and who accumulates ten (10) years or more of credited service in the retirement plan may retire at age 62 or thereafter without a reduction in the employee's retirement benefit for early retirement.

- 44.06 Cessna will extend the Blue Cross Blue Shield and Preferred Health Systems and Definity health plan to disability retirees and to early retirees on or after January 1, 2005.
- A. Early retiree medical insurance coverage will not be provided for employees hired after January 1, 1994.
 - B. The employee and dependent must be actively covered under a Cessna sponsored plan at the time they qualify.
 - C. Coverage will be continued for a qualified spouse for a maximum of five (5) years.
 - D. Benefits will consist of medical and prescription drug coverage, plus term life and AD&D coverage. Term life and AD&D coverage shall be \$18,000.
 - E. Premiums for the retiree and family will be the same amount for an employee retiring during the term of the 2004 Collective Bargaining Agreement as an active employee.
 - F. Coverage will cease upon the retiree's death, upon attainment of age 65, or when the retiree is otherwise eligible for any government sponsored medical insurance plan, whichever occurs sooner.
- 44.07 Payment arrangements will be made through the Benefits Department and pension plan administrator. It is understood and agreed that the administration and operation of the plan are solely and exclusively the responsibility of the Company.
- 44.08 The Company shall pay the cost for the pre-retirement surviving spouse option (PRSSO) optional benefit coverage.
- 44.09 For employees who are actively at work on or after January 1, 1989, the period of continuous service required under the retirement plan for vesting in all accrued benefits will be reduced from ten (10) years to five (5) years.
- 44.10 Effective January 1, 1988, any employee who continues to work for the Company beyond age seventy (70) will continue to accrue credited service under the plan while actively employed until the employee actually retires.
- 44.11 Retirement benefits will not be paid until employees actually retire. However, effective January 1, 1989, employees who continue to work past age 70-1/2 will **have the option to begin receiving** retirement benefits commencing on the first day of the month after they reach 70-1/2, even if the employees are still active. These employees will have the amount of benefits accrued for service after age 70-1/2 reduced, using sound actuarial principles, by the value of payments received while working.
- 44.12 PENSION OFFSET. Effective October 14, 1996 employees who are eligible to receive normal, early or disability pension benefits will receive those benefits without an offset based upon Worker's Compensation benefits.

**ARTICLE 45
HIGH PERFORMANCE WORK ORGANIZATION**

- 45.01 Cessna Aircraft Company and the IAM, are committed to jointly develop a partnership that will accomplish goals of mutual benefit to all employees, customers, shareholders, suppliers, and the communities in which we function by developing a High Performance Work Organization (HPWO). This partnership is dedicated to improve quality, productivity, participation, organizational agility, and the financial performance of Cessna Aircraft Company while enhancing earning opportunities, long-term employment, job satisfaction, and safety for all employees.
- 45.02 The IAM and Cessna Aircraft Company recognize their collective responsibility to gain commitment from all employees, hourly and salaried, to contribute to the success of the Cessna Aircraft Company and the establishment of a positive work environment. This agreement will enable employees in all parts of the organization to participate in workplace change. They will share information, solve problems, and make decisions to a far greater extent than in the past.
- 45.03 Through this partnership and its commitment to positive workplace change, we intend to increase market share, expand workforces, better educate and train employees, increase profitability and return for shareholders, continue to provide competitive wages and benefits, and secure employment for all who participate.
- 45.04 Using the principals established by the IAM as general guidelines the Company and the Union agree to develop a plan to implement over time a full-partnership High Performance Work Organization which will cover all Wichita employees.
- 45.05 The Union and the Company leadership are specifically committed to initially taking the three following actions to begin joint development of a High Performance Work Organization: On-Site Familiarization with the IAM HPWO department staff; Partnership Planning Sessions; and, developing a Joint Communications Strategy.

**ARTICLE 46
A&P DEVELOPMENT PROGRAM**

- 46.01 REGULAR PART TIME. Up to seventy-five (75) employees may be employed on a regular part-time basis as Airframe and Powerplant (A&P) Trainees provided that they are attending an independent certified A&P School. These employees may be assigned to various work areas, classifications and shifts at the appropriate rate of pay to augment their educational courses. These employees will be exempt from mandatory overtime. In order to define the wages, grade, job assignments and other issues affecting employees who participate in this program, both parties will meet to discuss and reach a mutual agreement regarding such issues.

**ARTICLE 47
TRAINING**

- 47.01 During periods when the Company is engaged in training for skilled jobs, seniority along with requisite capabilities will be given priority in determining the employees who shall participate in this training. Employees desiring training shall file a request for such training. The Union shall be given notice of all requests for training from the employee.

- 47.02 In order that employees can better prepare themselves for the skill requirements of the future and in fulfillment of its obligation to provide to the Union, the Company will, not less than every six (6) months, provide a briefing to the Union of the Company's plans for training in skill jobs or new technology.
- 47.03 During this briefing, the Company will inform the Union of anticipated schedules of training or introduction of new technology and will identify areas that will be skill impacted.
- 47.04 TRAINING MID-CONTINENT SERVICE CENTER. Post list of available classes to solicit application from employees desiring training. List will be updated as new classes or vendor classes become available. Applications to be turned in to immediate Supervisor.
- 47.05 Training will be dispersed as equally as possible throughout the sections based on seniority within each section, work to be performed, content of class material, and overall shop workload.
- 47.06 Should any problems arise, both Company and Union agree to meet for the purpose of discussion of all factors and to determine corrective action. Should discussions not provide a suitable solution to either party, item will be subject to grievance procedure.
- 47.07 **Effective September 17, 2007**, employees displaced due to outsourcing or productivity improvements will be eligible for needs based re-training programs. Employees must apply and will be subject to screening to determine if the employee can perform the essential functions of the job and meet the entry level requirements for the training which is established by the Company. Should a conflict arise concerning the selection of employees for these training opportunities, the language in 47.01 will apply.
- 47.08 Selection of SOJT instructors will move from the unilateral decision making process which exists today, wherein the Company is solely responsible for the selection, to a consultative decision making process where the Plant Chair in the area where the opening will be filled is involved and provides input to the Technical Training Manager concerning the selection. The Technical Training Manager retains the final decision making authority.

**ARTICLE 48
PLANT RELOCATION**

- 48.01 It is agreed by the Cessna Aircraft Company, Wichita, Kansas, and Local Lodge No. 774, District Lodge No. 70, International Association of Machinists and Aerospace Workers that if the Pawnee Road Plant, Service Parts Center, Mid-Continent Plants or the Citation Service Center are closed permanently and move to another location, the seniority of the employees at these plants and center shall transfer to the new plants or centers on related work or on work previously performed, based on ability to do the work efficiently.

**ARTICLE 49
SUBCONTRACTING**

- 49.01 Prior to layoffs, the Company will meet with the Union to examine subcontracted work to determine whether the specific work covered by any subcontract has been previously performed in the Company's plants. Among the factors to be considered beyond this work being previously performed are: the capabilities of the plant; the terms of the subcontract; costs; and the requirements of any contracts that may be involved. Returning any such subcontracted work to the plant where it was previously performed will be carefully examined and returned to prevent layoffs, if feasible.
- 49.02 During the 1990 negotiations the Union expressed concern over subcontracted work and the impact this may have upon bargaining unit employees. Based upon that concern the Company expressed its willingness to discuss subcontracting during monthly Union-Management meetings called for in paragraph 1.03 of the Agreement. These discussions will include any maintenance work which the Company anticipates having performed by contractors during the forthcoming month. Should the Union seek further examination of any subcontracting matter raised in these monthly Union management sessions, they shall refer the question to the Senior Vice President, Human Resources with whom they will meet within five (5) working days of such request.
- 49.03 It is further agreed that employees will not be laid off as a direct result of subcontracting or offloading of existing work performed at the Wichita facilities unless, prior to the layoff, the Company considers the employee for open bargaining unit positions for which the Company deems the employee is qualified or may be reasonably trained. Employees due to be laid off will be given first opportunity to fill these open bargaining unit positions.
- 49.04 If an employee is laid off as a direct result of subcontracting or offloading, the Company shall provide a lump sum payment, based on current hourly pay rate at the time of layoff, according to the following schedule:

<u>Length of Service</u>	<u>Number of Weeks to be Paid</u>
0-5 Years	4 Weeks
6-7 Years	6 Weeks
8-9 Years	8 Weeks
10+ Years	10 Weeks

**ARTICLE 50
MISCELLANEOUS PROVISIONS**

- 50.01 MACHINISTS' NON-PARTISAN POLITICAL LEAGUE. The Company agrees to provide the opportunity for bargaining unit employees to contribute through payroll deduction to the Machinists' Non-Partisan Political League; however, reasonable administrative costs incurred by the Company in providing this will be reimbursed by the Union.

- 50.02 THE GUIDE DOGS OF AMERICA. The Company agrees to provide the opportunity for bargaining unit employees to contribute through payroll deduction to Guide Dogs of America. Such deductions will be forwarded to Guide Dogs of America in care of the Union.
- 50.03 ACCESS TO VENDING MACHINES. It is recognized that there will be occasions when employees will have access to vending machines during working time. Both the Company and the Union agree that such access will not interrupt work and not be abused.
- 50.04 TOOL PROTECTION. The Company and Union will attempt to identify a Company which would provide insurance for the replacement of employees' tools which may be stolen, damaged, or otherwise destroyed on Company property. Should insurance which is suitable to the parties be found, the Company will make available to employees payroll deduction for the purposes of paying premiums for that coverage.
- 50.05 That the parties agree to merge the Letters of Intent into the appropriate sections(s) of the Collective Bargaining Agreement. In this regard, the parties agree to form a joint committee after ratification to mutually determine the proper placement of the Letters of Intent and to make other non-substantive changes (e.g. making a particular subject an Article by itself) to the Collective Bargaining Agreement to make the document easier to read and understand for all concerned. The final product of the subject committee must be approved by the Directing Business Representative for IAM District 70 and the Director of Industrial Relations for Cessna Aircraft Company.

**ARTICLE 51
DURATION AND STATUS OF AGREEMENT**

- 51.01 This Agreement shall become effective the **17th** day of September, **2007** and shall remain in effect through the **19th** day of September, **2010** provided, however, that this Agreement may be opened for the purpose of negotiations on wages only or for full negotiations of a new agreement by mutual agreement between the parties if reached at least sixty (60) days prior to **September 19, 2010**, with the right to strike on the part of the Union and the right to lockout on the part of the Company in case of failure of the parties to reach a satisfactory settlement within the sixty (60) day period. Except as provided above, during the life of this Agreement there shall be no strikes on the part of the Union or lockouts on the part of the Company.

- 51.02 This Agreement was accepted by the Membership on **September 15, 2007**.

CESSNA AIRCRAFT COMPANY

Jim Walters	Bill Quattlebaum
Martin Jurich	Lisa Harms
Chrystal Miles	Marjorie Bryant
John Dandurand	Jim Mercer
Brad Thress	Dana Koehler
Craig Estep	

**INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS**

Ron Eldridge	T.L. Smith
Steve Rooney	Steve Groom
Garland Moore	Frank Molina, Jr.
Tammy Hourigan	Charlie Cowell
Danny Gutierrez	Stephen Elder
Dave Philpott	Bob Mendoza
Kevin McKinney	Bob Koch
Susan Chambers	

HISTORICAL INCREASES IN JOB GRADES

OCTOBER, 1981

Production Welders. Production Welders will progress from Grade 5 to Grade 4 at both Pawnee and Mid-Continent Facilities by one of the following methods:

- A. Three years of applicable welding experience and at least one certification.
- B. Perform a job requiring the obtaining of two or more applicable welding certifications. These jobs will be assigned to the most senior qualified employees in accordance with the Company/Union Agreement.
- C. The Company will appoint a working Crew Chief on first shift at the Mid-Continent Facility in Department 123 (Weld Shop) for the term of the Agreement. It is understood and agreed the duties performed by these crew chiefs will be specified by the Company.

The Company and the Union agree to meet after the 1996 negotiations for the purpose of developing a Grade 3 Production Welder classification.

OCTOBER, 1990

Flight & Modification. Effective October 8, 1990, the Company will install the job classification Flight Line Technician Labor Grade 1. Six (6) employees will be affected, three (3) on 1st shift, three (3) on 2nd shift.

These employees will assist in the development of new functional test procedures coordinating with engineering and manufacturing as well as functionally testing and troubleshooting new systems.

Numerical Control Horizontal Operators. Effective October 8, 1990, the Labor Grade 4 N.C. Horizontal Machine Operators will be upgraded to Labor Grade 3 N.C. Horizontal Machine Operators. This upgrade is consistent with the grades of the N.C. Profile Cells and N.C. Round Cells.

Wichita Citation Service Center. Effective October 8, 1990, the maximums of the ranges of bargaining unit employees in Dept. 573 will be increased \$.25, with those employees' pay rates being adjusted \$.25 per hour.

JULY, 1993

White Booth Painters. The Labor Grade 5 White Booth Painter will be upgraded to Labor Grade 4 effective July 26, 1993.

Process Loaders. Employees downgraded as a result of the job evaluation in this area will remain classified as Labor Grade 9 Process Loaders and be red circled effective July 26, 1993 at the rate of pay they were earning at the time of reclassification.

OCTOBER, 1993

Tooling. The Company will install a Labor Grade 2 job classification for Tooling effective October 18, 1993 which will be identical to the Labor Grade 1 classification with the exception of the lead, guide and instruct responsibilities. The selection of employees for promotion into the Labor Grade 1 and the Labor Grade 2 classifications based upon qualifications remains the right of the Company. However, a committee consisting of three (3) Union members and

three (3) Company members will meet within ninety (90) days after ratification of a new Collective Bargaining Agreement to mutually develop a promotional checklist. Should the parties fail to mutually agree to a promotional checklist, selection of individuals will remain the sole right of the Company.

OCTOBER, 1996

Assembly Skills Adjustment

Effective October 14, 1996 employees in the following classifications will be subject to the terms and conditions of the following agreement:

Assembler, Sheetmetal
Assembler, Installer
Assembler, Radio & Electrical
Installer, Precision Windshield
Rigger, Control Surfaces
Rigger, Engine
Installer, Engine Accessories

Employees hired into the Labor Grade 9 entry level positions of the above classifications will be promoted to the Labor Grade 7 classification of work they are performing upon completion of seventy-five (75) days.

Employees classified in the above listed Labor Grade 7 classifications with less than one (1) year of experience will be encouraged to pass the Cessna Blueprint Test within one (1) year. Employees who do not pass the Cessna Blueprint class will not be eligible for promotion into the Labor Grade 6 classification until they successfully pass the Cessna Blueprint Reading test.

Employees currently classified in the above listed classifications as Labor Grade 7 who have not successfully passed the Cessna Blueprint Test and who have more than one (1) year of experience will be grandfathered to the Labor Grade 6 classification with the understanding they will pass the Cessna Blueprint Test within two (2) years from the date of the agreement.

Upon completion of one (1) year of experience specific to the classification to which the employee is assigned and passing the Cessna Blueprint Test, the employee will be promoted to Labor Grade 6 of the classification of work which the employee is performing.

The Company will evaluate non-Cessna specific experience when making promotion decisions.

In the event of reductions in force, the order of lay off will be as follows:

Labor Grade 9
Labor Grade 7 without blueprint reading
Labor Grade 7 with blueprint reading
Labor Grade 6 consistent with the terms and conditions of the Collective Bargaining agreement.

Self study books will be available for blueprint reading test preparation. The Company will explore opportunities to provide additional Blueprint Reading classes.

Tool And Die Maker And Jig Builder Classifications. Effective October 14, 1996 the length of time required to advance to Labor Grade 2 for employees in the Tool and Die Maker and Jig Builder classifications will be reduced by three (3) years.

OCTOBER, 2001

Effective October 14, 2001 the following positions will be upgraded:

CNC Grinder Operator (Dept. 23) from Labor Grade 4 to 3
CNC Extrusion Cell (Modig and Sabre Machines) from Labor Grade 5 to 4
CNC Router Operator (Fadal, Komo and Trumpf Machines) from Labor Grade 5 to 4
Composite Panel Assembler (Dept. 33, 006, 008) from Labor Grade 7 to 6
Paint Prep Workers from Labor Grade 7 to 6
CNC Tool Maker (Department 68) from Labor Grade 3 to 2.

In addition, the CNC Router Operators will be cross trained on Fadal, Komo and Trumpf. Should the Trumpf Machine be removed from the Alternate Work Schedule it will be reclassified at Labor Grade 4.

OCTOBER, 2001

Tooling Grade Progression Requirements And Title Changes. Effective 10/14/2001.

Grade 7P: Assistant Tool & Die Maker, Bond Fixture Builder, Pattern Maker and Jig Builder

Grade 7: Apprentice Tool & Die Maker, Bond Fixture Builder, Pattern Maker and Jig Builder

Grade 5: Apprentice Tool & Die Maker, Bond Fixture Builder, Pattern Maker and Jig Builder

Grade 3: Tool & Die Maker, Bond Fixture Builder, Pattern Maker and Jig Builder

Grade 2: Senior Tool & Die Maker, Bond Fixture Builder, Pattern Maker and Jig Builder

Grade 1: Tool & Die Maker, Bond Fixture Builder, Pattern Maker and Jig Builder Specialist

The Tool & Die Maker, Bond Fixture Builder, Pattern Maker and Jig Builder Specialist has no limit in number of people to lead, guide, and instruct. Additionally, the employee is not required to serve as a Senior Tool & Die Maker, Bond Fixture Builder, Pattern Maker and Jig Builder for any set length of time in order to proceed to this level. Entry into the Tool & Die Maker, Bond Fixture Builder, Pattern Maker and Jig Builder Specialist classification has the following requirements:

Successfully complete all of the Grade 2 or Grade 3, Tool & Die Maker, Bond Fixture Builder, Pattern Maker and Jig Builder requirements and a commitment to complete the following training within the first eighteen (18) months on the job:

- Giving Constructive Feedback (3 hours)
- Fostering Improvement Through Innovation (3 hours)
- Participating in Problem Solving Sessions (3 hours)
- Basic CATIA Training (20 hours).

All of the above mentioned courses are to be arranged by the company, and the exact time and location of courses will be arranged to best suit the needs of each individual employee.

In summary, to attain the Grade 1 Specialist classification you must have two (2) years Cessna tooling experience, and three (3) years varied tooling experience for a total of five (5) years experience and a commitment to complete all required courses. Experience must be applicable to the job description desired. (Example: 4 years other than Cessna documented Jig Shop experience, and 2 years Cessna Jig Shop experience.)

SEPTEMBER 2004

Effective Monday, October 4, 2004, the maximums of the ranges of bargaining unit employees in the Wichita Citation Service Center who are A&P Mechanics and/or who hold the Avionics classification, will be increased \$.50 per hour with those employees' pay rates being adjusted \$.50 per hour.

Effective Monday, October 4, 2004, the maximums of the ranges of bargaining unit employees in the Aircraft Completion Center who hold or acquire an A&P License will be increased \$.50 per hour with those employees' pay rates being adjusted \$.50 per hour.

CNC Router Operators in Departments 018 and 027 will be upgraded to Grade 4 effective October 4, 2004. These Operators may be cross-trained into other Grade 04 positions.