

Raytheon

AGREEMENT

Between

RAYTHEON SYSTEMS COMPANY

and

ELECTRONIC AND SPACE TECHNICIANS

LOCAL # 1553

Effective May 23, 2005

Through Apr 10, 2008

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Between
RAYTHEON SYSTEMS COMPANY
and
ELECTRONIC AND SPACE TECHNICIANS
LOCAL 1553

Expires April 10, 2008

THIS AGREEMENT is made and entered into in Los Angeles, California, this 23rd, day of May 2005, by and between Raytheon Systems Company, a corporation, hereinafter referred to as the "Employer" and ELECTRONIC AND SPACE TECHNICIANS, LOCAL 1553, hereinafter referred to as the "Union."

BARGAINING UNIT

The Employer recognizes the Union as the sole and exclusive Bargaining Agent for all production, maintenance, shop clerical employees employed in factory areas, and all employees in the job classifications listed in the Appendices of this Agreement and who are employed by its El Segundo, Fullerton, Newport Beach, Torrance, Long Beach, and the Corporate Headquarters located in Los Angeles, CA, and referred to in NLRB certifications and applicable orders and agreements. Excluded from the Bargaining Unit are all supervisors, all administrative, professional, engineering and office employees, confidential employees, all plant protection and security employees, and all Finance Department employees, except timekeepers and maintenance electricians.

ARTICLE I
PERIOD OF AGREEMENT

Section A. Effective Date and Period of Agreement

1. This Agreement is effective at 12:01 a.m. May 23, 2005 and supersedes the provisions of the October 19, 2001 through May 23, 2005 Collective Bargaining Agreement in their entirety at that time. This Agreement shall remain in effect for the term commencing on the 23rd day of May 2005 and ending at 12:01 a.m. on the 10th day of May 2008; and thereafter from year to year unless either party notifies the other in writing by hand or overnight delivery of the desire to terminate, amend or modify, in which event the written notice shall be given at least sixty (60) calendar days prior to the expiration date of this Agreement.
2. The provisions of this Agreement, unless otherwise provided herein, shall become applicable upon the commencement of the term specified in Section A-1 above except that all amendments hereto, made after the effective date of the Agreement, shall become effective on the individual dates agreed upon.

Section B. Amendment or Modification

1. Should negotiations be commenced to amend or modify Articles of this Agreement, the entire Agreement shall be extended and remain in full force and effect during the period of such negotiations, until such time as a complete new Agreement is signed. However, notwithstanding the above, either party shall have the right during any extended period to terminate the Agreement during said extended period by giving the other party written notice by hand or overnight delivery that the right to terminate is being exercised. In this event, the Agreement shall be terminated and void twenty (20) calendar days after receipt by either party of such written notice.
2. Prior to the expiration term in Section A.1, the parties may mutually agree in writing to modify the twenty (20) calendar day notice of termination period specified in Section B.1. If this occurs, then this Agreement shall expire as of the expiration term specified in Section A.1 or five (5) calendar days after the date of the foregoing mutual agreement, whichever is later.
3. Negotiations on the proposed amendments or modifications shall begin not earlier than seventy-five (75) days nor less than thirty (30) days prior to the expiration date of this Agreement as mutually agreed upon by the parties.

Section C. Current and Supplemental Agreements

1. This Agreement supersedes all previous Agreements or understandings either written or oral, and contains the entire understanding between the parties on all matters subject to collective bargaining. No amendment, change, or variation hereof shall be valid or binding unless reduced to writing and signed by representatives of the parties duly authorized to do so.

ARTICLE II GENERAL PROVISIONS

Section A. Mutual Pledge of Accord

1. The Union and its members, and the Employer, agree that every good faith effort shall be made to administer this Agreement in accordance with the true intent of its terms and provisions to the end of maintaining sound Labor Relations. The parties hereto intend by this Agreement to provide a stabilized relationship between them and to insure uninterrupted production of quality products on schedule at competitive costs during the life of said Agreement. It is therefore agreed that during the term of this Agreement, or during any agreed extension period thereof, there shall be no lock-out, strike, including sympathy strikes, slow-down, sit-down, work stoppage or other form of job action by the Union or its members, or by the Employer; provided that all claims, disputes or differences arising out of the terms of this Agreement shall be settled in accordance with the procedure provided by this Agreement.
2. The Union and its members agree that they shall:
 - a. Cooperate to maintain high standards of workmanship, and job performance.
 - b. Cooperate with the Employer in maintaining efficiency and discipline, and avoiding tardiness, absenteeism and loafing.
 - c. Comply with Plant rules and regulations.
 - d. Cooperate to keep at a minimum the time devoted by Officers, Stewards and members in handling grievances.
 - e. Not solicit Union members, Union dues or engage in other Union activities on Company property during working hours, unless specifically authorized by this Agreement.

Section B. Right to Manage the Plant

1. The management and operation of the Plants, administration of the Employer's business and direction of the working force are exclusive functions of Management. Provided such does not violate other terms of this Agreement, Management shall have the right to increase, decrease or rotate the working force; to hire, promote, demote, discharge or discipline for cause; to transfer or reclassify employees; to originate merit raises and determine merit ratings; to assign personnel to shifts, overtime and special work requirements; to submit for security clearances; to establish work processes, standards, shifts, schedules and methods; to plan, route and schedule production; and, to determine the extent to which the Plants or any unit of the Plants shall be operated or shut down.
2. The above enumeration of Management's functions shall not exclude others not enumerated.

Section C. Separability

1. It is agreed between the parties that should any Article or portion of an Article of this Agreement be declared invalid, or modified in any way by legally-constituted authority, including any government agency having jurisdiction, all remaining Articles and portions of Articles shall continue in effect.

Section D. Waiver

1. The waiver by either party of one or more breaches of the obligations of the other party under the Agreement shall not constitute a waiver of any other or further breach of said obligation.

Section E. Successor or Assignee

1. This Agreement shall be binding on any successor or assignee of all or a major part of the Employer.

Section F. Non-Bargaining Unit Employees

1. The Employer agrees that salaried and other non-bargaining unit employees shall not perform work regularly assigned to Bargaining Unit employees, except in cases of emergency, job instruction, developmental work, or to alleviate production difficulties. This Section is not to be used to circumvent the integrity of the Bargaining Unit classifications or the terms and conditions of the Agreement.

2. The Parties recognize that the company is engaged in a highly competitive, dynamic business, which necessitates

arrangements for the use of contract employees on a temporary basis to perform bargaining unit work. The company will not enter into such arrangements for the sole purpose of reducing the size of the bargaining unit, and shares with the Union a common long-term interest in providing job stability for the workforce to the extent reasonably practicable.

- a. The company will not lay off any Bargaining Unit employees as result of contract employees used to perform Bargaining Unit work. In the event of a layoff, all contract employees will be removed from the affected areas prior to the affected bargaining unit employee's notice of layoff.
- b. The Company will provide the Union by the 15th of each month a report of the occupations where contract employees are performing Bargaining Unit work, along with the names of the contract employees utilized in each department.
- c. No individual contract employee or series of contract employees, will be retained to perform Bargaining Unit work in a classification for longer than 90 calendar days in any facility covered by this agreement within the preceding 12 month period.
- d. The number of contract employees used will not exceed a total number 30 employees, and may not exceed 25% of the number of bargaining Unit employees in a department. This limit will not apply to contract employees used to perform custodian or relocation work.
- e. The company will not use contract employees to perform duties normally performed by Bargaining Unit job classifications that have been affected by a layoff, without first offering recall to the laid off employees. Laid off employees who are offered recall for temporary work assignments of 90 calendar days or less may decline the offer without losing their recall rights. If a junior laid off employee subsequently accepts the assignment, and the assignment eventually exceeds 90 calendar days, the junior employee may be retained without the requirement to re-offer the assignment to any more senior employee who has previously declined recall to it.

f. Overtime will not be offered to contract employees unless all Bargaining Unit employees in the appropriate classifications have been offered the overtime.

g. Should the list of contract employees referenced in paragraph F2B not be provided to the Union as prescribed, the Union will so notify the company in writing and if the report is not provided within 48 hours the Company shall, after a 2 month implementation grace period, forfeit the right to add any additional contract employees for the next twelve month period in any facility covered by this agreement.

Section G. Smoking Privileges

1. The Employer shall establish regulations governing smoking privileges throughout the Plant. These regulations will be clearly communicated to all employees.

Section H. Tools and Equipment

1. When tools and equipment are issued and signed for by employees, they will be held responsible for their return.

Section I. Government Controls

1. All of the wages and benefits provided for in this Agreement shall be effective only to the extent they may be lawfully paid and are reasonably consistent with the standards and goals of the Economic Stabilization Program or similar governmental required programs and the regulations issued thereunder. Should any provisions of this Agreement not be placed into effect because of government wage regulations or controls, and should such controls be subsequently amended, relaxed or terminated during the term of this Agreement, then and in that event such provision(s) as has not been placed into effect because of said regulations or controls will be effectuated on the date on which it is determined that it is legally possible to do so, provided that the legality of such action is established during the term of this Agreement. The Employer and the Union agree to cooperate in the preparation and filing of any submission(s) which during the term of this Agreement are required by any agency responsible for the administration of government wage controls.

ARTICLE III
HOURS OF WORK AND OVERTIME

Section A. Workweek and Workday

1. The normal weekly work schedule established by the Employer shall consist of five (5) consecutive working days of eight (8) hours each, Monday through Friday (6-1/2 hours on the graveyard shift) exclusive of meal periods. The workweek shall consist of seven (7) consecutive days beginning at 12:01 a.m. on Saturday and ending at 12:00 midnight on the following Friday.
2. The workday is defined as a twenty-four (24) hour period, beginning at 12:01 a.m. and ending at 12:00 midnight on the same day. The normal hours of work in a workday are defined as eight (8) consecutive hours of work (6-1/2 hours on the graveyard shift) exclusive of meal periods.

Section B. Consecutive Hours of Work

1. Any work which is not interrupted for a period of more than three (3) hours shall be considered "consecutive hours."
2. When an employee returns to work and more than three (3) hours have elapsed since the completion of his or her shift, the employee shall be paid as follows:
 - a. If the return assignment exceeds four (4) hours, the applicable shift differential shall apply for the hours worked.
 - b. If the return assignment is four (4) hours or less, the shift differential shall be the same as the employee received, if any, during the initial work period.

Section C. Shift Hours

1. The normally-scheduled shift starting times for production, maintenance and shop clerical employees shall be:

DAY SHIFT - Between the hours of 5:30 a.m. and 8:30 a.m.
SWING SHIFT - Between the hours of 2:30 p.m. and 6:30 p.m.
GRAVEYARD SHIFT - Between the hours of 10:30 p.m. and 1:00 a.m.
2. The Employer agrees that it will not, without good and sufficient reason, vary the normal starting time of an employee on regular workdays during the workweek, Monday through Friday. The reasons for the change in starting time shall normally be discussed prior to the actual change with the Union Department Steward, to the extent that it is practical to do so.

3. For the purpose of payment of the applicable shift differential or formula, the following starting hours will identify the shift worked:

DAY SHIFT - At or after 5:00 a.m. through 11:59 a.m.

SWING SHIFT - At or after 12 noon through 9:59 p.m.

GRAVEYARD SHIFT - At or after 10:00 p.m. through 4:59 a.m.

4. In connection with shift changes, the Employer will request volunteers in the affected job classifications in the Department. If there are insufficient volunteers, the least senior employee will be assigned to the shift(s) where needed in accordance with the provisions of this Section. The Employer shall, in any event, always have the right to maintain in each classification within each Department a sufficient number and mix of qualified employees to maintain work schedules and operations, and shall have the right to assign an employee who possesses a particular skill or special training to a shift. The Employer shall define employee qualification by knowledge and work experience for particular tasks, security clearances, certifications, and other critical skills, to assure proper mix of capability on the shift.
5. Following a reduction in force in accordance with Article XVIII Section B, after any required individual shift changes occur, the Company will continue to make reasonable efforts to return affected employees to the shift of their preference as soon as possible in accordance with the provisions of Section C.4 above.

Section D. Shift Differentials

1. The swing shift differential for hours worked as outlined in Section C shall be eight percent (8%) of an employee's hourly pay rate rounded to the nearest cent (but in no event less than twelve cents (12¢) per hour).
2. The graveyard shift formula for hours worked as outlined in Section C shall be:

$$1.2308 \times (\text{base rate plus } 8\%)$$

Section E. Overtime Premium

1. An employee shall be paid his or her straight time pay rate for all hours worked up to and including eight (8) hours in the workday, unless otherwise specifically provided in this Agreement.
2. After an employee has worked eight (8) hours at straight time in the workday, the employee shall be paid time and one-half (1-1/2) his or her pay rate for all additional hours worked in the same workday. For the purposes of this Section E.2., time paid for but not worked shall not be counted in computing straight time hours.

3. After an employee has completed twelve (12) consecutive hours of work, the employee shall be paid two (2) times his or her pay rate for all additional consecutive hours worked, including those extending into the next workday. For the purposes of this Section E.3., time paid for but not worked shall not be counted in computing consecutive hours of work.
4. Employees shall receive overtime premiums for work performed on the Saturday (1st day) and Sunday (2nd day) of the workweek, as provided for herein.
 - a. If an employee works on the Saturday or Sunday of the workweek, but does not accumulate forty (40) straight time hours paid during the following regular workdays of Monday through Friday, the employee shall be paid straight time for additional hours worked on Saturday or Sunday until forty (40) straight time hours are accumulated and shall be paid time and one-half for additional hours on Saturday and Sunday.
 - b. If an employee works on the Saturday or Sunday of the workweek, and has been paid for five (5) days (the following Monday through Friday), the employee shall be paid time and one-half (1-1/2) for all hours worked on Saturday or Sunday beyond forty (40) accumulated straight time hours.
 - c. If an employee works on the Sunday of the workweek and has been paid for the five (5) regularly scheduled workdays (the following Monday through Friday), the employee shall be paid double time (2x) for all hours worked on the Sunday beyond forty (40) accumulated straight time hours, provided the employee has worked the scheduled hours (if applicable) on the preceding Saturday. Should an employee not work all the scheduled hours on the preceding Saturday, the provisions of Section E.4.b. shall apply to the Sunday work.
 - d. For the purposes of this Section E.4., time paid for but not worked shall be counted in computing accumulated straight time hours. Time off from work which is paid for by the Union and excused by the Company shall also be counted in computing accumulated straight time hours. However, the total number of straight time hours which can be accumulated in any one day for the purpose of weekly overtime shall not exceed eight (8) hours.
5. An employee assigned to the swing or graveyard shift shall be required to work eight (8) hours, on his or her shift, or twelve (12) consecutive hours, before the provisions of Sections E.2. and E.3., respectively, become applicable.

6. For the purpose of computing pay for hours worked on a Paid Holiday, employees working a graveyard shift which continues into such Holiday shall receive premium pay as prescribed in the Holiday article of this Agreement. Those graveyard shift employees beginning their workday starting the night of the Holiday, however, shall not be paid such Holiday premium pay.
7. Two (2) overtime and/or premium rates shall not be paid for the same hours of work; i.e., there shall be no pyramiding or duplication of such rates.

Section F. Apportionment of Overtime

1. It is the Employer's intention to give as much advance notice as possible when overtime is necessary. It is recognized that occasionally employees may not desire to work a particular assignment. Therefore, when overtime assignments are made, employees who do not desire to work such overtime shall make their reasons known to supervision. If such reasons are acceptable to supervision, in view of production requirements and other circumstances involved, such employees will be excused from the overtime assignment and will not be subject to discipline for declining the overtime, but will be credited on the overtime records for the time not worked. Additionally, if the affected employee is not given notice of an overtime assignment by the end of his/her shift on Thursday for a weekend overtime assignment, or the start of his/her lunch period for a weekday overtime assignment or 72 hours for a holiday assignment, and the employee is unable to work the overtime as a result, he/she will also be excused from the overtime assignment. Such employees will not be subject to discipline for declining the overtime, but will be credited on the overtime records for the time not worked up to a maximum of 40 hours per employee in a six (6) month overtime review interval.
2. It is agreed that over a period of time the employer will apportion overtime equitably and fairly by job classification in the type of work requiring overtime. The overtime will be apportioned among the full-time active employees in such Job Classification, within the Section of the Department, and on the Shift, where the overtime is necessary; provided the employee is capable of performing such overtime work efficiently. Overtime records will subsequently be reviewed on the first Friday in May and first Friday in November of each year. When the number of hours charged* to the employee with the highest total overtime hours in the overtime group on the first Friday in May or first Friday in November exceeds that of another employee in his/her overtime group by more than seventy-five (75) hours, the employee(s) who has/have been charged with less overtime will be paid the number of hours in excess of seventy-five (75). An employee who is paid for overtime hours under this provision will then be charged with the number of hours paid.

* Charged Hours: O/T equals 1.5
 D/T equals 2.0

3. Uniform overtime records will be maintained in accordance with the above paragraph in a manner determined by the respective overtime center. The overtime records will be posted in the overtime center and updated weekly. The Department Steward and the Supervisor will meet once a month to review overtime records in each overtime center.
4. In connection with the apportionment of overtime, as agreed to above, employees who are hired, rehired, or recalled from layoff will be credited on the overtime records with the maximum number of hours credited to the employees in the work group to which they are assigned. Employees who are transferred from one work group to another will be credited on the overtime records with the average* number of hours credited to the employees in the work group to which they are assigned.

Employees who are absent from work for any reason for a period of time not exceeding two (2) calendar months will be charged for any overtime which they would have been offered had they not been absent. When an employee who is absent for more than two (2) calendar months returns to work, he/she will be charged with the average* number of overtime hours charged in his/her overtime group during the period of absence in excess of two (2) calendar months.

Employees returning from loan will be charged with their OT hours in effect at the time of loan, plus all additional hours charged to them while on loan. However, such hours will not be more than 50 hours less than the lowest OT hours, nor more than the 50 hours greater than the highest OT hours in the respective OT group to which they return. However, no employee will be returned with fewer hours than they had accumulated at the time they were originally loaned out. If such an employee, upon return to his/her overtime center, accumulated seventy-five (75) or more hours while on loan than the low person in his/her center, the Company will not be obligated for any apportionment payout provided such employee does not work any overtime that is not first offered to other employees in the employee's overtime center while he/she continues to have an apportionment imbalance of seventy-five (75) hours or more.

* Average: All charged overtime hours divided by the number of employees in the overtime center.

5. Employees required to work mandatory weekend overtime on three (3) consecutive weekends shall not be required to work the fourth (4th) weekend, except in cases of National emergency.
6. Employees will not be required to work mandatory overtime on the weekend, preceding or following a vacation of at least one (1) week, except in cases of National emergency.

7. In the assignment of overtime during the normal workweek, an employee required to start work earlier than his or her normal starting time during his or her regular workweek, will be scheduled to work to the completion of his or her normal work shift.
8. Employee classified as working leaders shall not be placed in separate overtime centers.

Section G. Special Workweek

1. It is agreed the Employer may schedule days off, other than Saturday or Sunday, and/or shifts other than normal hours of work, (a) in connection with continuous twenty-four (24) hour, seven (7) day operations which have been established by past practice, or (b) are required because of emergencies or special conditions.
2. The term "special conditions" in this Section shall also include operations such as the conducting of environmental, reliability, life and related tests of equipment and products.
3. For employees so assigned, their first regularly scheduled day off shall be considered as their "Saturday" (1st day); and their second regularly scheduled day off shall be considered their "Sunday" (2nd day).
4. Overtime will be paid in accordance with Section E.

Section H. Report Time

1. An employee scheduled and reporting for work at the beginning of the shift shall be assigned a minimum of four (4) hours work. If, in the Employer's determination, no work is available, such an employee shall receive four (4) hours pay, as Report Time, at the rate he or she would have received had he or she worked. Failure of an employee to keep the Employer informed of his or her correct address and telephone number shall relieve the Employer of responsibility for notification and payment of Report Time.
2. Report Time shall not be paid if no work is available due to failure of utilities, fire, storm or flood conditions, damage to buildings or equipment, or any cause beyond the control of the Employer. In such cases the Employer shall not be responsible for notification to employees that no work is available.

Section I. Call Back Pay

1. An employee who has left the plant after his or her regular workday and is called back for an emergency or special work assignment, of short duration, less than four (4) hours, shall receive a minimum of four (4) hours work or four (4) hours pay. In computing such pay, hours not worked shall be considered as straight time hours, and hours worked shall be considered as straight time or overtime hours, whichever is applicable under the provisions of Section E of this Article.

Section J. Rest Periods

1. The Employer agrees to continue its present practice of granting two (2) ten (10) minute rest periods during the day and swing shifts, respectively. Additional rest periods may be instituted to comply with applicable State and Federal laws after discussions with the Union President.

Section K. General

1. When an employee is injured while working on his or her job and unable to continue work, the employee shall receive his or her normal pay for hours worked to the time of injury. On the shift the injury occurs, the employee shall also be paid for assigned hours he or she is unable to work because of the injury, at the employee's hourly pay rate, including any applicable shift differential or overtime premium.
2. Deductions for time off, due to tardiness or other causes, shall be at the rate of one-tenth (1/10th) of an hour's pay for each one-tenth (1/10th) of an hour or fractions thereof lost from work.
3. Part-time employees shall be paid Holiday, Sick Leave and Vacation benefits in accordance with Company Standard Practice.
4. Employees will be given as much advance notice as possible of shift changes and of permanent transfers. When an employee is required to change shifts by the Company, the employee will be given at least ten (10) working days advance notice unless such a notice is not possible due to adverse business conditions or any cause beyond the reasonable control of the Company.
5. The payroll week shall be Saturday through Friday, starting with the graveyard shift which begins Friday night and continuing through the swing shift of the following Friday.

**ARTICLE IV
WAGES**

Section A. Definitions

1. The term "base rate" is defined as those hourly rates of pay established for the various Job Classifications listed in the Appendices of this Agreement.
2. The term "pay rate" is defined as an employee's base rate plus any amount of bonus, premium or differential payment which is paid on a continuing hourly basis for work performed.
3. The term "total hourly earnings" is defined as wages (excluding payments of clothing allowances, moving and educational expenses, and prior Supplemental Wage Payments paid under this Article) while in the Bargaining Unit.

Section B. Lump Sum Payment

1. Effective on the pay day following the pay period commencing May 21, 2005, payment to all active employees on the payroll a gross amount of \$3000.

All employees on Medical or Personal Leave of Absence, or Lay Off as of May 21, 2005, who return to the active payroll prior to May 20, 2006, for at least 30 calendar days, will receive a pro rata portion of the \$3000 Lump Sum Payment on the payday associated with the pay period commencing May 20, 2006, based upon the percentage of time worked during the period May 21, 2005 to May 20, 2006.

Section C. General Increase

1. The parties agree to a general wage increase in the base rates of pay for employees on the payroll April 22, 2006. The general increase will be applicable to employees in labor grades 1 through 24. The amount of general increase and adjusted rate range for each labor grade are as shown in Section D.1.
2. The parties agree to a general increase in the base rates of pay for employees on the payroll on April 21, 2007. The general increase will be applicable to employees in labor grades 1 through 24. The amount of general increase and adjusted rate range are as shown in Section D.2.

Section D. Wage Schedules

Management may in its discretion, either temporarily or indefinitely compensate an employee or employees above the established maximum rate range for a particular labor classification. It is also understood that such action will not be subject to the grievance and arbitration procedure.

1. The schedule of general increases and base hourly rate ranges

effective April 22, 2006 will be as follows:

Labor Grade	General Increase		Rate Range	
24	3% of base Rate	\$ 16.50	-	\$ 27.77
23	3% of base Rate	\$ 15.98	-	\$ 27.45
22	3% of base Rate	\$ 15.15	-	\$ 24.81
21	3% of base Rate	\$ 14.85	-	\$ 24.54
20	3% of base Rate	\$ 14.49	-	\$ 23.96
19	3% of base Rate	\$ 13.79	-	\$ 22.09
18	3% of base Rate	\$ 13.55	-	\$ 22.00
17	3% of base Rate	\$ 13.37	-	\$ 21.93
16	3% of base Rate	\$ 12.78	-	\$ 20.85
15	3% of base Rate	\$ 12.55	-	\$ 20.74
14	3% of base Rate	\$ 12.31	-	\$ 20.20
13	3% of base Rate	\$ 11.78	-	\$ 18.89
12	3% of base Rate	\$ 11.71	-	\$ 18.78
11	3% of base Rate	\$ 11.60	-	\$ 18.69
10	3% of base Rate	\$ 11.36	-	\$ 18.47
9	3% of base Rate	\$ 10.73	-	\$ 17.62
8	3% of base Rate	\$ 10.55	-	\$ 17.54
7	3% of base Rate	\$ 10.43	-	\$ 17.29
6	3% of base Rate	\$ 10.06	-	\$ 16.64
5	3% of base Rate	\$ 9.49	-	\$ 15.55
4	3% of base Rate	\$ 9.30	-	\$ 15.30
3	3% of base Rate	\$ 9.07	-	\$ 15.23
2	3% of base Rate	\$ 8.89	-	\$ 14.57
1	3% of base Rate	\$ 8.71	-	\$ 14.38

2. The schedule of general increases and base hourly rate ranges

effective **April 21, 2007** will be as follows:

Labor Grade	General Increase		Rate Range	
24	3% of base Rate	\$ 17.00	-	\$ 28.60
23	3% of base Rate	\$ 16.45	-	\$ 28.27
22	3% of base Rate	\$ 15.61	-	\$ 25.55
21	3% of base Rate	\$ 15.30	-	\$ 25.28
20	3% of base Rate	\$ 14.93	-	\$ 24.68
19	3% of base Rate	\$ 14.21	-	\$ 22.76
18	3% of base Rate	\$ 13.96	-	\$ 22.66
17	3% of base Rate	\$ 13.77	-	\$ 22.59
16	3% of base Rate	\$ 13.17	-	\$ 21.47
15	3% of base Rate	\$ 12.92	-	\$ 21.37
14	3% of base Rate	\$ 12.68	-	\$ 20.80
13	3% of base Rate	\$ 12.14	-	\$ 19.46
12	3% of base Rate	\$ 12.06	-	\$ 19.34
11	3% of base Rate	\$ 11.95	-	\$ 19.26
10	3% of base Rate	\$ 11.70	-	\$ 19.02
9	3% of base Rate	\$ 11.05	-	\$ 18.15
8	3% of base Rate	\$ 10.86	-	\$ 18.07
7	3% of base Rate	\$ 10.75	-	\$ 17.81
6	3% of base Rate	\$ 10.36	-	\$ 17.14
5	3% of base Rate	\$ 9.77	-	\$ 16.02
4	3% of base Rate	\$ 9.58	-	\$ 15.75
3	3% of base Rate	\$ 9.35	-	\$ 15.69
2	3% of base Rate	\$ 9.16	-	\$ 15.01
1	3% of base Rate	\$ 8.98	-	\$ 14.81

Section E. Wage Progression

1. An employee, except as provided in Section H., shall have his or her base hourly wage rate increased ten cents (10¢) per hour within the rate range of his or her Job Classification (except when twelve cents (12¢) or a lesser amount is required to attain the maximum), each sixteen (16) weeks from the Saturday immediately preceding the employee's start date, sixteen (16) weeks from date of last review, or last base rate decrease, whichever is later; provided the Employer determines that the employee's performance, conduct and attendance have been satisfactory. Time spent on Leave of Absence in excess of fifteen (15) working days shall be deducted in computing the sixteen (16) week period.

2. Nothing in this provision shall prevent the Employer from granting individual increases more frequently than each sixteen (16) weeks if in its judgment they are merited. Such increases shall not affect the rate progression as prescribed in Section E.1. above.
3. Nothing in this Agreement shall be construed as automatic progression from one classification to another or from one grade to another.

Section F. Trainees

1. Trainees will not be paid less than the then current applicable legal industry minimum wage. The Trainee progression shall be in eight (8) week intervals, and the Trainee maximum rate shall be the minimum of the Job Classification for which being trained.
2. A Trainee shall be reclassified when his or her base rate equals the minimum of the Job Classification for which being trained.

Section G. Installation of New and Revised Job Classifications

1. The Management may, in accordance with its operations requirements, delete, establish or revise Job Classifications together with Job Descriptions and rates of pay therefore. The Employer agrees that it will promptly notify the Senior Business Representative, by registered or certified mail of any such intent, and the Designated Organization where the Job Classification is to be used or deleted.
2. In the event the Union does not choose to reply to such letter referred to in Section G.1. above, within fifteen (15) working days, such new, revised or deleted Job Classification shall become effective and shall constitute agreement by the parties and shall not thereafter be subject to the Grievance Procedure.
3. In the event the Union desires to confer concerning the rate range and labor grade assigned to such new or revised Job Classification, they will notify the Manager, Labor Relations, Human Resources, by registered or certified mail within fifteen (15) working days of receipt of the letter referred to in Section G.1. requesting a conference which shall be held within five (5) working days following receipt by the Employer of the Union's letter. The meeting shall be scheduled with the following Committee in attendance: The Senior Business Representative and Assistant Senior Business Representative, one (1) Senior Steward and one (1) Department Steward from the affected area, the Manager, Labor Relations, Human Resources, and two (2) other Employer Representatives. Upon request, the Union shall be given the opportunity to view the work operations in the area involved. In the event agreement is not reached within such five (5) day period, the Employer may then place the Job Classification into effect.

4. If the matter is not disposed of under the provisions of Sections G.2. and G.3., and the Union desires to refer it to the Grievance Procedure, they must do so within twenty (20) working day from the date of receipt of the Company letter referred to in Section G.1. The grievance shall be signed by the Senior Business Representative or Assistant Senior Business Representative. Such grievance shall be confined to the rate range and labor grade assigned and placed into Step Two of the Grievance Procedure.
5. A new Bargaining Unit Job Classification will not be added during the term of this Agreement where an existing Job Classification duplicates it to the extent of prescribing the identical duties and qualifications.
 - a. In accordance with its operational requirements, the Company may, from time to time, develop additional job classifications. The Company shall not install separate job classifications for the sole purpose of affecting the application of seniority, solely for the purpose of creating seniority barriers.
 - b. It is recognized that the establishment of any job classification affects seniority. Where the duties and qualifications of a job are identical to an existing classification, the establishment of such new job classification would be subject to the grievance procedure.
 - c. The splitting off of job duties from an existing job classification or the combining of existing job duties into new or revised job classifications and the establishment of new job classifications continues to be a function of Management. However, if as the results of such action a job classification is established which then duplicates an existing job classification by prescribing identical duties and qualifications, it would be a violation of this Section.
6. Any grievance concerning Section G.5. shall be placed into Step Two of the Grievance Procedure. The grievance shall be signed by the Senior Business Representative and Assistant Senior Business Representative.

Section H. Working Leader

1. Upon appointment as Working Leader, an employee shall receive a premium of forty cents (40¢) per hour over his or her base rate of pay or over the maximum rate of the highest paid Job Classification assigned to any employee the Working Leader is leading, whichever is greater.

2. The Working Leader premium shall be included in pay for Sick Leave, Holidays, Vacations, Overtime, Shift Differentials, Jury Duty, Annual Military Training and Bereavement Pay.
3. A Temporary Working Leader shall receive the Working Leader premium provided herein from the first day of assignment provided the appointment is for one (1) calendar week or more. However, he or she may be designated to act as Temporary Working Leader for a period not to exceed three (3) weeks at any one time.
4. In the selection of a working leader, the employees with the longest actual service in the Job Classification from which the Working Leader appointment will be made in the Section, then in the Department, shall be given first consideration provided he or she possess the qualifications, ability to lead the group to which he or she may be appointed, physical fitness to perform the duties and satisfactory conduct and attendance records.
5. Working Leader shall not be considered a separate job classification for purposes of layoff and recall.

Section I. General

1. No employee shall receive a reduction in rate of pay due to the signing of this Agreement, except as specifically provided. However, this shall not preclude the assignment of Job Classifications and rates of pay in accordance with the work being performed and as established by the parties.
2. Hourly paid employees shall be paid every two weeks on a day designated by the Employer. For the purpose of facilitating the handling of the payroll, the Employer shall continue the practice of "overlapping" which results in a pay holding back period of one (1) week.
3. Employees on the payroll prior to December 6, 1970 in Labor Grades 1 and 2 (old Labor Grades 1A, 2A and 3A) shall continue to receive the forty eight (48¢) as a Personal Rate of pay.

**ARTICLE V
HOLIDAYS**

Section A. Recognized Holidays

1. The following are paid Holidays for eligible employees when such Holidays occur and are observed within the period covered by this Collective Bargaining Agreement:

2005

- Monday, May 30
- Monday, July 4
- Tuesday, July 5
- Monday, September 5
- Thursday, November 24
- Friday, November 25
- Monday, December 26
- Tuesday, December 27
- Wednesday, December 28
- Thursday, December 29
- Friday, December 30

2006

- Monday, January 2
- Monday, May 29
- Monday, July 3
- Tuesday, July 4
- Monday, September 4
- Thursday, November 23
- Friday, November 24
- Monday, December 25
- Tuesday, December 26
- Wednesday, December 27
- Thursday, December 28
- Friday, December 29

2007

- Monday, January 1
- Monday, May 28
- Wednesday, July 4
- Monday, September 3
- Thursday, November 22
- Friday, November 23
- Monday, December 24
- Tuesday, December 25
- Wednesday, December 26
- Thursday, December 27
- Friday, December 28
- Monday, December 31

2008

- Tuesday, January 1

Section B. Holiday Pay

1. Holiday pay for a day or swing shift employee shall be eight (8) hours at straight time the employee's pay rate. Holiday pay for a graveyard shift employee shall be six and one-half (6-1/2) hours at straight time the employee's graveyard pay rate.
2. Holiday pay shall not be paid to an employee (1) who terminates for any reason and does not work a full shift on his or her regularly scheduled working day after a holiday is observed; or (2) is hired and starts working on the day after a Holiday is observed; or (3) is recalled from a layoff and starts working the day after a Holiday is observed.
3. In the event an employee is terminated for any reason the day before a Holiday, the employee shall be ineligible for Holiday pay, except as provided in Section C.1.g. and h. of this Article.
4. In addition to the Holiday pay as provided in Section B.1. above, an eligible employee who works on such Holiday shall receive premium pay of two (2) times his straight time pay rate for hours worked on such Holiday.
5. The night shift differentials shall be included in the computation of Holiday pay only for employees assigned to the night shifts a majority of their time during the workweek in which the Holiday is observed.
6. The Working Leader premium shall be included in the computation of Holiday pay for an employee who is classified as Working Leader during the workweek in which the Holiday is observed.

Section C. Holiday Eligibility

1. An employee is eligible for Holiday pay provided he or she was an active employee on the payroll on the day the Holiday was observed and the employee worked a full scheduled shift either (a) the regular workday immediately preceding the Holiday or (b) the regular workday immediately following the Holiday. An employee is also eligible for Holiday pay provided the employee qualifies under one of the following conditions:
 - a. On paid Vacation during the workweek in which the Holiday is observed.
 - b. On authorized absence because of a death in the employee's immediate family. Immediate family is defined under Article XVI, Bereavement Pay.

- c. On authorized Jury Duty, including jury examination, or court attendance by subpoena when the employee is not a Plaintiff or a Defendant.
- d. Absent on paid Sick Leave provided Sick Leave is taken from the first day of continuous absence through the workday immediately preceding the Holiday.
- e. Absent during the workweek in which a Holiday is observed because of occupational injury, providing the Holiday occurs within a one hundred twenty (120) calendar day period immediately following the date of injury.
- f. Absent on Temporary Layoff as defined in Article XVIII, Seniority.
- g. In the event an active employee is laid off as a result of a reduction in force the regular workday before a Holiday, the employee shall receive such Holiday pay.
- h. An active employee who retires on the regular workday before a Holiday shall receive Holiday pay.

Section D. Holidays - Off Premise Sites

- 1. It is agreed that for employees assigned to off-site premise civilian or military establishments, the Employer may reschedule paid Holidays to coincide with Holidays observed at such establishments.

Section E. Pre-Holiday Work Schedule

- 1. It is recognized and agreed that when work is scheduled on the last regular working day preceding the Christmas and/or New Year's Holidays, the Employer may at its discretion schedule reduced hours of work (short shifts) and change the starting and ending time of any shifts on such days.

**ARTICLE VI
VACATIONS**

Section A. Definitions

1. Continuous employment begins on the employee's anniversary date as adjusted according to this Article VI and ends at the completion of the shift immediately preceding the date on which vacation is earned.

Each year of continuous employment is defined for the purpose of this entire Article as a full and complete year of continuous employment without absence of more than thirty (30) regular working days during the employee's anniversary year, excluding only paid Holidays, paid Sick Leave, paid Extended Paid Time Off, paid Vacation, Annual Military Training, authorized Jury Service, paid Bereavement Leave, Temporary Layoff as defined in the Seniority Article of this Agreement, and Industrial Injury Leaves of one hundred eighty (180) calendar days or less. Continuous employment is computed from an employee's anniversary date of employment which is defined as the date an employee initially commences work, less the periods of adjustment provided in other Sections of this Article.

Section B. Vacation Allowance

1. Subject to Section E.4. below, vacation allowances are as follows:
 - a. An active full-time employee with less than five (5) years of continuous employment shall be granted two (2) weeks vacation (eighty (80) hours) each year with pay.
 - b. An active full-time employee who has completed five (5) full and complete years of continuous employment, but less than sixteen (16) years, shall be granted three (3) weeks vacation (one hundred twenty (120) hours) each year with pay.
 - c. An active full-time employee who has completed sixteen (16) full and complete years of continuous employment shall be granted three (3) weeks and one (1) day vacation (one hundred twenty-eight (128) hours) that year with pay. After completing each additional full and continuous year of employment one additional day of vacation will be granted until after completing nineteen (19) full and complete years of continuous employment three (3) weeks and four (4) days (one hundred fifty-two (152) hours) vacation with pay will be granted.

- d. An active full-time employee who has completed twenty (20) full and complete years of continuous employment shall be granted four (4) weeks vacation (one hundred sixty (160) hours) with pay.
- e. An active full-time employee who has completed twenty-one (21) full and complete years of continuous employment shall be granted four (4) weeks and one (1) day vacation (one hundred sixty-eight (168) hours) that year with pay. After completing each additional full and complete year of continuous employment one additional day (8 hours) of vacation will be granted until after completing twenty-four (24) full and complete years of continuous employment four (4) weeks and four (4) days (one hundred ninety-two (192) hours) vacation with pay will be granted.
- f. An active full-time employee who has completed twenty-five (25) full and complete years or more of continuous employment shall be granted, and in each succeeding year shall be granted, five (5) weeks (two hundred (200) hours) vacation with pay.
- g. The foregoing vacation allowances are applicable only for vacation allowances earned on and after the effective date of this Agreement. No additional allowances will be granted for additional vacation that may have been earned in prior periods, under this schedule.

Section C. Vacation Accrual

- 1. Vacation benefits are available the first day of the payroll week during which the benefit is earned.
- 2. Provided the accrual of the vacation allowance does not cause the employee to exceed his/her maximum allowable vacation balance as defined in Section E.4., vacation is earned as follows:
 - a. An employee with less than five years of continuous employment with the Company shall accrue at the rate of one (1) week for each six (6) months of employment.
 - b. An employee with at least five (5) but less than sixteen (16) years of continuous employment with the Company shall accrue at the rate of one (1) week for each four (4) months of continuous employment. One (1) additional week is accrued on the benefit date on completion of five (5) years of continuous employment.
 - c. An employee with at least sixteen (16) but less than twenty (20) years continuous employment will accrue at the rate of one (1) week for each four (4) months of continuous employment. The additional one (1) day per year is accrued on the benefit date.

- d. An employee with at least twenty (20) but less than twenty-five (25) years continuous employment will accrue at the rate of one (1) week for each three (3) months of continuous employment. The additional day per year is accrued on the benefit date beginning with the completion of twenty-one (21) years of continuous employment. One (1) additional week is accrued on the benefit date on completion of twenty (20) years of continuous employment.
- e. An employee with twenty-five (25) or more years of continuous employment shall accrue at the rate of one week for each three months of continuous employment. One additional week is accrued on completion of twenty-five (25) years of continuous employment and each succeeding benefit date thereafter.

Section D. Vacation Pay Computation

1. Vacation pay for eligible day and swing shift employees shall be computed at their straight time pay rate times the applicable vacation hours earned as provided in Section B of this Article.
2. Vacation pay for eligible graveyard shift employees shall be computed at their straight time pay rate times the third shift hours (32.5 per week) times the applicable number of weeks as provided in Section B of this Article.
3. The regularly-assigned shift during the workweek prior to the beginning of the vacation shall be used to determine the applicable shift differential as provided in this Section D.
4. The computation of vacation pay as provided in this Section D shall be at the straight time pay rate in effect during the payroll week immediately preceding the employee's vacation.
5. The Working Leader premium shall be included in the computation of vacation pay for employees who are classified as Working Leaders during the workweek prior to the beginning of the vacation.

Section E. Scheduling of Vacation

1. Annual vacations are provided for active, full-time employees as a period of rest and relaxation.
2. Vacations shall be scheduled by the Employer throughout the year so as to cause the least interference with operations. Subject to the foregoing, senior employees shall be given preference in arranging vacation schedules.
3. Vacations shall be scheduled for not less than four (4) consecutive hour increments (3.3 hours for third shift) taken at either the beginning or end of the regularly scheduled shift. Vacation may be taken on any day(s) of the workweek provided they have been scheduled in advance and approved by supervision.

4. An employee may accrue a maximum of two (2) times the employee's annual allowance as described in Section B above. Vacation allowance and accrual is limited to the maximum vacation balance so that only partial or no accrual of vacation hours will occur if the addition of the normal vacation allowance would bring the account over the employee's maximum vacation balance. Any hours beyond the new accrual maximum will not accrue, and vacation accrual shall cease until the employee's vacation balance is below the maximum. There will be no retroactive accrual once the vacation balance is reduced below the maximum.

Section F. Anniversary Date Adjustment

1. Employees who are absent more than thirty (30) regular working days during an anniversary year, or whose Leave of Absence continues from one anniversary year to another, shall have their anniversary date adjusted the number of workdays they were absent in excess of the thirty (30) regular working days; however, only one (1) thirty (30) day period shall be credited in adjusting the anniversary date during such an extended Leave of Absence.
2. In the event an employee is laid off for lack of work after completing the Probationary Period and thereafter recalled within sixty (60) calendar months from the date of layoff, the employee's anniversary date shall be adjusted the number of regular working days not worked due to layoff as the basis for computing continuous employment; however, any period of work prior to layoff for which Vacation pay was granted on a pro rata basis shall not be included in the computation of current Vacation benefits at the employee's next adjusted anniversary date.

Section G. Earned and Unused Vacation Benefits at Time of Termination

1. An eligible employee who terminates after completion of six (6) months of continuous employment shall be paid in accordance with Sections D.1, or D.2, in lieu of earned Vacation which has not been taken, computed at the employee's straight time pay rate on the last day actually worked.

Section H. Pro Rata Vacation Allowance

1. An eligible employee who has completed six (6) months of continuous employment and is laid off for lack of work, retires or becomes deceased shall be paid on a pro rata basis for each week of continuous employment in the current anniversary year for which the employee did not previously receive vacation time or vacation pay. The

pro rata basis for day or swing shift employees shall be one-twelfth (1/12th) of the vacation allowance as provided under Section B of this Article for each full calendar month worked. The pro rata basis for graveyard shift employees shall be one-twelfth (1/12th) of the applicable graveyard shift hours. The computation of such payment shall be in accordance with Sections D.1 or D.2 at the employee's straight time pay rate in effect during the payroll week immediately preceding the date of layoff, retirement or death. This provision shall not apply to employees who quit, are discharged or are at their maximum vacation balance.

Section I. General

1. When a recognized paid Holiday occurs during an employee's vacation period, the employee shall receive an extra day off in conjunction with the vacation.
2. In the event an employee is on Temporary Layoff as defined in the Seniority Article of this Agreement, the provisions of Sections F.2 and H.1 of this Article shall not be applicable.
3. In the event a Leave of Absence is granted in conjunction with a vacation, the Leave of Absence shall follow the vacation period.
4. In the event an employee absent on paid vacation terminates, the effective date of the termination for the computation of benefits under this Agreement shall be the last day he/she actually worked.

ARTICLE VII SICK LEAVE

Section A. Definition

1. Continuous employment: Each full and complete year of continuous employment is defined for purposes of this entire Article as continuous employment without absence of more than thirty (30) regular working days during the employee's anniversary year, excluding only paid Holidays, paid Sick Leave, paid Vacations, Annual Military Training, authorized Jury Service, paid Bereavement Leave, Temporary Layoff, and Industrial Injury Leaves of one hundred eighty (180) calendar days or less. Continuous employment is computed from an employee's anniversary date of employment which is defined as the date an employee initially commences work, less the periods of adjustment provided in other Sections of this Article VII. A full and complete year of continuous employment begins on the employee's anniversary date as adjusted according to this Article VII and ends at the completion of the shift immediately preceding the next anniversary date

Section B. Sick Leave Allowance

1. Employees as of their date of hire and annually thereafter on their benefit date, shall accrue seven (7) days of regular Sick Leave which may be used if the employee or a member of the immediate family (residing within the same household) is physically or mentally incapacitated. Sick Leave benefits are available the first day of the payroll week during which the anniversary date occurs. If the accrual date occurs during a paid or unpaid absence, the seven (7) days of Sick Leave are not granted until the employee returns to work. However, an employee returning from an unpaid leave of absence requiring a benefit date adjustment will not accrue additional days of regular Sick Leave until reaching the payroll week of the adjusted benefit date. Sick Leave cannot be applied retroactively. For employees with positive sick leave balance, annual Sick Leave balances will be paid at the end of each benefit year at fifty percent (50%) of the unused balance. Regular Sick Leave and approved Extended Paid Time Off must be taken prior to taking one (1) or more days of unpaid leave except as provided for personal and occupational illness and injury leaves. Accrued and unused regular Sick Leave is not paid off at the time of termination.
2. Pay for Sick Leave is granted for a minimum of two (2) hours of absence due to illness or injury as provided in Section C of this Article. Absence in excess of two (2) hours is granted in increments of one-tenth (1/10) of an hour. Advance approval is required when Sick Leave is taken for less than four hours.

Section C. Sick Leave Pay Computation

1. Sick Leave pay shall be computed at the straight time pay rate in effect for the employee on the workday on which the Sick Leave is taken.
2. The Working Leader premium shall be included in the computation of Sick Leave pay for an employee who is classified as Working Leader during the workweek in which the Sick Leave occurs.

Section D. Extended Paid Time Off Allowance

1. The Extended Paid Time Off account, in conjunction with Article VIII, Group Benefits, Section D, Short Term Disability, provides paid leave, which may be granted for extended periods of disability.

Section E. Extended Paid Time Off

1. Extended Paid Time Off, in conjunction with Article VIII, Group Benefits, Section D, Short Term Disability, may be granted for serious personal illness or injury of an employee which requires an absence of more than seven (7) consecutive calendar days beginning with the first day the employee is unable to report to work. Certification from the employee's doctor indicating a disability start date and an estimated return to work date is required. If Extended Sick Leave is authorized, the employee need not use regular Sick Leave first. Use of Extended Sick Leave requires the approval of the Major Organization Head or designee.

Section F. Integration of Sick Leave and Extended Sick Leave

1. Regular Sick Leave and/or Extended Paid Time Off payments are integrated or reduced by State Unemployment Compensation Disability Insurance, or other Company-sponsored disability insurance benefits for which the employee is eligible for the same time period, whether applied for or not. As a condition of receiving Extended Paid Time Off payments and/or regular Sick Leave payments, the Employer shall deduct from subsequent weekly paychecks (whether regular or Extended Sick Leave payments or regular wages) any overpayment of wages resulting from the integration with Extended Sick Leave payments and/or regular Sick Leave payments. If an overpayment balance is owing at the time of the employee's termination, the Employer is authorized to deduct said balance from the employee's final wages.

Section G. Extended Paid Time Off Pay Computation

1. Extended Paid Time Off pay shall be computed at the straight time pay rate of the employee on the work-day immediately preceding the Extended Paid Time Off leave.
2. The Working Leader premium shall be included in the computation of Extended Paid Time Off pay for an employee who is classified as Working Leader during the workweek in which the Extended Paid Time Off leave occurs.

Section H. Anniversary Date Adjustment

1. An employee who is absent more than thirty (30) regular working days during an anniversary year, or whose Leave of Absence continues from one anniversary year to another, shall have a new anniversary date adjusted by the number of workdays absent in excess of thirty (30) regular working days; however, only one (1) thirty (30) day period shall be credited in adjusting the anniversary date during such an extended Leave of Absence.
2. In the event an employee is laid off for lack of work after completing the Probationary Period, and thereafter recalled within sixty (60) calendar months from the date of layoff, the employee's anniversary date shall be adjusted the number of regular working days not worked due to layoff

Section I. General

1. Sick Leave benefits shall not be paid during a Leave of Absence for the purpose of collecting Holiday pay. In the event Sick Leave is taken in connection with a Leave of Absence, the Leave of Absence shall follow the Sick Leave.
2. In the event an employee absent on paid Sick Leave or extended paid time off terminates, the effective date of the termination for the computation of benefits under this Agreement shall be the last day actually worked.
3. Employees may not take Sick Leave for regularly scheduled days off (6th or 7th day) whether worked or not.
4. An hourly paid employee who earned and has unused Extended Paid Time Off and is thereafter reclassified to a salaried position, shall be credited with all of the unused hourly Extended Paid Time Off on the date of reclassification.
5. If a Holiday falls during a period in which an employee is receiving Extended Paid Time Off benefits, such an employee receives the regular Holiday pay. The Holiday is not charged against the employee's accrual.
6. In order to be properly paid, an employee must apply for California Unemployment Compensation Disability Insurance (California Disability Insurance) benefits. Full responsibility for claiming disability benefits rests with the employee. Time on Extended Sick Leave, including regular Sick Leave, counts as waiting time under disability plans. Disability benefits available for time lost from work because of a job-incurred illness or injury are provided in accordance with applicable Workers' Compensation laws.
7. Extended Paid Time Off is not paid-off at the time of termination.

**ARTICLE VIII
GROUP BENEFITS**

Section A. Employee and Dependent Medical Coverage

1. The Medical Plan coverage will continue to be made available to eligible employees and eligible dependents providing those benefits as were agreed upon during negotiations of this Agreement between the Union and the Employer. The Plan is subject to the terms, conditions and exclusions contained in the Plan Documents and is summarized in a Summary Plan Description which the Employer shall provide to eligible employees.
2. The Medical Plan will be administered by the Employer in accordance with the provisions of the Medical Plan Document prepared by the Employer.

3. The Employer agrees, during the term of this Agreement, to offer to the employees covered by the Agreement, when and to the extent required by Public Law 93-222, the Health Maintenance Act of 1973, such optional provisions for health services as may be required by that law as an alternative to the Medical Plan which is provided for in this Agreement.
4. The Employer agrees, during the term of this Agreement, to offer to the employees covered by this Agreement, a Medical Plan or a Health Maintenance Organization (HMO). Each employee shall have the option of electing the Medical Plan or an HMO for the employee and the employee's eligible dependents. No employee may be covered by more than one plan.
5. Plan Design: Effective January 1, 2006, the POS, HMO, and PPO plans offered will be the same plan designs as offered to the salaried population for 2005, as presented in negotiations. These plan designs will remain "frozen" for the duration of the contract.
6. Contribution Rates: Effective January 1, 2006, and for each subsequent year of the contract employee contribution rates towards the premiums for the medical plans outlined in paragraph 5 above, will be the lesser of the negotiated maximums shown below or the contribution rate being paid by the salaried employees for the same plan, as follows:

**Effective January 1, 2006
Employee Bi-Weekly Contribution***

Coverage Level	POS Plan Health Net	HMO Plan Health Net	HMO Plan Kaiser	Optional PPO United Health Care
Employee Only	\$31.25	\$20.45	\$20.14	\$74.92
Employee & Spouse	\$65.64	\$44.03	\$42.77	\$171.06
Employee, Child(ren)	\$61.33	\$39.84	\$38.94	\$141.47
Employee & Family	\$97.99	\$63.41	\$54.66	\$230.22

**Effective January 1, 2007
Employee Bi-Weekly Contribution***

Coverage Level	POS Plan Health Net	HMO Plan Health Net	HMO Plan Kaiser	Optional PPO United Health Care
Employee Only	\$37.50	\$24.54	\$24.17	\$89.90
Employee & Spouse	\$78.77	\$52.83	\$51.32	\$205.27
Employee, Child(ren)	\$73.59	\$47.81	\$46.72	\$169.77
Employee & Family	\$117.58	\$76.09	\$65.59	\$276.27

**Effective January 1, 2008
Employee Bi-Weekly Contribution***

Coverage Level	POS Plan Health Net	HMO Plan Health Net	HMO Plan Kaiser	Optional PPO United Health Care
Employee Only	\$45.00	\$29.45	\$29.01	\$107.88
Employee & Spouse	\$94.52	\$63.40	\$61.59	\$246.33
Employee, Child(ren)	\$88.31	\$57.37	\$56.07	\$203.72
Employee & Family	\$141.10	\$91.31	\$78.71	\$331.52

Decline Medical/Vision Coverage - Receive cash back of \$1,000.00 payable in equal installments, except in those situations where the employee's spouse is employed by Raytheon.

NOTE: Medical/Vision/EAP Plan vendors may change during term of agreement.

7. New Medical Plan Options: Effective January 1, 2006, in addition to the medical plans referenced above, the employer will also offer to eligible employees the opportunity to participate in any other medical plans offered to salaried employees at the location, on the same basis and at the same contribution level as is offered those salaried employees, from year to year. Currently those plans include Definity Health Gold/Silver/Bronze and TriCare Supplement Plan.

Section B. Vision Care

1. The Employer agrees, during the term of this Agreement, that a Vision Care Plan will continue to be made available to active employees and eligible dependents who have elected to participate in any of the Company's medical plans. There will be no additional premium for this coverage. The Vision Care Plan provides examinations each 12 months, lenses and frames each 24 months. The employee co-payment is \$10 for a vision exam, with an additional \$10 for lenses and frames up to a maximum co-payment of \$20 per person. This plan design shall be "frozen" for the duration of this contract.

Section C. Accidental Death and Dismemberment Insurance

1. The Employer agrees that an Accidental Death and Dismemberment Insurance Plan will be made available on the same basis as is offered salaried employees, from year to year, for the duration of this contract. The current plan design provides for an employee benefit of up to a maximum of five (5) times annual base pay; an optional spousal benefit equal to 60% of employee coverage, and an optional benefit for each child equal to 15% of employee coverage.
2. Enrolled employees shall contribute, on a pre-tax basis, the premium amount appropriate for the amount and type of coverage elected.
3. The premium rates will be subject to change based upon claims experience.
4. The Accidental Death and Dismemberment Insurance Plan will be administered by the Employer in accordance with the provisions of the insurance policy prepared and issued by the insurance carrier.

Section D. Short Term Disability

1. Two Short Term Disability (STD) Plans will be offered. Effective January 1, 2006, STD will be offered on the same plan design and at the same contribution level as is offered salaried employees, from year to year, for the duration of this contract:
 - a. Effective January 1, 2006, Basic Plan design provides benefits equal to 75% of weekly base pay for up to 10 weeks at no cost to the employee.
 - b. Effective January 1, 2006, Plus Plan design provides for the same coverage as provided in Section D.1.a. above, with additional coverage of 25% of weekly base pay for which employees shall pay an annual premium.

2. The Short Term Disability Plan will be administered by the Employer in accordance with the provisions of the Short Term Disability Insurance Policy prepared and issued by the insurance carrier.

Section E. Long Term Disability

1. Two Long Term Disability (LTD) Plans will be offered. Effective January 1, 2006, LTD will be offered on the same plan design and at the same contribution level as is offered salaried employees, from year to year, for the duration of this contract:
 - (a) Basic Plan provides benefits equal to 50% of weekly base pay to age 65.
 - (b) Plus Plan provides benefits equal to 60% of weekly base pay to age 65.
 - (c) Employees who elect coverage under the Basic Plan or Plus Plan shall pay an annual premium appropriate for the type of coverage elected period. Deductions will be made on a per pay period basis.
2. The Long Term Disability Plan will be administered by the Employer in accordance with the provisions of the Long Term Disability Insurance Policy prepared and issued by the insurance carrier.
3. The Employer may revise the Plan as required to comply with State and Federal regulations and laws.

Section F. Occupational Long Term Disability

1. To be eligible to participate in the Occupational LTD plan:
 - (a) An employee must be enrolled in the Long Term Disability Plan
 - (b) An employee must have an annual salary of \$50,000 or more
 - (c) An employee must be out of work because of a work-related illness or injury for more than the duration of the STD program in consecutive weeks as well as be under the regular care and attendance of a doctor.
2. Chosen coverage for the Occupational LTD must equal the employee's Long Term Disability coverage percentage (either 50% or 60% of base pay).
3. The Occupational Long Term Disability Plan will be administered by the Employer in accordance with the provisions of the Occupational Long Term Disability Insurance Policy prepared and issued by the insurance carrier.
4. The Employer may revise the Plan as required to comply with State and Federal regulations and laws.

Section G. Basic Life Insurance Plan

1. Effective January 1, 2006, the basic life coverage amount for eligible employees will be offered at no cost to the employee on the same basis as is offered to salaried employees, from year to year, for the duration of this contract, currently one (1) times annual base salary.
2. The Basic Life Insurance Plan will be administered by the Employer in accordance with the provisions of the Basic Life policies of insurance prepared and issued by the insurance carrier.

Section H. Optional Group Life Insurance

1. The Employer agrees to offer the Optional Group Life Insurance Plan for purchase by eligible employees on the same basis as is offered salaried employees, from year to year, for the duration of this contract, in accordance with the following:
 - (a) Employees shall be considered eligible while insured under the Group Life Insurance Plan.
 - (b) Under the current plan design coverage amount may be either one times (1X), two times (2X), three times (3X), four times (4X), or five times (5X) an employee's annual Base Salary. The coverage level elected by an employee may be reduced by an employee. However, after initial enrollment, coverage level may not be increased without the approval of the insurance company. Effective January 1, 1991, the amount of Optional Life Insurance coverage is no longer reduced for employees who continue working for the Employer beyond age 65. During Annual enrollment periods employees may increase coverage level by one (1) times Annual Base salary without proof of insurability.
2. Employees who elect this coverage shall pay a premium which is subject to change based on claims experience or changes in Internal Revenue table rates.
3. Optional Group Life Insurance Plan will be administered by the Employer in accordance with the provisions of the applicable Optional Group Life Insurance Policy issued to the Employer by the insurance carrier.

Section I. Dependent Life Insurance

1. The Employer will continue to offer coverage for Dependent Life Insurance for the employee's spouse and/or child(ren) on the same basis as is offered salaried employees, from year to year, for the duration of this contract. Under the current plan design employees may

purchase coverage for the spouse in benefit amounts from \$10,000 to \$50,000. Employees may also purchase coverage for child(ren) in benefit amounts from \$5,000 to \$25,000. Two premium amounts have been established for each level of benefit coverage available, for the spouse coverage level, one for smokers, the other for non-smokers.

2. The Dependent Life Insurance will be administered by the Employer in accordance with the provisions of the policy issued by the insurance carrier. Premiums will be subject to change based on claims experience.

Section J. Retired Employees Medical Benefits

1. For employees who hereafter retire, with at least three (3) years of continuous participation in the contributory benefit of the Retirement Plan or Non-Contributory Retirement Plan immediately preceding the employee's date of retirement, and who are at least age fifty-five (55) but less than age sixty-five (65) and who have five (5) or more years of continuous employment with the Employer, the Employer agrees to continue to provide the Medical Plan coverages for which they were covered while active employees, until the retired employee attains age sixty-five (65), and shall likewise continue the same Medical Plan coverages for his or her eligible spouse until the spouse attains age sixty-five (65). Coverage shall be continued under this provision for the retired employee's dependent child until the child reaches age nineteen (19) or age twenty-five (25), if attending an accredited college, university, or a comparable educational institution as a full-time student. Insurance coverage will also continue under the Plan with no age limit for totally disabled dependent children of the employee over age nineteen (19) while totally disabled and qualifying under the Internal Revenue Code as a "dependent" of the employee.

Medical deductibles for retirees will be the same as for active employees.

HMO coverage will continue to be available.

2. Retired Employees Medical Benefits will be administered by the Employer in accordance with the provisions of the Medical Plan Document prepared by the Employer.
3. If the insured retired employee under this Section I becomes deceased prior to reaching age sixty-five (65), the insurance in force on the deceased retiree's eligible dependent spouse shall continue in effect until the earlier of the date the retiree would have been age sixty-five (65) or, the date the spouse of the deceased retiree remarries or, in the case of the deceased retiree's dependent children, the date the retiree would have been age sixty-five (65), or the date such children cease to be eligible for coverage because of age as stated under this Section I, paragraph 1.

4. The Employer agrees to allow eligible employees to continue their coverage in the HMO in which enrolled at the time of retirement. Eligibility requirements for continuation of HMO coverage at retirement will be the same as those currently specified for the Medical Plan in paragraph 1, above.
5. Employees who retire under the provisions of the non-contributory benefit of the Retirement Plan will receive medical coverage as set forth above provided the retiree pays the cost of the coverage plus a two percent (2%) administrative fee.
6. The Employer agrees, during the term of this Agreement, that a Medicare Supplemental Insurance Plan will be made available for all retired employees over age sixty-five (65) who retire on or after January 1, 1999, and for their spouse.

The Medicare Supplemental Insurance Plan which supplements Medicare Hospital and Medical Benefits, will be administered by the Employer in accordance with provisions of the Certificate of Insurance prepared and issued by the insurance carrier and distributed to retired employees.

Eligible retired employees who enroll in the Medicare Supplemental Insurance Plan shall contribute the appropriate monthly premium based on the plan selected.

This premium will be subject to change based on claims experience.

Section K. Retiree Group Life Insurance Plan

1. The Employer agrees to continue to offer Life Insurance effective January 1, 1993 at no cost to the retired employee during the first five (5) years of retirement to eligible employees retiring during the term of this Agreement who have completed at least five (5) years or more of continuous employment. The coverage amount is determined by the following schedule.

Year of Retirement	Coverage amount* as a Percentage of Base Annual Rate of Earnings
First Year	80%, but not more than \$50,000
Second Year	60%, but not more than \$50,000
Third Year	40%, but not more than \$50,000
Fourth Year	20%, but not more than \$50,000
Fifth Year	10%, but not more than \$50,000
Sixth Year & After	\$5,000** at a cost to retiree of \$50/year

* If the coverage amount is not an even multiple of \$100, it will be rounded up to the next multiple of \$100.

** Starting with the sixth year following retirement, coverage will continue only if retired employee contributes \$50/year toward premium cost.

2. Coverage amounts of Retiree Life Insurance are based on a percentage of the retirees final annual base rate of earnings as of the date of retirement, exclusive of overtime, shift differential, or similar payments and bonuses.
3. Commencing with the sixth (6th) year following the date of retirement, retired employees will be offered \$5,000 of life insurance at a cost of \$50.00 year.

Section L. Flexible Spending Account

1. The Employer agrees to offer employees covered by this Agreement two Flexible Spending Accounts on the same basis as is offered salaried employees, from year to year, for the duration of this contract. The accounts will be a health care reimbursement account and a dependent care reimbursement account.
2. The health care reimbursement account will allow employees to make an annual election to defer up to \$5,000 of base pay which may be used to pay for medical expenses not reimbursed by any other benefit plan.
3. The dependent care reimbursement account will allow employees to make an annual election to defer up to \$5,000 of base pay which may be used to pay for allowable dependent care expenses.
4. The base pay deferrals will be made in equal payroll deductions throughout the year. Employees will submit covered bills to an administrator named by the Company for reimbursement. The Company will bear all administrative expenses. The Company will also provide FSA enrollees with FSA debit cards that may be used in lieu of the current reimbursement method.
5. Any deferrals in excess of incurred expenses at the end of the plan year cannot be carried forward to the next plan year nor returned to the employee.
6. The Employer agrees to offer this plan so long as it is qualified under the applicable provisions of the Internal Revenue Code. A copy of the Summary Plan Description will be provided to employees and will govern administration of the Plan.

Section M. Prepaid Legal Program

1. Effective January 1, 2006, employees may elect participate in a prepaid legal program on the same basis is offered salaried employees, from year to year, for the duration of the contract.

Section N. General Provisions

1. Employees may elect between different levels of benefit coverage. These levels are: (a) employee; (b) employee and spouse; (c) employee and child(ren); (d) employee, spouse, and child(ren); and (e) decline all health care coverage. Employees may select a different level of coverage for medical/vision and dental.
2. Effective January 1, 1999 employees, including all eligible dependents, hired on or after this date will become immediately eligible for all benefits.

Employees will be provided information to enroll in their Plan choices, Decline all medical/vision coverage, Medical/Vision, Dental, AD&D, FSA's, STD, LTD and all OLI's. Plan coverage will become effective on the date of hire. No EOI or dependent eligibility back-up documentation will be required for new hire enrollments.
3. Rates for employee optional life insurance, spouse life insurance & accidental death and dismemberment (AD&D) insurance will be "unfrozen." This means that, for the duration of the contract, rates will be adjusted for participants in these plans when they either experience a change in pay or reach a new age category.
4. Nothing herein shall change any benefits in the Group Benefit Plans provided under this Article VIII as currently in effect, other than those changes specifically referred to herein. Employer reserves the right to amend or terminate said plans and from time to time to clarify plan provisions and to maintain compliance with applicable laws and regulations.
5. All benefits of employees, retired employees, laid off employees and insured dependents are subject in every respect to the terms of the applicable Plan documents under which payment is claimed.

ARTICLE IX RETIREMENT

Section A. Contributory Retirement Plan Benefits

1. The Employer agrees, during the term of this Agreement that the Retirement Plan, so long as it is qualified under the applicable provisions of the Internal Revenue Code, shall be made available to those qualifying employees covered by this Agreement to the same extent and in the same manner as provided immediately prior to the execution of this Agreement except as provided for below.

2. Monthly "Normal Retirement Benefits" under the Plan for participants separating from the Service after November 2, 1985 and retiring effective on or after January 1, 1986 will be computed as the greater of:
 - (a) Career Average formula - One twenty-fourth (1/24th) of the participant's contributions to the Plan plus credited monthly past service credits for contributions and service prior to January 1, 1986; and 1% of the first \$3600 of Plan Compensation plus 2% of Plan Compensation in excess of \$3600 for each year of contributions and service from January 1, 1986.
 - (b) Minimum Benefit formula - \$13.00 per month plus one-half of one percent (1/2%) of the participant's five (5) years average monthly compensation for the five highest of his or her last ten qualifying twelve (12) Accounting Month periods as a contributing member of the Plan including those years for which past service was credited, or:
 - (c) Final Average Compensation formula - One and three-quarters percent (1-3/4%) of the participant's five (5) years average monthly compensation for the five (5) highest of his or her last ten (10) qualifying twelve (12) Accounting Month periods offset by one and one-half percent (1-1/2%) of the estimated "Primary Insurance Amount" determined under the Federal Social Security Act for each year that the participant contributed to the Plan, including those years for which past service was credited. The maximum offset is fifty percent (50%) of the estimated monthly "Primary Insurance Amount" benefit. Benefits payable under this formula will be in accordance with applicable Internal Revenue Service Code provisions and regulations and other applicable legal requirements as may be issued.
3. Required Participant Contributions are 3% of Compensation.
4. The Normal Retirement Age is sixty-five (65) years, whether or not an employee participates in the Retirement Plan. An employee may work past the Normal Retirement Age.
5. The Retirement Plan will be administered by the "Administrator" as defined in the Retirement Plan. A copy of the Summary Plan Description will be provided to employees.
6. Any significant change in the Retirement Plan benefits affecting employees in the Bargaining Unit shall be made only after negotiations with the Union.

7. The Employer shall qualify, re-qualify and amend the Retirement Plan and any administrative procedure or operational rule relating thereto as necessary in order to comply with the requirements of the Employee Retirement Income Security Act of 1974 as it may be amended, and any regulation or other administrative ruling issued thereunder, or any other present or future law, regulation or ruling issued under such law requiring amendment of the Retirement Plan or otherwise affecting its operation in any significant manner.

All of such actions of the Employer may be done if they are either necessary for the purpose of maintaining the qualified status of the Retirement Plan including setting actuarial assumptions established by the actuary and submitted to the Administrator in order to compute benefits.

8. The term "Retirement Plan" used in this Agreement means the Raytheon Company Retirement Plan which by its terms applies to employees covered by the Agreement.
9. The Retirement Plan includes a special layoff provision which is available, at the individuals election, to employees who are laid off and have fifteen (15) or more years of service, are age fifty (50) or older and are within five (5) years of reaching the "Rule of 75" date. The special layoff provision provides: a benefit equal to the employee's accrued benefit less one and one-half (1.5%) percent for every month the employee retires prior to the "Rule of 75" date; a yearly cost of living increase up to four (4%) percent per year; no Company paid medical, however, after COBRA coverage ends retiree will be able to purchase medical coverage up to age 65 at actual cost plus a 2% administrative fee, and; employee will be covered by Retiree Life Insurance.

Section B. Non-Contributory Retirement Benefits

1. Effective May 4, 1992, a non-contributory benefit will be provided for all employees hired or rehired after November 2, 1991 and for existing employees who chose the non-contributory option prior to May 1, 1992. The non-contributory benefit, for those participating in it will supersede the benefit described in Section A of this Article. In addition, employees who were laid off prior to May 4, 1992 and recalled within five years of having been laid off had thirty (30) days to choose from either the contributory or the non-contributory retirement plan benefit provided the employee had not previously made this election. Employees who are laid off after May 4, 1992 and recalled must remain in the same retirement benefit they were participating in prior to layoff. The retirement benefit for members of E.A.S.T., Local 1553 covered by the non-contributory benefit is determined using each of two different formulas: the Non-Contributory Pension Formula and the Guaranteed Pension Formula. The pension payable as a Single Life Benefit on the employee's social security

retirement date is the greater of these two amounts. That pension may then be adjusted if the member chooses to start his or her pension under a different form of payment or sooner than the social security retirement date.

- (a) Non-Contributory Pension Formula: One and one-half percent (1-1/2%) of the participant's five (5) years average monthly compensation for the five (5) highest of his or her last ten (10) qualifying twelve (12) accounting month periods (final average monthly compensation, or FAMC) for each of the first thirty-five (35) years of Benefit Accrual Service plus one-half percent (1/2%) of the final average monthly compensation for Benefit Accrual Service over thirty-five (35) years offset by six-tenths (6/10) of one percent (1%) of each individual's FAMC not in excess of covered compensation for each of the first 35 years of Benefit Accrual Service. Covered compensation for this purpose is a thirty-five (35) year average of the annual maximum Social Security wage base.
- (b) Guaranteed Pension Formula: The pension under the Guaranteed Pension Formula is \$30 per month per year of union benefit service with E.A.S.T., Local 1553 effective July 1, 2005, and \$31 per month per year of union benefit service effective July 1, 2006. The pension is calculated under the Guaranteed Pension Formula for any member of this union who was employed by Raytheon on or after May 23, 2005.
- (c) The non-contributory benefit will have different qualifications for normal and early retirement, no automatic cost-of-living payment, and no eligibility for company-paid medical per Article VIII Section I.5. Details of the non-contributory benefit will be provided to employees in copies of the Summary Plan Description as required by law.

ARTICLE X THE SAVINGS AND INVESTMENT PLAN

Section A. Savings and Investment Plan

1. The Employer agrees, during the term of this Agreement, that the Raytheon Savings and Investment Plan, so long as the Plan is qualified under the applicable provisions of the Internal Revenue Code, shall be made available to those eligible employees covered by this Agreement on the same basis as offered to salaried management personnel.

2. The Employer agrees that the Raytheon Savings and Investment Plan, for the duration of this agreement, will provide the following:

- (a) In accordance with provisions of the Plan, employees may elect to participate in the Plan upon hire, to be effective as soon as administratively possible.
- (b) Employee contributions to the Plan will be a percentage of qualifying compensation. Employees enrolled in the Plan may contribute between one percent (1%) and fifty percent (50%) of their qualifying compensation in one percent (1%) increments (if in contributory retirement, 1% to 50%). Qualifying compensation shall include base weekly wages, Supplemental Wage Payments paid, and all overtime.
- (c) For the first four percent (4%) of the employee's contribution, the Employer will make a contribution equal to one hundred percent (100%) of the employee's contribution. The Company contribution and the employee's contribution may be invested in any option.
- (d) The Employer's contribution on the first four percent (4%) made prior to 07/01/05 must remain in Raytheon Common Stock for a period of five full Plan Years following the Plan Year of contribution. After the restriction has lapsed, employees may elect to transfer the value of the Raytheon Common Stock at the time of transfer to another Plan option in accordance with the provisions of the plan.
- (e) In accordance with provisions of the Plan, participants in the Plan may elect to receive the value of their Savings Plan account(s) in a lump sum.

Section B. Long Service Layoff Plan

- 1. Except as otherwise provided in Section B-2 of this Article, the Employer agrees, during the term of this Agreement, that its Long Service Layoff Plan benefits will continue to be made available to those qualifying employees covered by this Agreement to the same extent and in the same manner as were made available by the Employer immediately prior to the execution date of this Agreement.
- 2. It is the intent of the Union and the Company that Service Allowance Payments benefits as may have been accrued by any employee under the provisions of the Plan on March 30, 1968 shall not be disturbed but there shall be no accrual of Service Allowance Payment benefits on and after that date.

Section C. Stock Ownership Plan

1. The Employer will extend the Stock Ownership Plan to all eligible employees covered by this Agreement. The Company contributes an amount equal to one-half percent (1/2%) of eligible earnings. Company allocation is made in the following year in which you earn the benefit. This benefit will terminate as of the end of the pay period, which includes July 1, 2005. Therefore, the final payment will be in March, 2006.

ARTICLE XI DENTAL PLAN(S)

Section A. Dental Plan(s)

1. The Dental Plan(s) will be administered by the Employer in accordance with the provisions of the Dental Plan document prepared by the Employer.
2. The Employer agrees, during the term of this Agreement, that the Dental Plan Benefits shall continue to be made available to those eligible employees covered by this Agreement to the same extent and in the same manner as such coverage was made available by the Employer immediately prior to the execution date of this Agreement, except as otherwise provided below.
3. The Employer agrees to offer a HMO-type Dental Plan as an option which may be selected by the eligible employee in lieu of coverage under the Dental Plan. Should the HMO-type Dental Plan fail to meet any applicable Local, State or Federal legal requirements the Employer shall no longer be obligated to offer the Plan.

The HMO-type Dental Plan benefits will be administered by the Plan provider in accordance with the provisions of the Plan selected by the eligible employee.

4. Plan Designs: Effective January 1, 2006, the dental plans available will be the same plan design as offered to the salaried population for 2005, as presented in negotiations. This plan design will remain "frozen" for the duration of the contract.
5. Contribution Rates: Effective January 1, 2006, and for each subsequent year of the contract employee contribution rates towards dental premiums will be the lesser of the negotiated maximums shown below or the contribution rate being paid by the salaried employees for the same plan, as follows:

**Effective January 1, 2006
Employee Bi-Weekly Deduction**

Coverage Level	Low Option Plan MetLife	High Option Plan MetLife	DMO DentalCare
Employee Only	\$0.00	\$3.37	\$0.84
Employee & Spouse	\$0.00	\$7.23	\$1.67
Employee, Child(ren)	\$0.00	\$7.43	\$1.67
Employee & Family	\$0.00	\$12.93	\$2.52

**Effective January 1, 2007
Employee Bi-Weekly Deduction**

Coverage Level	Low Option Plan MetLife	High Option Plan MetLife	DMO DentalCare
Employee Only	\$0.00	\$3.70	\$0.92
Employee & Spouse	\$0.00	\$7.95	\$1.84
Employee, Child(ren)	\$0.00	\$8.17	\$1.84
Employee & Family	\$0.00	\$14.22	\$2.77

**Effective January 1, 2008
Employee Bi-Weekly Deduction**

Coverage Level	Low Option Plan MetLife	High Option Plan MetLife	DMO DentalCare
Employee Only	\$0.00	\$4.07	\$1.01
Employee & Spouse	\$0.00	\$8.74	\$2.02
Employee, Child(ren)	\$0.00	\$8.98	\$2.02
Employee & Family	\$0.00	\$15.64	\$3.05

NOTE: Dental Plan vendors may change during term of agreement.

**ARTICLE XII
JURY DUTY**

Section A. Eligibility

1. A regular full-time employee who has completed the Probationary Period and is required by the court to be absent from work for service on a jury or examination for Jury Duty shall receive for each regular workday so spent, eight (8) hours pay at the employee's straight time base hourly rate, exclusive of any premium or shift differential.

2. The employee shall be reimbursed within two (2) weeks after presentation of proper evidence of the dates of such jury service.
3. The Company shall in no case be obligated to continue payments under this provision with respect to jury service (a) more frequently than once in any twelve (12) month period; (b) for jury service exceeding fifteen (15) working days while on call; (c) for jury service performed days while on Leave of Absence, Sick Leave or Vacation. The Company will not limit payments to a specific number of days for grand jury service.
4. An employee on jury duty will be paid his/her pay rate, including shift premium if applicable. Those employees on swing and graveyard shift will not have their shifts changed due to being on jury duty. However, an employee must return to work on any day in which serving less than four (4) hours of jury duty service under the following guidelines:
 - a. When an employee is on day or swing shift.
 - b. When an employee is on graveyard shift if serving less than four (4) hours of jury duty service on the day preceding the shift and/or is not expected to report to jury duty within eight (8) hours following the shift.
 - c. When an employee is scheduled for night court, the graveyard shift guideline (4.b.), regardless of the assigned shift, applies.

Section B. Notification of Employer

1. An employee who receives a jury summons shall notify his or her supervisor not less than ten (10) working days prior to the first day of actual service. Failure to do so shall disqualify the employee for benefits under this Article.
2. With respect to any jury summons received by an employee the Company reserves the right to request exemption from jury service for such employee.

Section C. Effect on Holiday Pay

1. An employee who is otherwise eligible shall not be deprived of Holiday pay because of jury service.
2. Such absence shall not be considered as hours worked.

ARTICLE XIII
FLIGHT PAY AND FLIGHT INSURANCE

Section A. Flight Pay

1. For time spent in flying in performance of the duties of adjusting, recording, testing and operating aircraft equipment during test flights, employees shall be compensated, in addition to their regular wage, at the rate of ten dollars (\$10.00) per hour.

In flights of a predetermined hazardous nature at rates determined by the Manager of Flight Test.

2. Flight pay is cumulative during any given workday and is computed in 15-minute units of flight time. Fractional units of flight time will be credited at a full quarter hour.
3. When Flight pay is earned during any workday the total flight time credited will not be less than one hour.

Section B. Computation of Flight Pay

1. Flight time, for purposes of computing Flight pay, will be construed as lapsed time between release of brakes on the runway at take-off and power shutdown at the hangar apron after landing.

Section C. Flight Insurance

1. The Employer shall provide a minimum of five hundred thousand dollars (\$500,000.00) life and dismemberment insurance coverage for employees who are authorized to travel on Company business in planes specified in the Employer's Aviation Accident Policy, including among others commercial airlines traveling over established routes on regular schedules, Employer-owned or operated aircraft and military aircraft.
2. The Employer shall provide a minimum of one hundred and fifty thousand dollars (\$150,000.00) of additional life and dismemberment insurance coverage for employees whose duties during test flights are adjusting, recording, testing, and operating aircraft equipment in Employer-owned or operated aircraft and military aircraft.

Section D. Travel Accident and Special Hazards Insurance

1. The Employer shall provide a minimum of two hundred thousand dollars (\$200,000.00) insurance coverage for employees who sustain injury while on Company business as a result of a hazard incident provided for under the Company Travel Accident and Special Hazards policy. The Employer agrees to include exposure to on the job hazards occasioned by "emergency response operations."

**ARTICLE XIV
ANNUAL MILITARY TRAINING**

Section A. Policy

1. It is the intent of the Company that members of the uniformed services will have all rights afforded by the Uniform Services Employment and Reemployment Rights Act of 1994 (USERRA), and sustain no financial hardship while undergoing certain periods of "service" as specified in Raytheon Company policy 32-4502-110. The rest of the provisions of the aforementioned Raytheon Company policy or its successor policy are hereby incorporated by reference.

**ARTICLE XV
AUTOMOBILE ALLOWANCE**

Section A. Amount

1. An employee, regularly assigned to work at a Company Plant, who is sent outside the Plant on authorized Employer business where Employer transportation is not provided, shall be entitled to mileage at the applicable IRS mileage rate as published on Raytheon FSS Travel and Expense intranet site, from the Plant to his or her destination and return, provided the employee uses, and is authorized to use, his or her personal car. This allowance will be increased if the Company general mileage schedule is increased. Time spent going to and from the Plant on such assignments shall be paid for in accordance with provisions of the Fair Labor Standards Act.

**ARTICLE XVI
BEREAVEMENT PAY**

Section A. Eligibility and Allowance

1. An employee, upon written application, is paid his or her regular pay rate for up to three (3) days (five (5) days when out of state travel is required), when absent from work because of the death of an immediate family member. The days absent from work may be granted in increments of four (4) hours for a half-day's absence (3.3 hours for third shift), or eight (8) hours (6.5 hours for third shift). The time absent from work does not have to be consecutive. The immediate family, for purposes of this policy, includes only spouse, parent/legal guardian, parent/legal guardian of spouse, child, brother, sister, stepparent, stepparent of spouse, stepchild, stepbrother, stepsister, grandchild, grandparent, and grandparent of spouse. Use of bereavement requires the approval of supervision.

**ARTICLE XVII
PROBATIONARY PERIOD**

Section A. New and Rehired Employees

1. New employees and rehired employees, except as otherwise provided herein, who did not previously complete their Probationary Period, or who lost their seniority under the Seniority Article, shall be on probation for ninety (90) calendar days from the date of their most recent employment, except as provided in Article XVIII, Section F.3.

Probationary employees who have worked thirty (30) regular work days and are laid off and subsequently reemployed by the same facility and in the same classification within ninety (90) days of termination, shall be given credit for that portion of the Probationary Period previously worked.

In the event of a termination of a probationary employee, advance notice will be given by supervision to the Department or Senior Steward. In the event of an immediate termination, supervision will notify the steward as soon as possible.

Probationary employees shall be considered temporarily employed during the period, and their termination shall not be subject to the Grievance Procedure.

**ARTICLE XVIII
SENIORITY**

Section A. Definitions

1. "Seniority" is defined as length of service in a Job Classification except as otherwise provided herein. Seniority shall be applied to the Job Classifications in the Bargaining Unit so that senior employees shall be retained in the event of layoff under the conditions outlined in this Article, when they have the qualifications, ability, physical fitness, and experience to satisfactorily perform remaining jobs, and their production and attendance records are satisfactory.
2. A "Job Classification" is defined as the title and the grade of a particular job. A Grade is the "Sr.", "A", "B" or letter "C" designation attached to a Job Title, and the two together make up the Job Classification. Examples of the Job Classifications are: Assembler-Precision A; Maintenance Mechanic A; Maintenance Mechanic B; Plastic Fabricator Sr; etc.

3. "Hire Date" Seniority as used in this Article XVIII shall mean the employee's original hire date, except that if an adjustment has been made as provided in Article XX, Section M or for time spent on layoff, the "Hire Date" shall mean the employee's adjusted hire date.
4. "Job Classification Seniority" is defined as length of service in the presently-held Job Classification.
5. "Bargaining Unit Seniority" is defined as length of service in the Bargaining Unit only.

Section B. Application of Seniority During Layoff

1. In the event of layoff an employee is credited with seniority, in his or her present Job Classification and in previous Job Classifications held under the conditions outlined in Section B.2., below.
2. Present Job Classification seniority is measured by length of service in the presently-held Job Classification. In addition, an employee is also credited with seniority in his or her presently-held Job Classifications for his or her length of service in previously-held Job Classifications in accordance with the following:

<u>Labor Grades of Present Job Classification</u>	<u>Minimum Length in Presently Held Job Classification to Qualify for Accrued Seniority</u>
1 through 7	30 Calendar Days
8 through 13	60 Calendar Days
14 through 24	90 Calendar Days

However, the minimum periods of time set forth in this paragraph are not applicable to employees that are downgraded or reclassified into lower job classifications.

3. In the event of a reduction in force, employees will be laid off in the following manner:
 - a. The least-senior employee in the Department affected by the layoff may displace the least-senior employee in the same Job Classification within the Bargaining Unit.
 - b. In the event an employee has insufficient seniority to retain his or her present Job Classification, the employee shall apply bargaining unit seniority, to displace the least senior employee first in his or her previously-held lateral Job Classification and then in his or her previously-held lower-paid Job Classifications in a descending order, or

- c. An employee with two (2) years or more of Bargaining Unit Seniority may displace the least-senior employee in a next lower-paid directly-related Job Classification in the same class of work within the Bargaining Unit under the conditions outlined below:
- (1) Provided the employee is unable to exercise displacement rights into a lower paid previously-held Job Classification; or provided the next lower-paid, directly related Job Classification is higher paid than the employee's last lower-paid previously-held Job Classification; and
 - (2) Provided the employee has demonstrated that he or she has the ability, skill and qualifications to perform such directly related work. Provided the employee meets these required conditions, he or she shall be assigned by the Employer where he or she can best be utilized and in accordance with available work and skill requirements.
- d. An employee whose Job Title has grade levels, i.e., Sr., A, B, or C, may in the event of layoff exercise his or her seniority in a lower grade of the same Job Title.
4. If, as the result of a reclassification to a lower-rated job, an employee's base rate exceeds the maximum rate of his or her new Job Classification, he or she shall be paid the maximum rate for such lower classification. However, in no case can an employee in a lower Job Classification displace an employee in a higher-paying Job Classification except as provided in Section B.5. below.
 5. Employees may exercise bump rights to a successor classification incorporated as the result of a job consolidation.
 6. In the event of a layoff, if two (or more) employees share the same bargaining unit seniority date, then the employee with the earliest Company service date between the employees in question will be retained. In the event that two (or more) employees share the same bargaining unit seniority date and Company service date, then the Company will retain the employee with the earliest hire date. In the event that two (or more) employees share the same bargaining unit seniority date and Company service date and hire date, the Company will retain the employee with the lowest last four digits of the social security number of the employees in question.

Section C. Recall from Layoff

1. Recall of eligible laid-off employees shall be in the order of their seniority. It is agreed that the "date of recall" for the purposes of this Article and the entire Agreement shall be the date a recalled employee actually commences work on a job assignment in the Plant.
2. Upon recall or subsequent upgrading, the employee's rate of pay shall be at the same relative position within the rate range as he or she previously held.
3. A laid-off employee who, at the time of layoff, was unable to exercise displacement rights into a previously-held Job Classification or under Section B.3.d., or has accepted a lower-paying Job Classification as a result of a layoff shall be placed on the recall list for each previously-held Job Classification or a successor Job Classification or for a lower grade of the Job Title held at the time of layoff in accordance with the employee's relative seniority and recalled thereto prior to the placing of any employee in such Job Classification by promotion, transfer or as a new hire. A laid-off employee who refuses recall under this provision, except in cases where the Company has determined that the employee is unable to return to work due to a medical disability, shall be removed from the recall list for that Job Classification and those in lower labor grades.

Section D. Preferential Re-employment

1. Employees on layoff status who are eligible for recall in accordance with this Article, who are offered and accept employment in a Job Classification, other than one for which they have recall rights shall serve a Probationary Period in accordance with the Probationary Period Article of this Agreement. During this period employees shall be required to comply with Article XVIII, Section E.1. paragraphs a. through g. of this Agreement in order to remain eligible for recall.
2. Upon completion of such Probationary Period, employees shall receive credit for previously-earned seniority in accordance with the applicable provisions of this Agreement. Such employees shall remain on the recall list only if the employees' new Job Classification is in a lower labor grade than the Job Classification in which he or she first exercised seniority rights.
3. Benefits, for which the employee is eligible, shall be computed from the preferential re-employment start date with credit for previous continuous service as defined in this Agreement.
4. Should an employee accept employment in a different Job Classification from that which he or she held when laid off, his or her rate of pay shall be determined by the Company within the rate range of the Job Classification for which the employee is hired.

Section E. Loss of Seniority

1. An employee shall lose seniority and recall rights for any one of the following reasons:
 - a. Retirement.
 - b. Resignation.
 - c. Discharge for cause.
 - d. Laid off and not recalled within sixty (60) calendar months. (Employees shall not accumulate seniority or benefits while off the payroll during a layoff.)
 - e. Failure to return to work after an authorized Leave of Absence, Sick Leave or Vacation where the failure is without notification and approval.
 - f. After a layoff, failure to notify his or her Designated Organization Labor Relations Office in writing of his or her correct home address and telephone number.
 - g. Failure to notify the company of their intention to return to work within five (5) working days after recall notice, or failure to report for work on the day agreed upon. Such employee who fails to return to work shall be removed from all recall lists, except for temporary recalls pursuant to Article II, Section 2e.

Section F. Temporary Layoffs

1. Temporary Layoffs not exceeding twelve (12) calendar weeks, within a twelve (12) month period, shall be made by the Employer without application of the general layoff and seniority provisions herein. It is further agreed that when a Temporary Layoff is made, the laid-off employees will be those with the least Bargaining Unit seniority in the directly-affected Section. When Temporary Layoffs are made, all wages due will be paid, and, upon the request of an employee, the employee's earned Vacation will be paid. However, vacation will not be paid on a pro rata basis.
2. Layoffs shall be considered temporary when resulting from emergencies or events beyond the control of the Employer, such as: Fire or Explosion; Failure of Utilities; Acts of God; Temporary Reduction in Production Schedules; Cancellation or Reduction of Contracts. When a Temporary Layoff is scheduled by the Employer, the Union and the Department Steward shall be given prior notification.

3. Employees, other than probationary employees, on temporary layoff will continue to accumulate their seniority.
4. The parties agree that during periods of Temporary Layoffs, as defined in this Seniority Article, no employee involved in such Temporary Layoff will be deprived of his or her Group Insurance or Retirement Benefits as prescribed in Articles VIII, IX and XI of this Agreement.
5. It is agreed that when a Temporary Layoff occurs, the Employer will request volunteers from the department. In the event the required number of employees is not obtained on a voluntary basis, then the layoff provisions of Section F.1. shall apply.

Section G. Seniority of Union Officers

1. It is agreed that the incumbent Union Officers as of the date of this Agreement, or their duly elected successors, or other employees granted Leaves of Absence to serve as full-time Business Representatives of the Union, are granted preferential seniority in the event of layoff, during their terms of office as provided below.
2. In the event of layoff, the above Union Officials shall have preferential seniority in the grade of their Job Classification provided they have completed three (3) years or more of Bargaining Unit Seniority.

Section H. General

1. Exceptions to the seniority provisions herein may be made by mutual agreement between the Business Labor Relations Representative and the Senior Business Representative or Assistant Senior Business Representative or their designated representatives. The Employer shall in any event always have the right to maintain in each Classification a sufficient number of qualified employees to maintain work schedules and operations, and shall also have the right to retain an employee who possesses a particular skill or special training.
2. In the event of layoff, it is agreed that the Business Labor Relations Representative will furnish the Union Office a list of laid-off employees and those employees who have accepted a lower-paying Job Classification as a result of layoff. The Employer shall give advance notice of layoff to the Department Steward, and shall review layoff lists with the Senior Steward before the effective date of layoffs. The Company shall give employees two (2) weeks advance notice of layoff where practical.

3. When an employee with one (1) year or more of Bargaining Unit seniority transfers out of the Bargaining Unit, the employee shall retain but not accumulate the Bargaining Unit seniority held at the time of transfer. An employee who transfers out of the Bargaining Unit shall only retain the Bargaining Unit seniority for a period not to exceed twelve (12) months from the date of transfer. Such employee may only displace back into the Bargaining Unit within this same 12 month period. In the event the employee transfers or displaces back into the Bargaining Unit the employee shall apply their retained seniority in accordance with the terms of this Article.
4. An employee who is classified as a Trainee will also, when reclassified to a Job Classification listed in any of the appendices, receive seniority in his or her new Job Classification or Labor Grade for continuous service as a Trainee.
5. Upon graduation from the Apprenticeship Program and reclassification to a job classification listed in any of the appendices an employee shall receive seniority credit in such assigned job for continuous service in the Apprenticeship Program. In addition, such employees shall also be entitled to any seniority earned under Section B.2.
6. Seniority shall not apply to employees during their Probationary Period. However, after an employee has completed his or her Probationary Period, his or her seniority shall revert to his or her start date.
7. The Employer agrees to provide the Union office and the Senior Steward of the affected area monthly with a list of all employees entering or leaving the Bargaining Unit, and the Bargaining Unit Tab Run.
8. The provisions of this Article shall only govern with respect to any layoffs or recalls which may occur on or after the effective date of the entire Agreement between the parties.
9. The Company and the Union agree that they will administer the Seniority Article in accordance with the true intent of its terms and provisions.

ARTICLE XIX
UPGRADING AND PROMOTION

Section A. Procedure

1. In connection with upgrading to openings in higher hourly-paid Job Classifications, present active employees with the longest actual service* in the Job Classifications and Promotional Unit from which the promotion will be made, shall receive first consideration when promotional opportunities arise, regardless of shift, first within such affected Promotional Unit, and then within other Promotional Units within the same Division provided they possess the qualifications and ability to perform the job, and their production, conduct and attendance records are satisfactory. If such a promotional opportunity is identified by the employer, then the employer shall not post a job opening nor hire until promotional units are reviewed and it is determined that no qualified candidates exist. A Promotional Unit is defined as those employees in a Department.
2. Examples of promotional upgrading from the lower to the higher Job Classification, in the same class of work, are as follows:

<u>FROM</u>	<u>TO</u>
Electromechanical Tech B	Electromechanical Tech A
Plumber Maintenance B	Plumber Maintenance A
Inspector Receiving B	Inspector Receiving A

Examples of promotional upgrading from a lower to a higher Job Classification are as follows:

<u>FROM</u>	<u>TO</u>
Helper Maintenance	Carpenter Maintenance B
Painter Stencil Sr	Painter Spray "B"
Wire Worker Electronic	Assembler Electronic

3. In the selection of Inspectors for the electronic assembly and semiconductor production departments, those employees in lower or equal labor grades will receive first consideration in accordance with Section A.1.
4. Upon being promoted, an employee shall receive a wage increase, of at least fifty (\$.50) cents per hour, provided the new rate does not exceed the maximum rate of the new classification.

* An employee who has completed continuous service as shown below in the Job Classification from which the promotion will be made, shall be given credit for all bargaining unit seniority.

To accrue such bargaining unit seniority for promotional consideration, an employee must have length of service in his or her presently-held Job Classification as follows:

<u>Job Classification in Labor Grade</u>	<u>Length of Service</u>
1 - 7	30 Calendar Days
8 - 13	60 Calendar Days
14 - 24	90 Calendar Days

**ARTICLE XX
ABSENCE AND LEAVE OF ABSENCE**

Section A. Definition

1. The term "Leave of Absence" as used in this Agreement, is defined as an approved absence for more than seven (7) consecutive calendar days beginning with the first day the employee is unable to report to work.

Section B. Failure to Report for Work

1. An employee who is absent from work shall be responsible for promptly notifying on the day of absence, either his or her supervisor and in cases of disability, the designated employer representative, if such exists. An employee who fails to report for work for three (3) consecutive regular working days without such notification may be removed from the payroll.

Section C. Medical Leave of Absence

An employee whose disability is approved by the designated employer representative shall be granted a medical leave of absence for a period of up to twenty-four (24) months.

1. For the employees first 12 months of approved medical leave the company will pay for the employees medical/vision and dental insurance.
2. For the second 12 months of approved leave the employee may pay for their own medical/vision and dental at the employee contribution rate.

If the employee is unable to return to work after twenty-four (24) months of approved medical leave of absence the employee will be placed on a medical layoff and eligible for COBRA benefits.

When an employee has received clearance to return to work in accordance with Section F of this Article, such employee shall be recalled and reinstated within ten (10) working days in accordance with the employee's relative seniority. By mutual agreement, the ten (10) day period may be extended to fifteen (15) days.

Section D. Occupational Illness or Injury

1. An employee who becomes physically disabled as a result of a job-incurred illness or injury shall continue to accumulate seniority while on Leave of Absence.
2. If an employee is capable of performing some other duties which will not endanger his or her recovery, the employee may apply for and shall be offered suitable employment in a job classification in his/her Division and at a base rate that is not less than the same relative percentage within the rate range as the employee was in his/her former rate range, but does not exceed the maximum of the new rate range, and in accordance with his or her qualifications, safety factors and relative seniority.
3. Sections D.1. and D.2. above shall apply only to employees who have completed their Probationary Period in accordance with the provisions of Article XVII. The Employer agrees to comply with State and Federal laws regarding workers' compensation.

Section E. Medical Restrictions

If the Employer places medical restrictions upon an employee, such restriction shall have a review date based upon severity. The length of time such restriction is imposed, as well as the review date, shall be at the discretion of the Employer. Upon written request of the employee, such restriction will be reviewed by the Employer within a reasonable time of the review date.

If restrictions are imposed for periods longer than six (6) months, they will, upon written request of the employee, be reviewed by the Employer at intervals not to exceed six months. Exceptions to this review may be made by the Employer in those instances where restrictions are permanent.

Notwithstanding any of the above, the Employer may, at any time, review any restrictions imposed.

Section F. Return from Leave for Illness or Injury

1. An employee returning from a Leave of Absence for reasons of disability may be required to pass a physical examination by the Employer's doctor, or to submit from his or her own doctor a written medical report acceptable to the Employer and/or designated Employer Representative. Should the employee be required to process through the Medical Department during their regular shift to obtain medical clearance prior to returning to work, the time spent for such processing shall be compensated for at their regular rate.

Section G. Personal Leave of Absence

1. Upon written application to his or her Department Head on the form provided, an employee may be granted a Leave of Absence without pay for personal reasons, provided good and sufficient reasons acceptable to the Employer are furnished. In the event the employee has earned Vacation to his or her credit, such Vacation shall be taken prior to commencement of the Leave of Absence.
2. Upon return from a Personal Leave of Absence the employee shall be reinstated to his or her former Job Classification and Division, in accordance with his or her relative seniority and in accordance with the Federal Family Leave Act where applicable.

Section H. Pregnancy

1. An employee on the active payroll who becomes pregnant must report this to her Supervisor or the Human Resources Department in accordance with Divisional Instructions as soon as possible but in no event later than the end of the third month of pregnancy.
2. Permission to continue to work shall be at the discretion of the Employer's doctor.
3. An employee who is disabled due to pregnancy, childbirth, or related conditions may make application for a Disability Leave as provided in Section C. of this Article XX and in accordance with the Federal Family Leave Act.
4. An employee may make application for a Personal Leave of Absence in Section G. of this Article XX.
5. Leaves of Absence pertaining to Pregnancy shall be subject to applicable laws.

Section I. Layoff While on Leave of Absence

1. In the event of layoff, an employee on an approved Leave of Absence shall be laid-off in accordance with his or her relative seniority.

Section J. Termination While on Leave of Absence

1. In the event an employee who is absent or on a Leave of Absence terminates, the effective date of the termination for all purposes, including computation of benefits, shall be the last day the employee actually worked.

Section K. Failure to Return from Leave of Absence

1. An employee who fails to return to work upon expiration of an authorized Leave of Absence, or who misrepresents the reasons for the Leave of Absence, may be removed from the payroll.

Section L. Leave in Conjunction with Vacation

1. In the event a Leave of Absence is granted in conjunction with a Vacation, the Leave of Absence shall follow the Vacation.

Section M. Leave in Excess of Thirty (30) Working Days

1. An employee whose Leave(s) of Absence exceed(s) thirty (30) working days in an anniversary year, or whose Leave of Absence continues from one anniversary year to another, shall not accumulate seniority during that portion of such absence which exceeds thirty (30) working days; except as provided in Section D.1. above.

Section N. Probationary and Temporary Employees

1. Probationary, part time, and temporary employees may be granted any such Leave of Absence as described herein only with the approval of their Division Management.

Section O. ACTION Volunteers

1. An employee with two (2) or more years of continuous Company service and who is accepted for active full-time service by ACTION for such organizations as VISTA, or the Peace Corps, will be granted a Leave of Absence to perform such service for a period of up to two (2) years.
2. Employees returning from such Leave of Absence shall, upon clearance by the Employer's doctor, be reinstated to their former Job Classification and Division in accordance with their relative seniority, provided the employee makes application to return to work within thirty (30) calendar days following separation from the ACTION Agency.
3. Such employee shall not accumulate seniority during the period of time between separation from the Company and subsequent reinstatement and the employee's hire date shall be adjusted accordingly.

Section P. General

1. Any new or existing Federal or State Laws regarding family leaves will be implemented during the term of this agreement.
2. A copy of an approved Leave of Absence form shall be given or mailed to the employee as soon as possible.
3. Employees on Leave of Absence shall keep their Business Unit Human Resources Department informed of their current address and telephone number.

**ARTICLE XXI
SAFETY**

Section A. Policy

1. In the interest of maintaining high standards of safety the Employer agrees to the following:
 - a. To conduct systematic and regular safety inspections of all areas and working conditions.
 - b. To provide modern and appropriate safety devices and protective equipment to safeguard and protect its employees; and, the use of such safety devices and protective equipment, when furnished, shall be mandatory.
 - c. When Business Unit Safety Committees are formed by Management it is agreed that a Steward shall be appointed to such Committee. The Company shall solicit recommendations from the Senior Business Representative as to such steward appointees and shall appoint one of those recommended for each committee.
 - d. To provide physical examinations when deemed necessary by the Employer.
 - e. An employee, or the employee's Department Steward who believes that a job assignment is unsafe, shall report such conditions to the immediate Supervisor who will institute an investigation immediately. Should there be any disagreement regarding the matter, a Safety Engineer shall be called to make a determination and is authorized to suspend work operations which are found to be unsafe.
 - f. As an adjunct to its safety program, the Employer shall periodically furnish First Aid Training for members of the Safety Committee.

**ARTICLE XXII
APPRENTICE AGREEMENT**

Section A. Policy

1. The Employer may establish Apprenticeship Programs which shall be the subject of separate agreements between the Employer and the Union. Matters pertaining to the Apprenticeship Standards shall not be subject to the Grievance Procedure herein.

**ARTICLE XXIII
UNION STEWARDS**

Section A. Number of Stewards

1. Department Stewards may be designated in a ratio not to exceed one (1) Steward to each eighty (80) Bargaining Unit employees by shift within each Division designated in this Agreement.
2. In determining the maximum number of allowable Department Stewards by shift within a Business Unit, the following formula shall apply:

Number of Bargaining Unit Employees by Shift
(Rounded to the Nearest Multiple of 80)

80

3. However, in no event in the placement of the Stewards shall there be more than one (1) Department Steward, by shift in a Department containing forty (40) or less Bargaining Unit employees.
4. In addition to the Department Stewards as provided above, the Union may designate up to twelve (12) Senior Stewards to handle grievances as stipulated in the Grievance Procedure. The parties mutually agree that effective October 2001 there shall be no more than five (5) Senior Stewards appointed by the Union and they will be designated to represent employees at the Raytheon El Segundo North and El Segundo South facilities.
5. The number of Senior Stewards will only be increased by using the ratio of one (1) new Senior Steward for every two hundred (200) additional employees assigned to a location other than the Raytheon El Segundo North and El Segundo South facilities.
6. It is the understanding of the parties that except for provided herein, the location and shift placement of additional Senior Stewards shall be in a manner that best represents the bargaining unit employees.

Section B. Notification of Stewards

1. The Union shall give the Employer advance notification in writing of any appointment of Senior, Department or alternate Stewards, designating the Business Unit, Department, and Shift in which they are certified to function. Such advance notification shall also be given upon removal of any Steward or any changes in the Business Unit, Department and Shift for which a Steward is certified. Stewards, or any changes in areas in which they are to function, shall be recognized only upon receipt of an official Letter of Certification from the Union Office, signed by the Recording Secretary. Such written certification shall be addressed to the Labor Relations Representative in the Business Unit where the Steward is employed.

2. Unless they are certified as Stewards in accordance with Section B.1, above, Union Officers shall not function as Stewards, nor participate in the Grievance Procedure; excepting only Business Representatives who may participate to the extent stipulated in the Grievance Procedure.
3. The Union shall select alternate Stewards to temporarily act in place of absentee certified Department and Senior Stewards when such certified Department or Senior Stewards are off the clock and off the premises. Selection of Alternate Stewards shall be made from the active employees in the same general area and shift as the absentee Steward.
4. Alternate Stewards shall be recognized upon receipt by the Employer of an official Union letter indicating such designation, as provided in Section B.1., above. Seniority of the alternate Stewards shall not be affected by virtue of their temporary appointment.

Section C. Steward Qualifications and Preferential Seniority

1. In the event of layoff an officially-designated Department Steward, who has been certified to the Employer in writing, shall have preferential seniority in the grade of his or her job classification in the Department and on the shift where assigned to work.
2. In the event of layoff an officially-designated Senior Steward, who has been certified to the Employer in writing, shall have preferential Seniority in the grade of his or her job classification in the Business Unit and on the shift where assigned to work.
3. Preferential seniority, as described in Sections C.1. and 2. above, shall be applicable only when the Steward meets the following qualifications at the time layoff occurs:
 - a. The employee has three (3) or more years of Bargaining Unit Seniority with the Employer; and
 - b. His or her present Steward certification has been in effect for a period of thirty (30) calendar days or more. This paragraph 3.b. does not apply to those incumbent Stewards whose term of office is extended by re-election or appointment.

Section D. Duties and Functions of Stewards

1. It is agreed that Stewards have full time job duties to perform as employees, and that they shall keep at a minimum the time spent in handling grievances. Department Stewards and/or their alternates shall be compensated by the Employer for time spent in handling grievances during regular scheduled working hours up to a combined maximum of seven (7) total hours per week. Such time shall be accurately recorded by the Steward or his/her alternate as appropriate.

- a. No part of the aforementioned hours, nor any other times during working hours shall be spent soliciting grievances.
2. Time spent in handling grievances will include the following activities:
 - a. Participation in steps of the grievance procedure.
 - b. Investigation of grievances.
3. In addition to the above activities, a Company account will be established to record the following types of Union activities:
 - a. Attendance, if requested by the employee, during disciplinary interviews or the imposition of discipline or discharge.
 - b. Introductions of new hires/transferees.
 - c. Meetings called by Management.
 - d. Attendance in conferences to discuss the installation of new and/or revised job classifications.
 - e. Attendance as a Company requested witness.
 - f. Review of layoff displacement patterns.
 - g. Review of overtime records with Supervision.
 - h. Review of starting time changes with Supervision.
4. Stewards shall function only under the terms of the Grievance Procedure and in accordance with the following:
 - a. A Senior Steward shall function only within his or her area for which certified.
 - b. A Department Steward shall function only on the shift and in the area for which certified as Steward, except as provided in Section B.3.
 - c. Exceptions to the foregoing may be made by mutual agreement in writing.
5. Supervisors will introduce new employees and transferees to the Department Stewards within five (5) working days of the employees arrival in the work group.
6. The Company will not deny a Union Steward access to a restricted area to investigate a grievance where the Steward believes provisions of the Agreement are being violated. Work in restricted areas will be assigned in accordance with Article II, Section F. Access will be in accordance with program security requirements and all safety considerations. The Union may appoint any Bargaining Unit employee who has program access to act as Steward for the purpose of this Section. Such appointed

Steward shall investigate and inform the appropriate Senior Steward of the results for determination. Any time required for this activity will not exceed two (2) hours in any month per individual appointed Steward. Access will be granted on an unannounced basis.

Section E. Investigation of Grievances by Stewards

1. Should a Steward be required to leave the job to handle a grievance, he or she shall first secure the permission of his or her immediate Supervisor, informing the Supervisor as to the Departmental area of the grievance; and shall report to his or her Supervisor upon returning to work. When a Steward fulfills the conditions of this Section E, permission for him or her to leave his or her job to handle a grievance shall not be unreasonably withheld.
2. In the event it is necessary under the provisions of the Grievance Procedure, and in accordance with the Letter of Certification, for a Steward to handle a grievance in a Department other than his or her own, he or she shall also report to the Foreman or Supervisor of such other Department immediately upon arrival there, and upon departure there from.

Section F. Decrease in Department Stewards

1. In the event the number of Bargaining Unit employees permanently decreases (more than 90 days) in a particular Business Unit, Department, or Shift to the extent that a decrease in the number of Department Stewards is required by application of the formula in Sections A.1. or 2., or the limitation in Section A.3., the decrease will be effected in the following manner:
 - a. A Labor Relations Representative of the Business Unit concerned shall address a registered or certified letter of notification to the Senior Business Representative advising that the decrease of Bargaining Unit personnel in a designated Bargaining Unit, Department or Shift requires the reduction of a specified number of Department Stewards.
 - b. Within fifteen (15) working days following receipt of the above letter, the Union shall acknowledge same by registered or certified mail designating by name and payroll number Department Steward or Stewards being decertified by Shift in the Business Unit or Department where the excess exists.
 - c. In the absence of the written acknowledgment from the Union as specified in Section F.1.b., above, the Employer will no longer be obliged to recognize the Department Steward or Stewards last certified in the Business Unit by Shift who exceed the Steward allowance stipulated in Section A. The Employer shall then by registered or certified mail notify the Senior Business Representative as to the name or names of the Department Steward(s) who will not be recognized, effective date of receipt of the letter by the Union.

Section G. Reassignment of Stewards

1. It shall be the Company's policy to avoid unnecessary dislocation of Senior and Department Stewards.
2. In the event a Senior or Department Steward is to be reassigned, temporarily or permanently, from the area or shifts for which certified, the Bargaining Unit Labor Relations Representative shall orally notify and discuss in advance such reassignment with the Senior Business Representative of the Union prior to the reassignment.

Section H. Excusal for Union Business

1. When requested by the Senior Business Representative or the Assistant Senior Business Representative, and bargaining unit employees will be excused without pay from their jobs for bona fide Union business. Requests will not be unreasonably denied when adequate notice is received by the Bargaining Unit Labor Relations Representative, who will notify appropriate supervision.

**ARTICLE XXIV
GRIEVANCE PROCEDURE**

Section A. Definition

1. The term "grievance" as used in this Agreement shall mean an alleged violation of a Section(s) of an Article(s) of this Collective Bargaining Agreement. Grievances shall be categorized as "Employee Grievances" or "General Grievances."
2. An Employee Grievance is defined as a dispute or claim by an employee that the Employer has denied to that employee a right given to him or her under a Section(s) of an Article(s) of this Agreement, and shall be processed under the terms of Section B.1., of this Article.
3. A General Grievance is defined as a dispute or claim by two or more employees, or the Union, that the Employer has denied a right given them under a Section(s) of an Article(s) of this Agreement and such General Grievances shall be processed under the terms of Sections B.1. and B.2. of this Article.

Section B. Grievance Procedure

1. The procedure for processing a grievance, except a grievance pertaining to matters general in nature or concerning a layoff, discharge or upgrade shall be as follows:

Step One: When an employee has a complaint or problem that is an alleged violation of this Agreement, he/she or the Department Steward, if requested by the employee, shall, within five (5) working days following the event or events on which the complaint or problem is based, notify his or her immediate Supervisor that they are requesting a First Step meeting. The employee's immediate Supervisor will then schedule a meeting within an additional five (5) working days, which will be attended by the employee and his Department Steward or Senior Steward, if requested by the employee, and either the Supervisor or the Superintendent/Section Head. The Supervisor or the Superintendent/Section Head, the employee and the Department Steward or Senior Steward are fully authorized to make every effort to resolve the complaint within the provisions of this Agreement.

Grievances settled under Step One of this procedure are not precedent setting and are without prejudice to matters involving any other grievance and cannot contravene the language of the contract. If the parties are unable to resolve the issue, a record that the meeting was held will be signed by those in attendance and made a part of the Second Step record.

Step Two: If the matter is not resolved in Step One it may be reduced to writing, signed by the aggrieved employee and his/her Department Steward and filed with the cognizant Labor Relations office within fourteen (14) working days following the event or events on which the grievance is based. The written grievance shall conform to Section D.2. of this Article. Within five (5) working days after the Company's receipt of the written grievance a Step Two grievance meeting shall be held to review the facts of the grievance.

The Step Two grievance meeting will consist of the following:

For the Company: The Department Manager and a Labor Relations representative. In case of emergencies, the Department Manager will designate an individual with appropriate authority to settle the grievance. The designated individual will not be the same individual assigned to a previous step of the specific grievance.

For the Union: A Union Business Representative and the Senior Steward certified for the Division where the grievance occurred.

The aggrieved, the Supervisor and the Department Steward may be invited to participate in a portion of the Step Two meeting and be respectfully permitted to give a statement concerning the grievance and may be questioned as to the facts surrounding the grievance. If necessary, at the request of either party, the parties may jointly interview a reasonable number of additional bargaining unit and/or non-bargaining employees to obtain facts. The members of the Step Two Grievance Committee shall be fully authorized to resolve the grievances based on the facts presented in the hearing within the provisions of this Agreement. After a review of the information gathered in Step Two, the Company shall give a written answer to the cognizant Senior Steward within five (5) working days. Included in the written answer will be the name of the Company's Informal Representative should the matter not be settled at Step Two.

Resolution Committee: If the grievance is not settled in Step Two and the Union wishes to process it further, then the matter may, by mutual agreement of both parties, be appealed to the Designated Organization Grievance Resolution Committee within ten (10) working days following the Union's receipt of the Company's Step Two answer. The Designated Organization Grievance Resolution Committee will be comprised of an Assistant Division Manager, the Human Resources Director/Manager and the Labor Relations Manager/Section Head representing the Company, and the Senior Business Representative or Assistant Sr. Business Representative, a Business Representative and a Senior Steward from the Designated Organization representing the Union. The Resolution Committee will meet and review the grievance within thirty (30) working days following the date the grievance was submitted to the Resolution Committee. If necessary, the Committee may interview the cognizant Department Steward and/or Supervisor, to obtain additional facts. The Committee shall be fully authorized to resolve the grievance(s) based on the facts presented in the hearing within the provisions of this Agreement. The Committee shall give a written answer within five (5) working days after the date the Resolution Committee was held. The answer shall contain an agreed upon factual definition of the grievance and a clear statement of the issues which remain in dispute if the matter remains unresolved.

Informal Arbitration: If the grievance is not settled in Step Two, and if it is not being processed in the Designated Organization Grievance Resolution Committee, and if the Union wishes to process it further, then the grievance may be submitted into informal arbitration. Within ten (10) working days following the Union's receipt of the Company's Step Two answer, the Union shall give the Company written notice that it has decided to submit the grievance to informal arbitration, designating a Union Informal Representative in the notice.

- A) If a Step Two answer is not given within five (5) working days following the Step Two meeting and the Union wishes to process it further, the Union shall give the Company written notice within fifteen (15) working days following the Step Two meeting that it has decided to submit the grievance to informal arbitration, designating a Union Informal Representative in the notice.
- B) If the Step Two meeting is not held within five (5) working days after the Company's receipt of the written grievance and the Union wishes to process it further, the Union shall give the Company written notice within twenty (20) working days from the Company's receipt of the written grievance that it has decided to submit the grievance to informal arbitration, designating a Union Informal Representative in the notice.

The Company's Informal Representative for purposes of grievance processing in (A) and (B) above will be the Section Head of Labor Relations or a designee assigned to handle such grievances at this step.

The two (2) representatives so designated shall confer on the issues and make an effort to settle the matter. They shall have fifteen (15) working days following the receipt of the Union's notice designating the Union Informal Representative within which to settle the matter. At the conclusion of this meeting, if an agreement is not reached, either party may request that an arbitrator be selected in accordance with Article XXV, Section B.

If the parties do not meet within the fifteen (15) working days following receipt of the Union's notice, the Union may notify the Company's Informal Representative of its intent to meet and select an arbitrator in accordance with Article XXV, Section B.

2. Grievances that are general in nature shall be processed in accordance with the provisions of B.1., Step One of this Article, excepting that the oral discussion will include the Senior Steward, Department Steward, the Labor Relations Representative, and a member of Management who has authority over the matter. Grievances not settled in Step One may be reduced to writing signed by a Business Representative and filed with the cognizant Labor Relations office within fourteen (14) working days following the event or events on which the grievance is based. The grievance will be processed in Step Two of the Grievance Procedure. Grievances that are pertinent to Designated Organization policies or procedures arising from the terms and provisions of this Agreement shall be referred in Step Two to a member of management who has authority over the matter.

3. A grievance concerning a layoff or discharge must be filed in writing within ten (10) working days after the last day worked or within ten (10) working days after the effective date of layoff or discharge, whichever is later, and processed in Step Two of the Grievance Procedure and in accordance with Section B.4. A Department Steward may file a grievance on behalf of an employee who is laid off while on an authorized Leave of Absence or Vacation provided such employee is not available to sign the grievance form. However, such laid-off employee shall appear at the meeting(s) at which his or her grievance is discussed.
4. A grievance concerning a layoff or a discharge shall be signed by the employee concerned and one of the following: the employee's Department Steward, the employee's Senior Steward, or a Business Representative of the Union. Advance notice of a layoff or discharge shall be given to the Department Steward by the terminating employee's immediate Supervisor. In the event of an immediate suspension or discharge the immediate Supervisor shall notify the Department Steward as soon as possible, but in any event prior to the employee's departure, unless conditions require immediate removal from the premises.
5. A grievance filed under the provisions of the "Upgrading and Promotions" Article must be filed into Step Two of Section B. of this Article within fifteen (15) working days after the date the Union received written notification of the upgrade.
 - a. Written notification by a Labor Relations Representative to all cognizant Senior Stewards at the Designated Organization will be made within five (5) working days after the effective date of such upgrade.
6. When a written reprimand is given to an employee, such employee or the Supervisor may request the presence of the Department Steward. If such a request is made, the Department or Senior Steward shall be in attendance.

Section C. Time Limits

1. It is agreed that the time limits set forth for processing grievances in the various steps of the Grievance Procedure are of the essence of this Article, and that any dispute, claim or difference arising out of the terms of this Agreement shall be deemed waived and shall not constitute a grievance or be subject to arbitration unless these limits are strictly complied with. Failure of the Company to give a written answer to a grievance within the time limit set forth in Step Two shall entitle the Union to proceed to the next Step. Such referral must be made within five (5) working days after expiration of the time limits stipulated for the Company's answer. Time limits may be extended only by written mutual agreement between the parties.

Section D. General

1. All processing of grievances shall be handled only by the Union and Employer Representative stipulated in the Grievance Procedure herein. An alleged violation that occurs outside the employee's assigned department will be processed in the department where the alleged violation occurred.
2. All grievances shall be fully described on the standard form provided, clearly stating the facts, the Articles, Sections and paragraphs allegedly violated, the name of the aggrieved employee(s) when and where the alleged violation occurred, signed and dated by the aggrieved employee(s), and the respective Union Representative(s) designated herein.
 - a. In the event a Union Steward or Officer is the aggrieved party, his or her grievance shall be signed and processed by a Business Representative of the Union and immediately processed into Step Two of the Grievance Procedure.
 - b. Should a Department Steward, Senior Steward, or Officer of the Union be issued a formal reprimand, a Business Representative shall be the representative for the Department Steward, Senior Steward or Officer.
3. No grievance or arbitration decision covering any grievance shall provide for retroactive effect for more than eleven (11) working days prior to the date of the verbal complaint.

4. If a grievance involves more than one Division, a meeting may be scheduled to determine how the grievance will be processed with the following in attendance: a Representative from each of the affected Divisional Labor Relations offices, a Line Manager from each Division, and a Business Representative(s) of the Union. Such meeting will be considered a Step One meeting, wherein the parties will agree on the responsible Division. If the grievance is not resolved at this meeting, it shall be processed into Step Two of the procedure.
5. When a grievance has been properly filed and is currently being processed in Step One or Step Two of Section B. of this Article, or in the Resolution Committee Review or in informal arbitration, any subsequent grievance(s) filed on a similar dispute or claim in the same Division shall be combined with the original grievance and processed as a single dispute or claim without repeating the steps previously concluded in processing the original grievance.
6. Disciplinary action which results in discharge for the same or similar offense, for multiple grievants, may be combined by mutual agreement for the purpose of arbitration.

Section E. Arbitration Referral

1. In the event the grievance is settled in Step Two or in the Resolution Committee or in informal arbitration, such disposition will be reduced to writing and shall be final and binding on both parties.
2. In the event the grievance is not settled or disposed of in Step Two or in the Resolution Committee or in informal arbitration, and the Union wishes to process it further, they may submit it to arbitration in accordance with the provisions of Article XXV, Arbitration.

ARTICLE XXV ARBITRATION PROCEDURE

Section A. Referral to Arbitration

1. A grievance arising out of the terms of this Agreement, which has been properly processed through the Grievance Procedure within the time limits specified and not settled, may be submitted to arbitration by approval of the Union's Executive Board or by the Management of the Employer. If an arbitrator is not selected at the conclusion of the Informal Arbitration Step of the Grievance Procedure, the Union shall have ten (10) working days to serve written notice to the Company of their intent to arbitrate.

Section B. Selection of Arbitrators

1. If an arbitrator has not been selected at the Informal Arbitration Step meeting, then within five (5) working days following receipt of the Union's notice of intent to arbitrate, the Labor Relations Manager, Section Head or Labor Relations Representative shall meet with a Union Business Representative and by mutual agreement select an arbitrator and shall jointly sign a statement setting forth the issues to be decided and stipulate to all agreed upon facts the parties have discovered during the grievance procedure. If the two (2) representatives of the parties cannot agree upon a joint statement, each party shall submit a separate statement of the issues it considers in dispute to the arbitrator. The arbitrator shall determine, at or before the hearing, the issue or issues to be arbitrated, provided, however, that such issue(s) is arbitrable under the written terms and conditions set forth in this Agreement.
2. The parties will maintain during the term of this Agreement a panel of arbitrators from which the Union and the Company will select an arbitrator. All individuals listed on this panel must be arbitrators whose names appear on at least one of the following panels of arbitrators: American Arbitration Association, Federal Mediation and Conciliation Service, California State Mediation and Conciliation Service. Should one of the arbitrators on this panel not be able to serve in that capacity for any reason, the parties will mutually agree on another arbitrator.
3. The names of the arbitrators will be kept on individual slips of paper. The Company and the Union will randomly and blindly select seven (7) names. They will then alternately strike names from this selection of seven (7) arbitrators until one (1) name remains. That individual will be the Arbitrator. The party striking the first name will be the loser of a coin toss. All names will be returned to the panel of names to be used in the next selection process.

PANEL ARBITRATORS

Charles Askin	Edgar Jones
Mei Liang Bickner	Michael McDermott
Howard Block	Kenneth Perea
Douglas Collins	William Petrie
Walter Daugherty	Lionel Richman
William Dorsey	William Riker
Edmund Edelman	Arthur Stashower
Edna Francis	Phil Tamoush
Joe Gentile	Lou Zigman

4. The site(s) for arbitrations will be mutually determined by the parties at each location.
5. The parties shall then send a letter to the designated arbitrator notifying him/her of the selection, requesting available dates and submitting the joint or separate statements of the issue. The arbitrator shall be asked to submit his/her response regarding available dates to both the Company and the Union. The parties agree that a arbitration date will be selected within one hundred twenty (120) days after the arbitrator has been selected. Should the arbitrator not have a date within a one hundred twenty (120) day period the parties agree to select the first date the arbitrator has available after the 120 day period.
6. The parties shall notify the arbitrator of the selected hearing date and the site for the scheduled arbitration.

Section C. Arbitration Hearing

1. The selected arbitrator shall then under the rules of the Federal Mediation and Conciliation Service hold a hearing on the issue or issues, and thereafter render a decision and the reasons therefore in writing as expeditiously as possible. The decision shall be binding on the parties hereto, subject to the regulations of any Federal agency having jurisdiction, and to all laws applicable to arbitration awards.

Section D. Expedited Arbitration

1. A separate procedure is hereby established to provide for the expedited arbitration of grievances concerning discharge and layoffs. If a grievance is not settled in accordance with Article XXIV, Grievance Procedure, the parties shall select the arbitrator by alternately striking names as described in Section B.3, until one (1) name remains. Should that arbitrator not have a date within a ninety (90) day period to conduct a hearing, the parties shall then go to the last name struck from the list. If this arbitrator is unavailable, the selection process described in B.3. will be repeated until a satisfactory hearing date is scheduled.
2. Any unresolved grievances protesting prior discipline relating to the discharge shall be made a part of the issue to be decided by the arbitrator.
3. The selected arbitrator shall then, under the rules of the Federal Mediation and Conciliation Service, hold a hearing on the issue and render a written decision and the reasons thereof within fifteen (15) days.

Section E. Power of Arbitrators

1. The Union and the Employer agree that the arbitrator shall not add to, subtract from, change or modify any provisions of this Agreement; that the arbitrator is authorized only to apply the existing provisions of said Agreement to the specific facts presented and to interpret only applicable provisions of this Agreement not clear and capable of more than one (1) interpretation.

Section F. Expenses of Arbitrators

1. Each of the parties to this Agreement shall pay for the time and the expense of its respective representatives or witnesses through all stages of the Arbitration Procedure.
2. The parties shall contribute equally to the fee and expenses of the arbitration provided that any fee or expense shall be decided upon in advance of the arbitration hearing. Notwithstanding the foregoing, if one party requests and obtains a postponement of a scheduled hearing date that results in the assessment of fees or other expenses, that party shall be liable for the payment of any such fees or expenses.
3. Each party shall assume responsibility for payment of its obligation under this Section.

Section G. Time Limits

1. It is agreed that the time limits set forth are of the essence of this Article and are to be strictly complied with. Arbitration decisions and the reasons therefore shall be rendered in writing within thirty (30) working days after receipt of final briefs, if any. Time limits may be extended only by a written mutual agreement of the parties.

Section H. General

1. The parties agree that there shall be no individual or general strike, slow-down, stoppage or suspension of work while any such dispute, claim, grievance or difference of opinion is in the process of settlement under the Grievance Procedure or Arbitration

**ARTICLE XXVI
BULLETIN BOARDS**

Section A. Use and Location

1. The Employer agrees that adequate bulletin boards for the exclusive use of the Union shall be provided in factory buildings at locations agreed upon for the posting of the following types of Union notices and announcements:

Meetings
Elections
Welfare, recreational and social affairs
Appointment of Stewards

and such other notices as may be mutually agreed upon between the Union and the Director of Labor Relations.

2. All notices shall be signed by an authorized Officer of the Union and transmitted to the respective Business Unit Labor Relations Representative for approval. The designated Senior Steward will then post the approved notice(s).
3. The Union will, on a quarterly basis, advise the Company in writing of the currently certified stewards. The Company will post such notification on the appropriate Union bulletin boards.

**ARTICLE XXVII
NOTICES**

Section A. Written Notices

1. Written notices permitted or required to be served upon any of the parties hereto under the terms of this Agreement, except as otherwise provided under other Articles of this Agreement, shall be sufficiently served for all purposes when mailed in duplicate, postage prepaid, registered or certified mail, addressed as follows:

To the Employer:

Raytheon Company
P.O. Box 902
Los Angeles, California 90245-0902
Attention: Director, Labor Relations
Bldg. EO, E1 M/S A154

Raytheon Technical Services Company
(California Based)
1665 Hughes Way
Location LB
Bldg. A01
MS HR
Long Beach, CA 90810-0399
Attn: Human Resources Manager

To the Union:

Electronic and Space Technicians
Local #1553
13144 Prairie Avenue
Hawthorne, California 90250
Attention: Union Recording Secretary
cc: Senior Business Representative

**ARTICLE XXVIII
UNION SECURITY**

Section A. Union Membership

1. Any employee covered by this Agreement, who, on the effective date of this Agreement, is a member of the Union shall, thereafter, as a condition of employment, maintain membership in the Union for the duration of this Agreement, to the extent of paying the periodic dues uniformly required as a condition of retaining membership in the Union. No employee shall be considered in default of the obligation to pay dues until after the Union has given the employee and the Employer notice in writing and the employee has failed to pay his or her dues within the period of fifteen (15) days following receipt of such written notice. In the event the employee fails to pay his or her dues within the above-mentioned fifteen (15) day period, the Employer shall terminate his or her employment if so requested by the Union in writing.
2. All present and future employees not members of the Union on the effective date of this Agreement, and who thereafter voluntarily join the Union, shall maintain their membership in the Union thereafter for the duration of the Agreement as provided in Section A.1., above.
3. The Union shall submit to the Employer, a notarized list showing the name and payroll number of each employee who is a member of the Union on the date this Agreement is effective, and, on or before the last day of each month, shall submit a further such list of any employees who have become members since the date of submission of the last prior list.

Section B. Modified Agency Shop Provision

1. During the term of this Agreement, all employees in the Bargaining Unit who were obligated to pay Agency fees to the Union under the preceding Agreement, or who are on or after the effective date of this Agreement hired into, transferred or returned by the Employer to the Bargaining Unit shall, while not a member of the Union, as a condition of employment in the Bargaining Unit, pay Agency fees to the Union on and after the thirty-first (31st) day following their employment and continuing during the term of this Agreement.
2. The amount of such Agency fees shall be equivalent to the amount required to be paid as current dues by those employees who are members of the Union.
3. For purposes of this Section, any employee who, as of the effective date of this Agreement, has seniority rights under this Agreement, shall not be considered a new employee and the provisions of this Section shall not be applicable to the employee.
4. No employee shall be considered in default of the obligation to pay Agency fees until after the Union has given the employee and the Employer's Division Labor Relations Representative notice in writing and the employee has failed to pay Agency fees within the period of fifteen (15) days following receipt of such written notice. In the event the employee fails to pay the Agency fees within the above-mentioned period, the Employer shall terminate the employee's employment if so requested by the Union in writing.

Section C. Dues/Fees Deduction

1. It is agreed there is no obligation on the part of the Employer to require employees who are union members to pay fines, assessments, or financial obligations, other than current dues, to the Union. The Employer, however, agrees to deduct Union dues or Agency fees if required under Sections A. or B. if the request for Union dues or Agency fee deduction is voluntarily made in writing by the employee to the Employer's Human Resources Department in such form as may be approved by the Employer. Dues and fees so collected shall be remitted monthly to the Union's Financial Secretary.
2. Any employee who, after the effective date of this Agreement, is laid off and recalled without loss of seniority during the term of this Agreement and who was having dues or Agency fees deducted from his or her pay in accordance with this Section at the time of layoff, will have said dues or Agency fees deducted from his or her pay upon recall; provided that the Employer has in its files, a valid Deduction Authorization form for such employee.

3. Deductions shall be made from the employee's paycheck in the first week of the Employer's accounting month beginning in the month next following the month in which the deduction has been properly authorized, as outlined above; provided that sufficient earnings remain to cover the Union dues or agency fees after deductions for taxes, old age benefits, insurance premiums, Social Security and other deductions required by law or by the Employer have been made; and such deductions shall continue in like manner monthly thereafter, except as qualified in this Article. In the event that insufficient earnings remain to cover Union dues or Agency fees, a pickup deduction shall be made from the employee's paycheck from the next available earnings unless the Employer is advised in writing by the Union not to make such deduction.
4. Union dues and Agency fees collected by the Employer shall be remitted monthly to the Union's Financial Secretary. In the event it is determined an employee is not in the Bargaining Unit or is reclassified to a position outside of the Bargaining Unit, the Employer will automatically discontinue the employee's payroll deductions for Union dues or Agency fees and will notify the Union Office of such action.
5. Cancellation of Union dues or Agency fees deduction authorization by an employee shall be by letter addressed to the employee's Division Labor Relations Representative, with a copy to the Union Office. Such letter must be signed and dated by the employee and should contain his or her payroll number and department. Such letter shall become effective for the month next following the month in which it is received by the Division Labor Relations Representative. Authorizations for Union dues or Agency fees deductions shall be continued in effect throughout the term of this Agreement unless specifically revoked either in accordance with the provisions of this Article or statutory provisions.

Section D. General

1. The Employer shall not be obligated to take any action under the provisions of Section A. or B. of this Article unless and until the Employer is notified in writing by the Union that an employee, designated by name and payroll number, has failed to comply. The Union agrees to indemnify and hold the Employer harmless from any liability or expense incurred by the Employer because of the payment of dues or fees by an employee or the actual or threatened termination of employment of any employee as a result of such designation by the Union.
2. Any employee who, during the period of the Agreement is a Union member, and is thereafter reclassified to a job outside the Bargaining Unit, and subsequently during the term of this Agreement is returned to a job within the Bargaining Unit, shall be subject to the Union Membership provisions of Section A.

3. Any disagreement between an employee and the Union or the Employer concerning this Section may be referred to the Grievance Procedure by either party or by the employee. Any dispute concerning the application of Section C. 3. and 4. shall be referred directly to arbitration.
4. The Company will explain the Union/Agency deduction to all new employees during the new employee orientation process. They will be advised they have until the thirty-first (31st) day of employment to complete the Union or Agency Deduction Authorization Form and give the completed enrollment form to the Division Labor Relations Representative.

**ARTICLE XXIX
NONDISCRIMINATION**

Section A. Policy

1. The Employer and the Union agree that, in applying the terms of this Agreement, neither party will discriminate against any employee because of race, national origin, sex, age, color, creed, physical handicap, sexual orientation or for any other reason prohibited by law.
2. The Employer and the Union agree that, in applying the terms of this Agreement, neither party will discriminate against any employee for membership or non-membership in the Union.

ARTICLE XXX
SUPPLEMENTAL AGREEMENTS

The following Supplemental Agreements are included in the Collective Bargaining Agreement by reference to this Article.

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Supplemental Agreement #1

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This will confirm our understanding regarding the Interstate Sleeper-Cab Trucking Operations.

It is mutually agreed by the parties hereto that the following provisions will apply to all Interstate Sleeper-Cab runs:

1. Two (2) employees shall be assigned to each run and shall remain with the truck at all times between terminal points, unless relieved from duty.
2. Employees shall be assigned on the basis of their qualifications and job performance as determined by the Employer.
3. The employees assigned will be classified as Truck Driver-Combination, and be paid within the rate range for that classification as provided in the Classification Appendices of the Collective Bargaining Agreement.
4. Each employee while on a run is required to rest a minimum of eight (8) hours, which may be on an accumulative basis, in each twenty-four (24) hour period, commencing from the time the employee begins the sleeper-cab run.
5. Work schedules of employees assigned to sleeper-cab runs may vary from day to day while on the run. The work schedule of employees assigned to sleeper-cab runs also may vary when the employees are assigned to the Plant.
6. The payroll week shall be Saturday through Friday.

Supplemental Agreement #1

K. G. Dodd
May 23, 2005
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7. Solely for the purpose of computing pay during runs, each twenty-four (24) hour workday will be divided into three (3) eight (8) hour periods. One (1) at straight time, one (1) at time and one-half, and one (1) at no pay. Payment at time and one-half will begin only after eight (8) hours of work at straight time in each such workday.

The cycle of eight (8) hour pay periods or parts thereof shall begin at the time the employees actually commence the sleeper-cab run, shall continue and repeat itself during the entire time of the run, and shall end at the time the employees are relieved from work duties after completion of the run. Fractions of hours will be included in the computation to the nearest tenth (10th) of an hour.

For the work performed on Saturday or Sunday, the eight (8) hour pay periods will be applied on the basis of two (2) pay periods of time and one-half and one (1) period at no pay.

8. Notwithstanding the provisions of paragraph seven (7) above, in the event a delay or layover occurs and an employee is relieved from duty he shall be on his own time without pay. However, the employees shall be guaranteed a minimum amount of pay equivalent to eight (8) hours' pay at straight time their base rate during each workday (the successive twenty-four (24) hour periods commencing with reporting time on a run) while away from the Plant on a run.
9. In the event a paid Holiday occurs during a sleeper-cab run, employees shall receive eight (8) hours' Holiday pay at straight time under the conditions of the "Holiday" Article of the Agreement, in addition to compensation for the run.

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10. Each employee shall receive thirty-six dollars (\$36.00) per day for meals during actual time away from the Plant on a sleeper-cab run. For this purpose, the day will be divided into four (4) six (6) hour periods beginning at midnight, with payment at the rate of nine dollars (\$9.00) per period. Any part of a period shall constitute a whole period for the purpose of payment for meals.

Each employee shall also be reimbursed for reasonable lodging expense incurred during a layover. The lodging expense must be accompanied by a receipt. When the cost of meals is claimed for reimbursement as a business conference expense or is otherwise paid by the Company, the standard per diem amount will be decremented using the following factors: 50% dinner; 30% lunch; and 20% for breakfast.

Reimbursement for meals and lodging shall be requested at the end of each week during which a sleeper-cab run occurs.

11. The provisions of the Article in the Agreement entitled "Hours of Work and Overtime" shall not be applicable to sleeper-cab runs, except that there shall be no pyramiding or duplication of overtime and premium pay.
12. The commencement, frequency, scheduling and discontinuance of sleeper-cab runs shall be a matter solely within the discretion of the Employer.

Supplemental Agreement #2

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This will confirm our understanding regarding employees classified in the following job classifications:

Title

	<u>Labor Grade</u>	<u>Job Code</u>
Assembler Electronic Experimental Lab A	11	41303
Assembler Electronic Developmental	11	41253
Assembler Electronic MW Devices	11	41373
Assembler Electrical Electronics Division	11	41393

- 1) Concerning the above classifications, all four will be combined into one (1) successor classification:
Assembler Electronic Assembly, Labor Grade 11 (Job Code 41343). This will be done no later than January 5, 2002. Both parties may agree to mutually extend this date if necessary.
- 2) The parties agree that recall of the above four (4) job classifications will be as follows:
 - a) All Assembler Electronic Experimental Lab A's will be recalled first according to the recall provisions of the collective bargaining agreement.
 - b) After the recall list for Assembler Electronic Experimental Lab A's has been exhausted the three (3) other job classifications of Assembler Electronic Developmental, Assembler Electronic MW Devices and Assembler Electrical Electronics Division will be placed into a "seniority pool" and offered "Preferential Re-employment" by seniority according to the Preferential Re-employment provisions of the collective bargaining agreement. Employees in these 3 job classifications who are offered preferential rehire to the Assembler Electronic Assembly and refuse the offer will be removed from the recall list in their respective job classification.

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- 3) After the recall list for the above 4 job classifications has been exhausted the Employer agrees to consider, along with other applicants, Electronic Assemblers on recall for Preferential Re-employment according to the collective bargaining agreement.
- 4) In the event of layoffs employees classified as Assembler Electronic Assembly will be laid off according to the collective bargaining agreement.
- 5) It is not the intent of this agreement to use the Assembler Electronic Assembly job classification for recall into other assembler job classifications that are not included in the 4 job classifications contained in the Assembler Electronic Assembly, nor perform assembly work that is not contained in the 4 above job descriptions. For example: Assembler Electronic Assembly may not displace or be eligible for recall to job classification such as Assembler Trident, Assembly Precision, Assembler Microelectronic Circuits Lab, etc.

Supplemental Agreement #3

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This will confirm our understanding regarding travel on Company business and Domestic Field Assignments.

1. Employees driving their car to temporary work locations before or after their scheduled work shift will be compensated as follows:

FORMULA FOR COMPUTING COMPENSABLE TRAVEL PAY
(Not requiring overnight absence)

Compensable mileage is the mileage from employee's home to temporary assignment less: a) mileage from employee's home to normal work station (double for round trip) and b) 15 miles (30 miles for round trip).

TABLE FOR TRAVEL TIME ALLOWANCE
FOR DRIVING COMPENSABLE EXCESS MILEAGE

Compensable		Compensable	
<u>Mileage</u> <u>Increments</u>	<u>Travel Time</u> <u>Allowance</u>	<u>Mileage</u> <u>Increments</u>	<u>Travel Time</u> <u>Allowance</u>
1-3 miles	tenth of an hour	31-33 miles	1.1 hours
4-6 miles	2 tenths of an hour	34-36 miles	1.2 hours
7-9 miles	3 tenths of an hour	37-39 miles	1.3 hours
10-12 miles	4 tenths of an hour	40-42 miles	1.4 hours
13-15 miles	5 tenths of an hour	43-45 miles	1.5 hours
16-18 miles	6 tenths of an hour	46-48 miles	1.6 hours
19-21 miles	7 tenths of an hour	49-51 miles	1.7 hours
22-24 miles	8 tenths of an hour	52-54 miles	1.8 hours
25-27 miles	9 tenths of an hour	55-57 miles	1.9 hours
28-30 miles	1.0 hour	58-60 miles	2.0 hours

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Example No. 2

- A. Employee is assigned to temporary assignment which is 45 miles from his home. Employee normally travels 5 miles from home to regular work station.

$$\begin{array}{r} 45 \text{ miles less } 5 \text{ miles} = 40 \text{ miles} \\ -15 \text{ miles} \\ \hline 25 \text{ miles} \end{array}$$

- B. 25 miles of compensable time (See Table) provides .9 of an hour.
- C. Assuming the employee works 12 consecutive hours at the temporary site, he would be compensated .9 of an hour at double his pay rate (1.8 hours for round trip).
2. Employees required to travel to a temporary work location on a common carrier will be compensated for hours of work and travel time to and from the temporary work assignment in accordance with the rulings of the Department of Labor, Wage and Hour Administrator. If premium pay is required under such rulings, then the provisions of Article III, Section E shall be followed. Whenever practicable, the travel schedule will be arranged so as to coincide with the employee's normal hours of work.
3. Employees temporarily (more than 90 calendar days) assigned to a new duty station which is a) within the forty-eight (48) contiguous United States which is not designated a Company facility (Attachment A); and b) is fifty (50) or more miles from the employee's home and is at least twenty-five (25) miles further from home than the present duty station may be eligible to receive a Domestic Field Allowance while on such assignment in accordance with the following schedule:

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DOMESTIC FIELD ALLOWANCE SCHEDULE

<u>Weeks on Assignment</u>	<u>Domestic Field Allowance</u>
1 through 130	\$.70 per hour
131 or more	.00 per hour

Employees choosing not to relocate may be compensated under number 1 above only (Compensable Travel Pay).

ATTACHMENT A

DESIGNATED COMPANY FACILITIES

California

Buena Park
Continental Park
El Segundo
Fullerton
Long Beach
Malibu
Newport Beach
Torrance
Van Nuys

Supplemental Agreement #4

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This letter will confirm our discussions during negotiations concerning the graveyard shift formula.

Employees assigned to the graveyard shift as of February 4, 1989 shall be compensated in accordance with the following formula, and will be so compensated whenever reassigned to the graveyard shift during the term of this Agreement:

1.2813 X (Base Rate Plus 8¢)

Employees newly assigned to the graveyard shift subsequent to February 4, 1989 shall be compensated in accordance with the provisions of Article III, Section D.2. of this Agreement.

Supplemental Agreement #5

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This letter will confirm our mutual understanding with respect to the administrative procedure for Leaves of Absence for a maximum of four (4) Business Representatives.

1. An employee who leaves employment with the Company to become a full-time Business Representative of Local #1553, shall be granted a Leave of Absence without pay provided such employee has completed ten (10) or more years of continuous service with the Employer.
2. Leaves of Absence for Union business shall terminate if the employee engages in employment other than as provided above, and fails to return to work within thirty (30) working days following completion of the term of office or employment as a Business Representative.
3. An employee on such leave shall retain and continue to accumulate job classification seniority in the Division (or successor Division) which granted the leave provided the requirements of paragraphs 1 and 2 above are fulfilled.
4. Such an employee returning from such authorized Leave of Absence, and who fulfills the above requirements, shall be reinstated to the employee's former Division and Job Classification, (or a successor or relatively equivalent Job Classification) in accordance with their relative seniority.

If required, the parties shall confer during the term of the Agreement regarding increasing the maximum number of Business Representatives.

Supplemental Agreement #6

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This letter confirms our discussions from the recent negotiations concerning the release of Department Stewards from their regular job duties.

The parties agree that should a Steward be required to leave the job as a result of duties required under Section D.3.a.c. of Article XXIII and their Supervisor is not available, they will be allowed to proceed after leaving their supervisor a voice mail message, or if voice mail is not available, a written note. This message should inform the Supervisor of the approximate time departed, destination and a general statement of the reason for their required absence.

Supplemental Agreement #7

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This letter will confirm our mutual understanding with regard to employees who were reclassified to the Bargaining Unit classification of "Offset Press Operator," at the time the Employer agreed to discontinue the use of the non-bargaining job classification "Offset Press Operator Confidential."

1. It is understood by the Union that work which is of a "Secret" or "Confidential" nature because of the fact that it deals with labor-management matters or is especially sensitive and considered "Privileged" by the Company (i.e., financial reports, competitive bidding information, or proprietary data, etc.) may require special handling. In such cases the reproduction of such material may be performed by non-bargaining personnel. The Company shall limit the performance of such work to that which it considers to be truly necessary and will advise the Union's representatives of the need to have such work performed.

Supplemental Agreement #8

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

Pursuant to our discussion during contract negotiations, this will confirm our understanding concerning facilities which may be opened in the San Diego area.

The Company agrees that in the event it may transfer work currently performed by the bargaining unit and employees in the Bargaining Unit classifications to any facility established in the San Diego area, it will offer E.A.S.T., Local #1553, the opportunity to represent them, on the same basis as all other Bargaining Unit employees covered by the current Collective Bargaining Agreement in accordance with applicable law, including the National Labor Relations Act as amended.

Supplemental Agreement #9

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This will confirm our understanding regarding employees classified in the following job classifications in Department 22-38-XX:

Title

Electromechanical Technician A	22	46833
Test Equipment Fabrication Technician Senior	24	67346
Test Equipment Fabrication Technician A	22	67343
Test Technician MW Devices Senior	24	67386
Test Technician MW Devices A	22	67383
PDT Electronic Components Senior	24	88546
PDT Electronics Components A	22	88543

1. All active employees in the above classifications within Department 22-38-xx will be combined into one (1) new PDT Microwave Technician Microwave / RF Devices successor classification "A" and "Senior" (Job Codes 88683 & 88686) family (LG 22/24). This will be done no later than January 25, 2002. Both parties may agree to mutually extend this date if necessary.
2. The parties agree that after employees are reclassified to the above PDT successor job classifications, populating the above PDT successor job classifications will be as follows:
 - a. The above classifications, along with Test Technician Electronics Senior and A (job codes 67326 and 67323 respectively) will be placed into a "seniority pool" for the new PDT successor "Senior" or "A" classifications and offered "Preferential Re-employment" to their respective successor job classification, by seniority, according to the Preferential Re-employment provisions of the collective bargaining agreement. Employees in these job classifications who have not previously taken, and passed, an EKI exam must pass the current EKI exam to be preferentially reemployed according to the collective bargaining agreement.
 - b. Employees who do not pass the current EKI exam, or refuse the offer of preferential reemployment, will not be considered for future preferential reemployment pursuant to Section 2(a) above. Such employees will remain on the recall list for classifications previously held in.

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K. G. Dodd
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- c. The parties agree to exhaust the "seniority pool" before filling new openings by new hires, transfers or promotions from outside of the department.
3. In the event of layoffs, displacement into the above successor PDT job class will be in accordance with the terms of the collective bargaining agreement provided they have previously passed an EKI exam or pass the current EKI exam at the time of the displacement. Employees who are reclassified to the successor classifications will be laid off in accordance with the terms of the collective bargaining agreement.

Supplemental Agreement #10

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This Supplemental Agreement will confirm our mutual understanding with respect to participation by members of E.A.S.T., Local 1553 in the Raytheon Severance Pay Plan.

During the course of 2001 contract negotiations, the parties have agreed that, for the duration of this collective bargaining agreement, employees who are represented by E.A.S.T., Local 1553 will continue to participate in the Raytheon Severance Pay Plan as outlined in General Policy and Procedure No. 33-0003-110.

The Raytheon Severance Pay Plan contemplates that the affected employee be "permanently terminated" in order to be eligible for benefits under the plan.

Under the collective bargaining agreement between the parties, E.A.S.T. represented employees are contractually entitled to "recall" under Article XVIII and therefore, under normal layoff circumstances, are not necessary "permanently terminated" at time of layoff.

Participation in the Raytheon Severance Pay Plan by employees who are represented by E.A.S.T., Local 1553 will be on the same basis and under the same terms and conditions as that of Exempt and Non-exempt employees who participate in the program with the following understanding regarding employees who are not "permanently terminated", as contemplated and defined in the Raytheon Severance Pay Plan, but who are laid off with "recall" to employment with the Company under Article XVIII of the collective bargaining agreement.

Those Local 1553 represented employees who are laid off, and then "recalled" prior to, or after having exhausted, the full amount of severance pay they would be entitled to under the plan, will, in the event of a subsequent layoff, have available to them the balance of their full amount of severance pay, according to the plan design, less the number of weeks of severance pay already paid under the plan, while they awaited recall. Laid off employees who become re-employed by the Company, not through recall but through re-hiring, will be treated as if they were "permanently terminated" and then rehired, in accordance with the plan.

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K. G. Dodd
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The parties agree that the Company exclusively reserves all rights presently existing regarding the Raytheon Severance Pay Plan, including the right to amend, modify, terminate or otherwise change the plan.

Supplemental Agreement #11

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

The purpose of this Supplemental Agreement is to clarify the purpose and definition of the (Inspector Tooling/Machined Parts Prototype, LG 24) source inspection function.

This function is responsible for ascertaining that production contract items from vendors located within a fifty (50) mile radius of the facility meet the physical and dimensional requirements called out by the appropriate documentation. The tasks are final visual or mechanical measurement or non-subjective specification verification of end items.

This Agreement recognizes the Company's practice of inter-Group cross-utilization of Source personnel.

This in no way alters the Company's good faith understanding between the parties that Source Surveillance Engineers may occasionally perform a limited or incidental amount of inspection work during the course of their regular duties.

Supplemental Agreement #12

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This is to confirm the discussion during our recent negotiations that disputes arising out of the provisions of Article VIII - Group Insurance, Article IX - Retirement, Article X - Employee Savings Plan and Article XI - Dental Plan(s), will be resolved within the framework provided for dispute resolution as outlined in the respective Plan documents.

Supplemental Agreement #13

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This letter will confirm the parties' understanding concerning a drug-free workplace policy.

The Department of Defense has issued emergency regulations mandating a drug-free workplace including the requirement that the Company certify that its operations are drug-free. Accordingly, effective April 1, 1989, a drug-free workplace policy was implemented including testing based on reasonable suspicion applicable to all Company employees. In addition, the Department of Transportation requires employers to conduct drug and alcohol testing on covered employees in accordance with the Department of Transportation regulations. Employees are also subject to testing when recalled to work from layoff provided such employees have been on layoff for a minimum period of twelve (12) months. Further, employees on the recall list, who are offered a non-bargaining unit position, are subject to pre-employment testing. If an employee tests positive either at the time of recall or rehire, he or she will not be eligible for recall for a twelve (12) month period after which time the employee will be recalled and retested when the first available opening occurs. Testing will be conducted in accordance with the elements outlined in Company Practice 3-0-17. Failure on the part of an employee to cooperate in the program can involve discipline up to termination of employment. Failure of the Company to follow the direction of the government (our customer) can result in the loss of contracts, suspension of progress payments and other penalties.

The Company and the Union are committed to providing a safe workplace and to promoting employee health. Consistent with this commitment, a drug-free workplace policy with a view to maintaining a work environment that is free of the harmful effects of drug use or alcohol abuse will be implemented.

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K. G. Dodd
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Employees who use illegal drugs or who abuse legal drugs or alcohol, create serious safety and health risks for all employees, and tend to be less productive, prone to greater absenteeism, accidents, health insurance costs and quality control problems and present security risks. This Supplemental Agreement embodies the parties' intention to cooperate in combating alcohol and drug abuse ("substance abuse") among employees.

The Company currently offers a non-punitive Employee Counseling Program which offers assistance to employees with substance abuse problems. If possible, both the Company and Union representatives will encourage participation to those needing assistance in order to strive for a drug-free workplace and to assist those dealing with addiction. However, the Program cannot protect those employees who have refused assistance or failed to cooperate in the Program or whose work or disciplinary record does not support a referral to the Program.

Where appropriate, the parties agree to emphasize rehabilitation, not punishment, as the first course in dealing with employees who have drug problems. Although the Company retains the right to discipline or discharge an employee for his/her first violation of the Company's Drug Free Workplace Program, discharge would normally not be in order unless the employee was already at a later stage of the disciplinary procedure or the initial incident relative to the disclosure of the drug problem was related to a dischargeable offense or the employee had previously participated in a rehabilitation program. Also, if the employee rejects an offer of rehabilitation, or if federal/state regulations preclude the retention of the employee in a covered position, the Company would be under no obligation to retain such employee.

If a Union member is to be questioned about substance abuse, the member, upon request, will have the assistance of a Union representative.

The program will be in compliance with applicable Federal and State laws and regulations.

Supplemental Agreement #14

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This will confirm our mutual understanding with regards to Paid Time Off (PTO).

Employees hired after October 18, 1998 will participate in accordance with the contents referenced in the Raytheon Paid Time Off (PTO), Company Policy No. 000000112 RP, effective 01/01/05.

1. PTO days are advanced each January 1 for use during that calendar year.
2. Use of PTO days are for vacation, minor illnesses, health care appointments, caring for sick children, children's school obligations, personal obligations.
3. Bereavement, jury duty and military reserve duty paid not charged to PTO.
4. If employee is approved for short term disability benefits, employee may buy back PTO days used during the approval waiting period. Approved STD is paid according to the plan document.

<u>Schedule for PTO Eligibility</u>	<u>PTO</u>	<u>Maximum</u>
<u>Years of Service</u>	<u>Days</u>	<u>PTO Days</u>
Less than 1	12.5	12.5*
1-4	15	20
5-9	20	25
10-14	22	27
15+	25	30

*Effective for employees hired after 05/23/05.

Note: Up to 5 unused days at the end of each year can be carried to the next following year. Employees on PTO hired before the effective date of the 2005 contract will have until December 31, 2005 to use any 2004 carryover PTO days. Effective January 1, 2006, employees carrying over prior year's PTO will be required to use the carryover balance by August 31 of that following year. The combined total of new PTO days, plus the carry over PTO days cannot exceed the annual maximum PTO days.

Supplemental Agreement #15

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

The Electronic Service Technician family of classifications are responsible for maintenance work required on any computer or peripheral located in production fabrication, assembly or test areas and any laboratory or office stand-alone computer or peripheral including personal computers.

Exceptions to the foregoing are when such computers are mainframes or are:

- 1) Used for sensitive or restricted data, or
- 2) Connected to any network used for sensitive or restricted data.

Users of computers and peripherals may diagnose and isolate problems, may remove, install or replace any unsoldered component or subassembly, and may transport computers and peripherals intended for their own personal use.

This agreement will remain in force only if the Company does not outsource computer operations to a company such as CSC. If outsourced computer operations are brought back into the Company, maintenance work now performed by E.A.S.T. Bargaining Unit employees will be returned to the unit (E.A.S.T. #1553).

Supplemental Agreement #16

May 23, 2005

Electronic and Space Technicians
Local 1553
13144 So. Prairie Avenue
Hawthorne, California 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This letter will confirm our understanding regarding displacement rights of bargaining unit employees. The Company agrees to make every effort to permit a more senior employee who possesses an applicable current and active clearance to displace, according to the collective bargaining agreement, a less senior employee who has a clearance or when the more senior employee is able to obtain the required clearance prior to the employee's scheduled layoff date.

Every effort will be made to clear more senior employees in areas requiring clearance.

Supplemental Agreement #17

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This Agreement will confirm our mutual understanding with respect to participation by members of E.A.S.T., Local 1553 in the Educational Assistance Program.

As a result of the 2001 contract negotiations, the parties have agreed that for the duration of this collective bargaining agreement, employees who are represented by E.A.S.T., Local 1553 will participate in the existing Raytheon Educational Assistance Program, as outlined in General Policy and Procedure No. 36-1002-112.

Participation in the Educational Assistance Program will be on the same basis and under the same terms and conditions as that of Exempt and Non-exempt employees who participate in the program.

The parties agree that the Company exclusively reserves all rights presently existing regarding the Educational Assistance Program, including the right to amend, modify, terminate or otherwise change the program.

Supplemental Agreement #18

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This will confirm the parties agreement at the 2001 negotiations regarding the following job consolidations in Department 25-CM-XX:

Maintenance Specialist A - L/G 24

Air Conditioning and Refrigeration Mechanic A L/G 23
Carpenter A L/G 20
Maintenance Mechanic A L/G 20
Plumber A L/G 21
Mechanical Numerical Control L/G 22

Maintenance Specialist B - L/G 18

Painter A L/G 15
Gardner L/G 13

Maintenance Specialist C - L/G 11

Painter B L/G 10
Utility Worker A L/G 9
Oiler L/G 9
Maintenance Helper

1. The attached job descriptions will determine the skills required for each new successor job description.
2. The incumbents in each job description effective November 17, 2001 will be upgraded to the respective labor grade for their successor job description. Those incumbents in the MS "A" will be credited with 1 Core and 2 Non core skills; MS "B" will be credited with 2 Non core skills and those in MS "C" will be credited with 1 Non core skill. Incumbent employees classified as Air Conditioning and Refrigeration Mechanic L/G 23 will receive a \$500 award for each core skill obtained, not to exceed 2 core skills.
3. "Core" skills will be obtained by a certificate in one of the core skills from an accredited Trade School, General Contractor's License, Journeyman license, 1500 hours OJT with a Maintenance Specialist A or from a certificate program sponsored by the UBC.
4. "Non Core" skills will be obtained by OJT assignments from management during the employee's tenure in their respective successor job classifications.

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5. Layoffs will be in accordance with the collective bargaining agreement.

Supplemental Agreement #19

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This Supplemental Agreement will confirm our mutual understanding with respect to the posting of Bargaining Unit positions covered by this agreement.

This is a method by which hourly Bargaining Unit employees may apply for promotion, transfer or downgrade opportunities and receive consideration for vacancies along with other qualified applicants.

This Program, if it conflicts with the Collective Bargaining Agreement, shall be superseded by said Agreement.

1. Eligible hourly job openings will be made available to all Bargaining Unit employees through appropriate means as determined by the cognizant Human Resources organization for a minimum of five (5) working days. The parties agree exceptions to the 5-day posting will be discussed with the Union.
2. An employee may file for an announced job opening subject to the following requirements:
 - a. The employee must have completed twelve (12) months in his or her current job classification or after notice of layoff. Employees who are part of a job consolidation or have been involuntarily downgraded, are exempt from this requirement.
 - b. The employee must have a satisfactory attendance, conduct and work performance record and must possess the qualifications and ability necessary to perform the duties of the applied job opening.
 - c. Applicants will be considered for the position based upon, but not limited to, their length of Company service, relative training, experience, performance and conduct. When selecting applicants for interview, an individual possessing special skills, training, experience or education related to the job opening may receive special consideration.

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K. G. Dodd
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- d. An employee may submit a maximum of six (6) applications in a calendar year, except for Company-initiated transfer resulting from operational requirements or extenuating circumstances.
 - e. An employee accepting a job offer is not eligible for further consideration under this program until the conditions of paragraph 2(a) are satisfied.
 - f. Submitting an application does not jeopardize an employee's current status.
 - g. An employee desiring to interview on Company time shall first obtain permission and if granted, arrange the interview schedule in advance with his/her current supervisor.
3. Applications may be submitted by laid off employees for a period of sixty (60) calendar days following the effective day of layoff or last day worked, whichever comes first. Thereafter, laid off employees may submit regular employment applications for positions listed.
 4. All terms of this supplemental agreement shall apply except that employees on layoff are exempt from 2(d).
 5. Employees on layoff are responsible for obtaining job information and properly submitting applications.
 6. Interviewing supervision shall provide the applicant information as to his/her status after an interview.

Supplemental Agreement #20

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This letter shall confirm our mutual understanding on the issue of the separation of work in the California Engineering development laboratories defined as "Engineering" work and that work which shall be performed by E.A.S.T. bargaining unit classifications. It is the intent of the Parties, the Company, and the Union to make a collaborative effort to define the duties of the bargaining vs. non-bargaining work and to assign that work appropriately. That effort will require an attitude and atmosphere of trust, communication, and cooperation between the Parties in order to minimize future disagreements as to the appropriate assignment of work.

In an attempt to define the distinctions between the Bargaining vs. Non-bargaining technical support, the Parties agree that the following guidelines shall be established to assist in that effort and ultimately in the appropriate assignment of work. The following examples can be defined (but not limited to) engineering work:

- a. Design, design validation and design of experiment
- b. Design of prime hardware and test procedures
- c. Analysis of designs
- d. Breadboard and breadboard validation
- e. Generation of test procedures, plans and schematics
- f. Test design and validation
- g. Software development
- h. First article robust design and product functionality
- i. Computer-Aided Design (CAD)
- j. Specialized or experimental component and materials analysis, reliability and qualification testing
- k. Troubleshooting of hardware where problems are beyond capability of non-engineering support
- l. Initial engineering assessment of non-standard field and factory returns
- m. Primary customer / supplier interface
- n. Use of hands and automated tools / equipment to prove original designs

Supplemental Agreement #20

K. G. Dodd
May 23, 2005
Page 2

Within a structure that is more established, defined and detailed, bargaining unit personnel are expected to assist in all of the above with the direction and guidance of the engineer. In addition to assisting in the above, the primary responsibilities of the bargaining unit include:

- A. Testing where guidelines and standards have been established
- B. First order troubleshooting
- C. Fabrication and assembly of mechanical, optical and electrical designs

Methodology:

- 1) As a basic criteria for distinguishing bargaining unit from non-bargaining unit work, the Company will identify salaried support engineers that appear to be spending the preponderance of their time doing A, B, or C above, within that defined structure
- 2) Management will distribute these guidelines and train supervision on the above criteria and identify work and personnel that meet those criteria
- 3) If the work is determined to be bargaining unit work, it will be appropriately assigned
- 4) The parties agree that non-exempt technical support personnel will not perform bargaining unit work as described in this Memorandum of Understanding.
- 5) All non-exempt technical support personnel as set forth in the attached appendix will be assigned to be a Bargaining Unit Job Classification. The necessary administrative tasks to convert the employees currently classified, as Engineering Support Specialists to bargaining unit status will be completed no later than December 31, 2001.
- 6) The Company and the Union agree, where appropriate, to populate existing Product Development Technician classifications to accommodate personnel transferred to the bargaining unit as a result of this agreement. However, where such a fit does not exist, new classification(s) will need to be generated.
- 7) All employees converted to Bargaining Unit classifications will be credited with Bargaining Unit Seniority equal to their individual benefit dates. The benefit date seniority will be used only in the classification entered as a result of this action. An employee who may later transfer to another job classification will be credited with seniority in accordance with the date they were transferred to the Bargaining Unit, pursuant to this agreement.

Supplemental Agreement #20

K. G. Dodd
May 23, 2005
Page 3

- 8) It is further agreed that those employees grandfathered under this agreement will continue to receive general wage increases per the Collective Bargaining Agreement.
- 9) Employees who are later converted to the Bargaining Unit within 1 year of this agreement will be credited with seniority, according to this Memorandum of Understanding.

Footnote: The parties agree that developmental work will be assigned to employees in the appropriate job classification.

Supplemental Agreement #21

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This Supplemental Agreement will confirm our mutual understanding with respect to Retiree Medical Benefits.

The Company shall continue to provide the below amounts towards the cost of Retiree Medical coverage for eligible retirees, their spouses, and their dependents:

	Retiree or Spouse or Child(ren)	Retiree & Spouse	Retiree or Spouse & Child(ren)	Retiree & Family
Kaiser	\$234.08	\$509.10	\$463.61	\$653.44
Health Net HMO	\$178.30	\$400.72	\$345.94	\$543.43
Health Net POS	\$256.43	\$571.23	\$501.61	\$782.51

Supplemental Agreement #22

May 23, 2005

Electronic and Space Technicians
Local #1553
13144 So. Prairie Avenue
Hawthorne, CA 90250

Attention: K. G. Dodd, Senior Business Representative

Dear Mr. Dodd:

This letter shall confirm the existence of four (4) Letters of Understanding agreed to by the parties during negotiations.

The parties reached agreements as documented by the following Letters of Understanding:

1. Job Classification Appendices
2. Seniority for Occupational Illness or Injury
3. Bi-weekly Payroll and Vacation Advances
4. Stock Clerk Upgrade

CLASSIFICATION APPENDIX

APPLICATION OF JOB CLASSIFICATIONS

The following governs the interpretation of all job descriptions:

1. Job descriptions are not intended to list or describe all work operations or tasks performed within a classification. The job description lists typical and normal requirements. These requirements may not fit all specific individual work assignments, but they illustrate characteristics of the job and define the level of difficulty of work. Job descriptions are typically broader than any employees normal work assignment, however, employees may be assigned to work within the full scope of their job classification description provided they are given appropriate orientation/training.
2. An employee's job duties may include parts of other classifications, either lower or lateral which are related to the work process and necessary to get the job done. This Section is not to be used to circumvent the integrity of the Bargaining Unit classifications. It is not the intent of the Company to use this Section to replace jobs on a full time basis with other classifications.
3. The following are incorporated in each job classification description:
 - a. Housekeeping and cleaning tasks in the work area as necessary for safety and cleanliness.
 - b. Employees may assist fellow employees on a voluntary basis.
 - c. Involvement in continuous measurable improvement activities such as, collection of data, development and display of metrics and process improvements associated with the employees normal job duties.
4. Training for the purpose of obtaining certification in a higher labor grade shall not be the only basis for upgrade to the higher classification.
5. The definition of integrity as used in this Classification Appendix includes the job duties as stated in each job description mutually agreed to in the Collective Bargaining Agreement.

JOB CODE	JOB TITLE	LABOR GRADE
40203	AIR CONDITIONING & REFRIGERATION MECHANIC A	23
40204	AIR CONDITIONING & REFRIGERATION MECHANIC B	13
40333	AIRCRAFT GROUND SUPPORT EQUIPMENT MECH A	24
40334	AIRCRAFT GROUND SUPPORT EQUIPMENT MECH B	14
40213	AIRCRAFT MAINTENANCE MECHANIC	14
40215	AIRCRAFT MAINTENANCE MECH HELPER	09
40216	AIRCRAFT MAINTENANCE MECHANIC SR	24
41153	ASSEMBLER BRAZING	06
41163	ASSEMBLER ELECTROMECHANICAL	02
41363	ASSEMBLER ELECTRONIC	06
41343	ASSEMBLER ELECTRONIC ASSEMBLY	11
41253	ASSEMBLER ELECTRONIC DEVELOPMENTAL	11
41303	ASSEMBLER ELECTRONIC EXPERIMENTAL LAB A	11
41304	ASSEMBLER ELECTRONIC EXPERIMENTAL LAB B	06
41373	ASSEMBLER ELECTRONIC MICROWAVE DEVICES	11
41383	ASSEMBLER ELECTRONIC TRIDENT PROGRAM	07
41393	ASSEMBLER ELECTRICAL ELECTRONICS DIVISION	11
41473	ASSEMBLER INSTALLER STRUCTURES A	14
41474	ASSEMBLER INSTALLER STRUCTURES B	11
41475	ASSEMBLER INSTALLER STRUCTURES C	06
41523	ASSEMBLER MASTER SR.	13
41524	ASSEMBLER MASTER	07
41535	ASSEMBLER MICROELECTRONIC COMPONENTS C	11
41534	ASSEMBLER MICROELECTRONIC COMPONENTS B	14
41533	ASSEMBLER MICROELECTRONIC COMPONENTS A	22
41536	ASSEMBLER MICROELECTRONIC COMPONENTS SR	24
41573	ASSEMBLER MICROWELD	02
41576	ASSEMBLER MICROWELD SR	05
41553	ASSEMBLER PRECISION A	15
41554	ASSEMBLER PRECISION B	11
41555	ASSEMBLER PRECISION C	06
41653	ASSEMBLER SEMICONDUCTOR	06
41663	ASSEMBLER SEMICONDUCTOR DEVICES EXPERIMENTAL	09
41713	ASSEMBLER SUPPORT MECH	12
41483	ASSEMBLER SYSTEMS ELECTROMECHANICAL A	09
41484	ASSEMBLER SYSTEMS ELECTROMECHANICAL B	06
42116	AUTOMATED EQUIPMENT TECHNICIAN	24
42123	AUTOMATIC REFLOW SOLDER MACHINE OPERATOR A	11
42124	AUTOMATIC REFLOW SOLDER MACHINE OPERATOR B	06
42213	AUTOMATIC WIRE LAYING MACHINE MECHANIC	14
42253	AUTOMOTIVE MECHANIC A	20
42254	AUTOMOTIVE MECHANIC B	12

71503	BLUEPRINT CONTROL CLERK A	08
71504	BLUEPRINT CONTROL CLERK B	04
71603	BLUEPRINTER A	08
71604	BLUEPRINTER B	04
43103	BRAIDING MACHINE OPERATOR	06
43453	BURRER HAND & POWER	06
43613	CABLE/BRAIDING MACHINE OPERATOR	10
43903	CARPENTER MAINTENANCE A	20
43904	CARPENTER MAINTENANCE B	14
44113	CERAMIC METALIZER A	07
44114	CERAMIC METALIZER B	02
72603	CHANGE PROCESSOR A	18
72604	CHANGE PROCESSOR B	13
72605	CHANGE PROCESSOR C	09
45853	CRATER/PACKER A	14
45854	CRATER/PACKER B	09
46073	CUSTODIAN	05
46083	CUSTODIAN GENERAL	07
88504	DST INTEGRATION B	14
88503	DST INTEGRATION A	22
88506	DST INTEGRATION SR	24
46603	EARTH MOVING EQUIPMENT OPERATOR	16
46823	ELECTROFORMING TECHNICIAN	22
46863	ELECTROMECHANICAL SHEET METAL LAB TECH.	18
46866	E-MEC/SHEET MTL LAB TECH SR	24
46833	ELECTROMECHANICAL TECHNICIAN A	22
46834	ELECTROMECHANICAL TECHNICIAN B	14
46835	ELECTROMECHANICAL TECHNICIAN C	09
46836	ELECTROMECHANICAL TECHNICIAN SR	24
46843	ELECTRONIC SERVICE TECHNICIAN A	22
46844	ELECTRONIC SERVICE TECHNICIAN B	14
46846	ELECTRONIC SERVICE TECHNICIAN SR	24
47053	ELECTROPLATER	12
47103	ELECTROPLATER EXPERIMENTAL	17
47163	ELECTROPLATER PRECIOUS METALS	13
47206	ENGINEERING SPPT ELECT SPECIALIST	24
47803	ENGRAVER JOURNEYMAN	14
47953	ENGRAVER PRODUCTION	10
48323	ETCHED CIRCUITRY ASSEMBLER DEVELOPMENTAL	07
48343	ETCHED CIRCUITRY FILM TECHNICIAN	17
48403	ETCHED CIRCUITRY PROCESSOR	06
48413	ETCHED CIRCUITRY PROCESSOR ETCH & CLEAN A	09
48453	EXPEDITOR A	15
61006	FABRICATOR PHOTO SR	07
48573	FACT TESTER	11

77163	FIELD MATERIAL & ACCOUNTABILITY WORKER	14
77183	FIELD MATERIAL WORKER	11
48843	FLIGHT LINE AVIONICS TECHNICIAN A	22
48844	FLIGHT LINE AVIONICS TECHNICIAN B	14
48846	FLIGHT LINE AVIONICS TECHNICIAN SR.	24
48953	FLIGHT TST MODIFICATION MECHANIC A	24
48954	FLIGHT TST MODIFICATION MECHANIC B	14
48993	FLOW SOLDER MACHINE OPERATOR	09
49103	GARAGE SERVICE ATTENDANT	08
49203	GARDENER	13
50683	HELPER MAINTENANCE	09
50903	INFRARED TECHNICIAN A	22
50904	INFRARED TECHNICIAN B	14
51033	INSPECTOR BONDING	14
51043	INSPECTOR CIRCUIT BOARDS	11
51143	INSPECTOR ELECTRO-OPTOMECHANICAL A	22
51144	INSPECTOR ELECTRO-OPTOMECHANICAL B	14
51146	INSPECTOR ELECTRO-OPTOMECHANICAL SR	24
51203	INSPECTOR ELECTRONIC ASSEMBLY A	12
51204	INSPECTOR ELECTRONIC ASSEMBLY B	07
51243	INSPECTOR ELECTRONIC FINAL ACCEPTANCE	18
51603	INSPECTOR FLIGHT & SERVICE	24
51703	INSPECTOR GAUGES A	22
51706	INSPECTOR GAUGES SR	24
51793	INSPECTOR LABORATORY FABRICATION	23
51903	INSPECTOR MACHINED PARTS A	22
51904	INSPECTOR MACHINED PARTS B	14
52424	INSPECTOR PRECISION ASSEMBLY B	13
52603	INSPECTOR RECEIVING A	13
52604	INSPECTOR RECEIVING B	09
52703	INSPECTOR SHIPPING A	13
52704	INSPECTOR SHIPPING B	09
53004	INSPECTOR TOOLING B	18
51923	INSPECTOR TOOLING/MACHINED PARTS PROTOTYPE	24
51933	INSPECTOR TRIDENT TEAM B	15
51934	INSPECTOR TRIDENT TEAM A	16
53323	INSTRUMENT TECHNICIAN A	22
53324	INSTRUMENT TECHNICIAN B	14
53326	INSTRUMENT TECHNICIAN SR	24
50963	ION IMPLANT OPERATOR	07
54503	LASER EL OP TECH A	22
54504	LASER EL OP TECH B	14
54506	LASER EL OP TECH SR	24
54553	LAYOUT ELECTRONIC WIRING A	22
54554	LAYOUT ELECTRONIC WIRING B	14

54555	LAYOUT ELECTRONIC WIRING C	09
54623	LIFT TRUCK OPERATOR A	11
54624	LIFT TRUCK OPERATOR B	06
55453	MACHINIST PRECISION A	22
55454	MACHINIST PRECISION B	14
55483	MACHINIST PROTOTYPE/TOOL AND DIE MAKER	24
55623	MAINTENANCE MECHANIC A	20
55624	MAINTENANCE MECHANIC B	14
55633	MAINTENANCE SPECIALIST A	24
55634	MAINTENANCE SPECIALIST B	18
55638	MAINTENANCE SPECIALIST C	11
55723	MATERIAL CONTROL CLERK	05
55743	MATERIAL HANDLER	04
55803	MATERIAL ORDER WRITER A	14
55804	MATERIAL ORDER WRITER B	10
55873	MECHANIC NUMERICAL CONTROL	23
55913	MECHANIC VACUUM SYSTEMS A	22
55914	MECHANIC VACUUM SYSTEMS B	17
55923	MEMBER OF HYBRID PRODUCTION STAFF	12
55933	MEMBER OF LTCC PRODUCTION STAFF	11
57103	METAL FITTER A	17
85503	MOTOR TRANSPORTATION DISPATCHER	22
58013	NUMERICAL CONTROL MACHINE TENDER	08
58023	NUMERICAL CONTROL MACHINE TOOL OPERATOR	19
58026	N/C MACHINE TOOL OPERATOR SR	24
58153	OFFICE EQUIPMENT MECHANIC A	19
58154	OFFICE EQUIPMENT MECHANIC B	12
86983	OFFSET PRESS OPERATOR A	12
86984	OFFSET PRESS OPERATOR B	08
86985	OFFSET PRESS OPERATOR C	04
86986	OFFSET PRESS OPERATOR SR	16
58303	OILER	09
58313	OPTOMECHANICAL TECHNICIAN A	22
58314	OPTOMECHANICAL TECHNICIAN B	14
58316	OPTOMECHANICAL TECHNICIAN SR	24
58563	PAINTER LABORATORY	15
58603	PAINTER MAINTENANCE A	15
58604	PAINTER MAINTENANCE B	10
58703	PAINTER SPRAY A	14
58704	PAINTER SPRAY B	09
58705	PAINTER SPRAY C	05
58803	PAINTER STENCIL	05
58806	PAINTER STENCIL SR	07
58543	PAINTER STRUCTURAL FINAL FINISH	15
58943	PARTS MASKER	02

88524	PDT DIGITAL INTEGRATION B	14
88523	PDT DIGITAL INTEGRATION A	22
88526	PDT DIGITAL INTEGRATION SR	24
88554	PDT ELECTROMAGNETIC B	14
88553	PDT ELECTROMAGNETIC A	22
88556	PDT ELECTROMAGNETIC SR	24
88544	PDT ELECTRONIC COMPONENTS B	14
88543	PDT ELECTRONIC COMPONENTS A	22
88546	PDT ELECTRONIC COMPONENTS SR	24
88574	PDT HYBRID MECHANICAL UNIT B	14
88573	PDT HYBRID MECHANICAL UNIT A	22
88576	PDT HYBRID MECHANICAL UNIT SR	24
88564	PDT HYBRID MICRO-INTEGRATED CIRCUIT B	14
88563	PDT HYBRID MICRO-INTEGRATED CIRCUIT A	22
88566	PDT HYBRID MICRO-INTEGRATED CIRCUIT SR	24
88586	PDT MW ANTENNA RCS SR	24
88674	PDT MW COMPONENTS B	14
88673	PDT MW COMPONENTS A	22
88676	PDT MW COMPONENTS SR	24
88664	PDT MW INTEGRATED CIRCUITS B	14
88663	PDT MW INTEGRATED CIRCUITS A	22
88666	PDT MW INTEGRATED CIRCUITS SR	24
88604	PDT MW RECEIVER UNIT B	14
88603	PDT MW RECEIVER UNIT A	22
88606	PDT MW RECEIVER UNIT SR	24
88686	PDT MW TECH MW/RF DEVICES SR	24
88683	PDT MW TECH MW/RF DEVICES A	22
88624	PDT MW TRANSMITTER UNIT B	14
88623	PDT MW TRANSMITTER UNIT A	22
88626	PDT MW Transmitter Unit SR	24
88644	PDT OPTO-MECHANICAL COMPONENTS B	14
88643	PDT OPTO-MECHANICAL COMPONENTS A	22
88646	PDT OPTO-MECHANICAL COMPONENTS SR	24
59553	PLASTICS FABRICATOR A	09
59554	PLASTICS FABRICATOR B	06
59556	PLASTICS FABRICATOR SR	14
59573	PLASTICS TECHNICIAN A	22
59574	PLASTICS TECHNICIAN B	14
59576	PLASTICS TECHNICIAN SR	24
59803	PLUMBER MAINTENANCE A	21
59804	PLUMBER MAINTENANCE B	14
60653	PRECISION MICROWAVE MECHANIC A	20
60654	PRECISION MICROWAVE MECHANIC B	14
60656	PRECISION MW MECHANIC SR	22
60903	PROCESS HELPER A	06

60904	PROCESS HELPER B	03
61043	PROCESS OPERATOR SEMICONDUCTOR	07
60983	PROCESSOR MATERIAL DECONTAMINATION A	11
60913	PROCESSOR MICROCIRCUIT A	08
60914	PROCESSOR MICROCIRCUIT B	03
60993	PROCESSOR PARYLENE COATING A	11
60994	PROCESSOR PARYLENE COATING B	06
61033	PRODUCTION JOURNEYMAN MACHINIST	22
61023	PRODUCTION MACHINE MACHINIST	18
61013	PRODUCTION MACHINE OPERATOR	09
61016	PRODUCTION MACHINE OPERATOR SR	14
61303	PUNCH PRESS OPERATOR A	14
61304	PUNCH PRESS OPERATOR B	09
60703	PWB FAB ASSEM A - RSG	12
60704	PWB FAB ASSEM B - RSG	09
60705	PWB FAB ASSEM C - RSG	04
59105	RECEIVING INSPECTOR TEST C	14
59104	RECEIVING INSPECTOR TEST B	16
59103	RECEIVING INSPECTOR TEST A	20
59106	RECEIVING INSPECTOR TEST SR	24
62453	SAW OPERATOR A	10
62454	SAW OPERATOR B	06
62553	SAW OPERATOR PRECISION	12
62653	SEMI-RIGID COAX MAKER	06
62693	SEMI-RIGID COAX MAKER - DEVELOPMENTAL	09
62853	SHEAR OPERATOR SQUARE A	10
62903	SHEET METAL MECHANIC DEVELOPMENTAL	18
62923	SHEET METAL MECHANIC LABORATORY	23
92313	SHIPPING/RECEIVING CLERK	09
92333	SHOP CLERK	05
92343	SHOP CLERK GENERAL	07
92356	SHOP CLERK SR	09
61133	SILK SCREEN FABRICATOR A	16
61134	SILK SCREEN FABRICATOR B	11
63163	SILK SCREEN PRINTER A	13
93503	STOCK CLERK A	09
93523	STOCK CLERK SR	14
64453	SYMBOLIZER MICROELECTRONIC	05
67343	TEST EQUIPMENT FABRICATION TECHNICIAN A	22
67344	TEST EQUIPMENT FABRICATION TECHNICIAN B	14
67345	TEST EQUIPMENT FABRICATION TECHNICIAN C	09
67346	TEST EQUIPMENT FABRICATION TECHNICIAN SR	24
67293	TEST TECHNICIAN COMPONENTS A	13
67294	TEST TECHNICIAN COMPONENTS B	09
67295	TEST TECHNICIAN COMPONENTS C	06

67323	TEST TECHNICIAN ELECTRONIC A	22
67324	TEST TECHNICIAN ELECTRONIC B	17
67325	TEST TECHNICIAN ELECTRONIC C	13
67326	TEST TECHNICIAN ELECTRONIC SR	24
67333	TEST TECHNICIAN ENVIRONMENTAL A	22
67334	TEST TECHNICIAN ENVIRONMENTAL B	14
67336	TEST TECHNICIAN ENVIRONMENTAL SR	24
67303	TEST TECHNICIAN MICROCIRCUIT A	22
67304	TEST TECHNICIAN MICROCIRCUIT B	14
67306	TEST TECHNICIAN MICROCIRCUIT SR	24
64713	TESTER MICROCIRCUIT	05
64716	TESTER MICROCIRCUIT SR	10
67384	TEST TECH MW DEVICES B	14
67383	TEST TECH MW DEVICES A	22
67386	TEST TECH MW DEVICES SR	24
64913	TESTER SEMICONDUCTOR	05
95303	TIMEKEEPER A	10
95304	TIMEKEEPER B	06
65623	TOOL CRIB OPERATOR	09
66396	TRIDENT PRODUCTION TEAM MEMBER SR	19
66396	TRIDENT PRODUCTION TEAM MEMBER A	13
67274	TRIMMER MICROELECTRONIC B	02
67276	TRIMMER MICROELECTRONIC SR	09
66453	TRUCK DRIVER	18
66603	TRUCK DRIVER COMBINATION	21
67353	UTILITY WORKER A	09
67354	UTILITY WORKER B	04
67403	VACUUM DEPOSITION EQUIPMENT OPERATOR A	09
67404	VACUUM DEPOSITION EQUIPMENT OPERATOR B	05
97353	WAREHOUSE WORKER	11
67583	WAVEGUIDE TECHNICIAN A ES	22
67584	WAVEGUIDE TECHNICIAN B ES	14
67586	WAVEGUIDE TECHNICIAN SR ES	24
67616	WELDOR - EAST	23
69603	WIRE WRAP MACHINE OPERATOR	14

JOB CODE CODING

A basic Job Code Number, consisting of four (4) digits is assigned to each occupation. A fifth digit must be added to denote the grade of the occupation as follows:

Working Leader Sr.....	Add 0
Working Leader A.....	Add 1
Working Leader B.....	Add 2
"A" Grade.....	Add 3
"B" Grade.....	Add 4
"C" Grade.....	Add 5
Senior Grade.....	Add 6
Trainee.....	Add 8

For example, the basic code for the occupation of Assembler-Precision is 4155. The code for the classification, Assembler-Precision "A" is 41553; for the "B" grade, 41554, etc.

Where the "B" or "C" grades are not shown, these will be added when needed with applicable rate ranges below the "A" and "B" grades respectively.

APPRENTICE SCHEDULE

The base rate for employees entering apprenticeship training is computed on the base rate range maximum then in effect for which the employee is serving an apprenticeship as follows:

Appren Supp Tech	\$1.54 below the maximum of Labor Grade 22
Appren Machinist	\$1.70 below the maximum of Labor Grade 22
Appren Tool and Die Maker	\$1.70 below the maximum of Labor Grade 22


Base rate increases for the respective six month periods shall be as follows:

		End	End	End	End	End	End	End	End
	Job	1st	2nd	3rd	4th	5th	6th	7th	8th
	<u>Code</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>
	<u>Mos</u>	<u>Mos</u>	<u>Mos</u>	<u>Mos</u>	<u>Mos</u>	<u>Mos</u>	<u>Mos</u>	<u>Mos</u>	<u>Mos</u>
Apprn									
Sup Tech	40563	\$.24	\$.24	\$.24	\$.24	\$.24	\$.24	\$.00	\$.00
Apprn									
Machinist	40653	.20	.20	.20	.20	.20	.20	.20	.20
Apprn Tl &									
Die Maker	40803	.20	.20	.20	.20	.20	.20	.20	.20

Individual employee rates are subject to approval by the Joint Apprenticeship Committee.

THIS AGREEMENT was executed on the 23rd day of May, 2005 by the parties hereto as evidenced by the following signatures:

FOR THE UNION:



Kevin G. Dodd
Sr. Business Representative
E.A.S.T., Local #1553



Errol G. Jackson
Asst. Sr. Business Representative
E.A.S.T., Local #1553



Steve M. Griggs
Financial Secretary
E.A.S.T., Local #1553

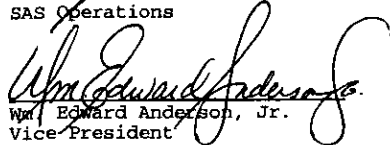


Kenneth M. Keyser
Recording Secretary
E.A.S.T., Local #1553

FOR THE COMPANY:



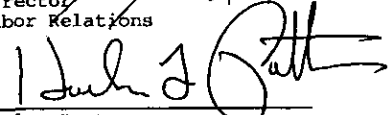
Richard B. Johnston
Vice President
SAS Operations



Wm. Edward Anderson, Jr.
Vice President
SAS Human Resources



Karen S. Seigel
Director
Labor Relations



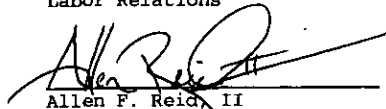
Harlan Patterson
Director
Operations



Dawn C. Garrett
Director
Operations



Raul Pichardo
Manager
Labor Relations



Allen F. Reid, II
Human Resources Consultant
Operations