

**C-17 Training System**

**COLLECTIVE BARGAINING  
AGREEMENT**

**BETWEEN**

**BOEING AEROSPACE OPERATIONS**

**AND**

**INTERNATIONAL ASSOCIATION OF  
MACHINISTS AND AEROSPACE WORKERS,  
AFL-CIO**

**AND**

**Altus AFB, OK  
District Lodge 171, Local Lodge 135**

**Joint Base Lewis-McChord, WA  
District Lodge 751, Local Lodge 751-C**

**Effective: November 30, 2019 – February 11, 2023**

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**BOEING AEROSPACE OPERATIONS  
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**AFL-CIO**

**AND ITS**

**DISTRICT LODGE 171, LOCAL LODGE 135 (ALTUS AFB, OK)  
DISTRICT LODGE 751, LOCAL LODGE 751-C (JOINT BASE  
LEWIS-MCCHORD, WA)**

**THIS AGREEMENT**, dated as of the 26<sup>th</sup> day of October 2019, by and between Boeing Aerospace Operations (hereinafter referred to as "the Company") and the International Association of Machinists and Aerospace Workers, AFL-CIO, District Lodge 171 and its Local Lodge 135 at Altus AFB, OK; and District Lodge 751 and its Local Lodge 751-C at Joint Base Lewis-McChord, WA (hereinafter referred to as "the Union").

**WITNESSETH** that

**WHEREAS**, the Union is the exclusive bargaining agent of certain employees of the Company, and

**WHEREAS**, the Union and the Company have negotiated a Collective Bargaining Agreement covering wages, hours and other employment, and

**WHEREAS**, the parties desire to reduce the agreement to writing.

**NOW, THEREFORE**, in consideration of the mutual promises hereinafter set forth, the parties hereto agree as follows:

## **ARTICLE 1 RECOGNITION**

**Section 1.1 Recognition.** The Company recognizes the International Association of Machinists and Aerospace workers, AFL-CIO, District Lodge 171 and its Local Lodge 135 at Altus AFB, OK; and District Lodge 751 and its Local Lodge 751-C at Joint Base Lewis-McChord, WA as the sole and exclusive bargaining agent with respect to rates of pay, wages, hours of work and all other conditions of employment for all employees covered by this Agreement.

**Section 1.2 Bargaining Unit.** The Company and the Union agree that the employees covered by this agreement shall consist of the following: Designated employees of Boeing Aerospace Operations on the C-17 Training System, under the United States Air Force Contract Number FA8621-15-D-6266 (Delivery Order Number FA8621-18-F-6257) at Altus AFB, OK; Joint Base Lewis-McChord, WA; and any other locations covered under this contract. Excluded from the unit are all supervisors and managers, and security personnel, as defined by the National Labor Relations Act; and all other employees of BAO or its parent organization, including those employees on contracts other than those identified above.

## **ARTICLE 2 RIGHTS OF MANAGEMENT**

The management of the Company and the direction of the work force is vested exclusively in the Company subject to the terms of this Agreement. All matters not specifically and expressly covered or treated by the language of this Agreement may be administered for its duration by the Company in accordance with such policy or procedure as the Company from time to time may determine. The Company does have the right to subcontract work and designate the work to be performed by the Company and the places where it is to be performed, which right shall not be subject to arbitration. The Company will not arbitrarily diminish or deplete the Bargaining Unit with the use of subcontractors or by moving work off site.

## **ARTICLE 3**

### **UNION AND COMPANY RELATIONS**

**Section 3.1 Union Activity During Working Time.** Solicitation of Union membership, collection or checking of dues, will not be permitted during working hours. The Company agrees not to discriminate in any way against any employee for the filing of complaints or grievances or for Union activity. Any employee engaged in unsanctioned Union activity during working time, except as specifically allowed by the provisions of this Agreement, or by other agreement between the Company and the Union, is subject to disciplinary action.

**Section 3.2 Strikes and Lockouts.** The Union agrees that during the terms of this Agreement and regardless of whether an unfair labor practice is alleged (a) there will be no strike, slow-down, sit-down, or walk-out and (b) the Union will not directly or indirectly authorize, encourage or approve any refusal on the part of employees to proceed to the location or normal work assignment where no rare or unusual physical hazard is involved in proceeding to such location. Any employee who violates this clause shall be subject to discipline. The Company agrees that during the term of this Agreement there will be no lockout of employees covered by this Agreement. Any claim by either party of a violation of this Section 3.2 shall not be subject to the grievance procedure or arbitration provisions of this Agreement and the party shall have the right to submit such claim to the courts.

#### **Section 3.3 Union Security & Checkoff.**

**3.3(a)** During the term of this Agreement, insofar as permitted by State and Federal law all employees in the bargaining unit now or hereafter employed shall, as a condition of continued employment, become and remain members in good standing in the Union or pay applicable service fees commencing thirty-one (31) days following the beginning of such employment or the effective date of this Agreement, whichever is later.

**3.3(b)** During the term of this Agreement, the Company, insofar as permitted by State and Federal law, shall deduct out of the current net earnings payable to an employee covered by this Agreement, applicable Union dues or agency service fees, initiation fees and reinstatement fees, upon receipt of and in accordance with a legally valid deduction authorization, duly executed by the employee, on a

document provided by the Union. The Company shall continue deductions until such authorization is duly revoked by the employee.

**3.3(c)** Deductions from money due the employee pursuant to the Article shall be made from the net earnings due the employee on the first regular payday of each month. Such payroll deductions shall be made by the Company beginning with the first payroll period of the next month commencing after receipt by the Company of the executed authorization form.

**3.3(d)** In the event an employee does not have sufficient earnings on a regular payday to cover the amount of said deductions for that payday, the Company shall make such deduction from the earnings due the employee on the next regular payday. Except as provided above, deductions for applicable service fees or dues shall be for the current pay period only.

**3.3(e)** Deductions shall be remitted to the Financial Secretary of District Lodge 751 not later than fifteen (15) days following the last pay day of each month. The Company shall furnish to the Financial Secretary at the time, a list showing those employees for whom deductions have been made and the amount thereof.

**3.3(f)** The Union will indemnify and hold the Company for any financial liabilities that shall arise out of or by reason of any action taken by the Company for the purpose of complying with the forgoing provisions of this Article or in reliance on any authorization or certificate that shall have been furnished to the Company under such provisions.

**Section 3.4 Business Representative/Grand Lodge Representatives - Access to Work Site.** The Business Representative/Grand Lodge Representative of the Union shall have access to the Company work sites during working hours for the purpose of conducting legitimate Union business pertaining to this Agreement including, but not limited to, the investigation and advising in the handling of grievances, and the Company will not impose regulations which will render the intent of this provision ineffective. The necessary Company badges and credentials will be available to the Business Representative/Grand Lodge Representative during working hours. The Union shall keep the Company Manager of Human Resources currently informed in writing of the name of the

accredited Business Representative/Grand Lodge Representative.

**Section 3.5 Shop Stewards.** The Union may select not to exceed, except by mutual agreement, one employee as shop steward for each program at each location. The Union may also select one (1) alternate for each steward, but the alternate shall not function as a steward except in the absence of the regular shop steward. The Union shall keep the Company Manager of Human Resources currently informed in writing of the names of the accredited shop stewards. An employee while serving as a shop steward shall not be surplussed, transferred or loaned from his job classification so long as other employees remain in his job classification and on the shift he is designated shop steward.

**Section 3.6 Departure from Work Assignment by Stewards to Investigate Complaints or Claims of Grievance.** Each steward shall notify and obtain permission from his supervisor before leaving his work assignment for the purpose of investigating complaints or claims of grievance on the part of employees or the Union or contacting the Business Representative/Grand Lodge Representative in regard to such claim or grievance. Such permission shall be granted except where there is a substantial reason for delaying the contact or the investigation due to safety conditions or the fact that a critical operation is in process. The supervisor may be present during any discussion relating to any complaint or grievance. However, upon the request of an employee or steward, the supervisor shall authorize a steward to participate in a private discussion with an employee, Business Representative/Grand Lodge Representative, or his designee, relating to a complaint or grievance. Discussions of the type described in Section 3.10 shall be conducted without requiring the employee or steward to clock out provided the discussion does not extend beyond the time that the supervisor considers reasonable under the circumstances.

**Section 3.7 Bulletin Boards.** The Company will provide bulletin boards for the use of the Union at locations mutually agreed to. Their use will be restricted to the following:

- (a) Notices of Union meetings;
- (b) Notices of Union elections and results thereof;
- (c) Notices of Union recreational and social affairs;
- (d) Such other notices as are mutually agreed upon.

Only notices approved by the Business Representative/Grand Lodge

Representative, or his designee, authorized in writing by the Union and approved by the Company may be placed on the bulletin boards.

**Section 3.8** Nothing in this Agreement is intended to abridge the right of a supervisor to privately discuss with any employee under his or her supervision topics pertinent to the work place, including but not limited to, the employee's job performance.

**Section 3.9 Joint Meetings.** Should either party desire to discuss with the other any matter affecting generally the relationship of the parties, a meeting of Union and Company representatives shall be arranged upon request of either party. Such meeting shall take place at a time mutually convenient to both parties. Any use of Company time for attendance at such meetings shall be arranged in advance by mutual agreement.

This Section is intended to provide a free avenue of communication between the Union and the Company, and suggestions, complaints, or other matters may be presented by either party, provided that neither party shall be required to discuss any item brought up by the other party nor be bound to act upon any item presented. However, both parties agree to discuss informal grievances and complaints.

## **ARTICLE 4 GRIEVANCE PROCEDURE AND ARBITRATION**

**Section 4.1 Establishment of Grievance and Arbitration Procedure.** Grievance or complaints arising between the Company and its employees subject to this Agreement, or the Company and the Union, with respect to the interpretation or application of any of the terms of this Agreement, shall be settled according to the following procedure. Subject to the terms of this Article relating to cases of dismissal or suspension for cause or of involuntary resignation, only matters dealing with the interpretation or application of terms of this Agreement shall be subject to this grievance procedure.

**Section 4.2 Employee Grievances.** In the case of grievances on behalf of employees and subject to the further provisions of Section 4.3 below, relating to cases of layoff or dismissal or suspension for cause of involuntary resignation:

**STEP 1. Oral Discussion.** The employee shall first discuss his



grievance with the Steward and if the Steward considers the grievance to be valid then the employee and the Steward will contact the employee's supervisor and will attempt to effect a settlement of the complaint. This procedure, however, will not prevent an employee from contacting his supervisor if he so chooses. If the purpose of the employee's contacting his supervisor is to adjust the grievance, the Steward shall be given an opportunity to be present and such adjustment shall be in conformity with this Agreement.

**STEP 2. Grievance Reduced to Writing.** Handling at Supervisory Level. If no settlement is reached in Step 1, the Steward, if he considered the grievance to be valid, may at any time reduce to writing a statement of the grievance or complaint, which the grievant must sign, and it shall contain the following:

- (a) The facts upon which the grievance is based.
- (b) Reference to the section or sections of the Agreement alleged to have been violated (this will not be applicable in cases of dismissal or suspension for cause or of involuntary resignation).
- (c) The remedy sought.

The Steward shall sign and submit the written statement of grievance to the supervisor for his consideration, with a copy to the designated representative of the Company. After such submission, the supervisor and the Steward may, within the next five (5) workdays, unless mutually extended, settle the written grievance and, over their signatures indicate the disposition made thereof. Otherwise, promptly after the expiration of such five (5) day period, or agreed extension thereof, the supervisor and the Steward shall sign the grievance and their signatures will indicate that the grievance has been discussed and reconsidered by them and that no settlement has been reached.

**STEP 3. Written Grievance Handling at Business Representative/Grand Lodge Representative/Company Representative Level.** If no settlement is reached in Step 2 within the specified or agreed time limits, the Business Representative/Grand Lodge Representative or his designee may

at any time thereafter submit the grievance to the designated representative of the Company. After such submission, the designated representative of the Company and the Business Representative/Grand Lodge Representative or his designee may, within the next ten (10) workdays, unless mutually extended, settle the grievance and, over their signatures, indicate the disposition made thereof. Otherwise, promptly after the expiration of such ten (10) day period, or agreed extension thereof, the designated representative of the Company and the Business Representative/Grand Lodge Representative, or his designee, shall sign the grievance and their signatures will indicate that the grievance has been discussed and reconsidered by them and that no settlement has been reached.

**STEP 4. Arbitration.** If no settlement is reached in Step 3 within the specified or agreed upon time limits, then either party may in writing, within ten (10) workdays thereafter, request that the matter be submitted to an arbiter for a prompt hearing as hereinafter provided in Sections 4.6 to 4.7, inclusive.

**Section 4.3 Dismissals, Suspensions, Layoff, etc.** In cases of layoff or suspension for cause, or of involuntary resignation, the employee shall be given a copy of the layoff, suspension or termination of service slip, as the case may be, if he is available to be presented with such copy. If he is not available, copies of the slip will be sent to the employee and to the Union office. The employee shall have the right to appeal the action shown on the slip providing the Union files a written grievance with the designated representative of the Company within ten (10) workdays after the date of layoff dismissal, or suspension for cause, or involuntary resignation, or within ten (10) workdays after receipt of the copy of the slip. The written grievance then may be processed through subsequent steps.

**Section 4.4 Union Versus Company.** Processing of grievances, which the Union may have against the Company, shall begin with step 3 and shall be limited to matters dealing with the interpretation or application of terms of this Agreement. Such grievance shall be submitted in writing to the designated representative of the Company, and shall contain the following:

**4.4(a)** Statement of the grievance setting forth the facts upon which the grievance is based.

**4.4(b)** Reference to the section or sections of the Agreement alleged to have been violated.

**4.4(c)** The correction sought.

The grievance shall be signed by the designated representative of the Union. If no settlement is reached within ten (10) workdays (unless mutually extended) from submission of the grievance to the designated representative of the Company, both parties shall sign the grievance and indicate that it has been discussed and reconsidered by them and that no settlement has been reached. Within ten (10) workdays thereafter the Union may in writing request that the matter be submitted to an arbiter for a prompt hearing as hereinafter provided in 4.6 to 4.7, inclusive.

**Section 4.5 Retroactive Compensation.** Grievance claims involving retroactive compensation shall be limited to thirty (30) calendar days; prior to the written submission of the grievance to Company representatives, provided, however, that this thirty (30) day limitation may be waived by mutual consent of the parties.

**Section 4.6 Selection of Arbitrator - From Federal Mediation and Conciliation Service.** The parties shall jointly request the Federal Mediation and Conciliation Service to submit a panel of seven (7) arbitrators. Such requests shall state the general nature of the case and ask that the nominees, be qualified to handle the type of case involved. When notification of the names of the panel of seven (7) arbitrators is received, the parties shall, in turn, have the right to strike a name from the panel until only one name remains. The right to strike the first name shall be determined by lot. The remaining person shall be the arbitrator.

**Section 4.7 Arbitration - Rules of Procedure.** Arbitration pursuant to Step 4 shall be conducted in accordance with the following:

**4.7(a)** The arbitrator shall hear and accept pertinent evidence submitted by both parties and be empowered to request such data as he deems pertinent to the grievance and shall render a decision in writing to both parties within thirty (30) days, unless mutually extended, after the completion of the hearing.

**4.7(b)** The arbitrator shall be authorized to rule and issue a decision in writing on the issue presented for arbitration which decision shall be final and binding on both parties.

**4.7(c)** The arbiter shall rule only on the basis of information presented in the hearing before him and shall refuse to receive any information after the hearing except when there is a mutual agreement, in the presence of both parties.

**4.7(d)** Each party to the proceedings may call such witnesses as may be necessary in the order in which their testimony is to be heard. Such testimony shall be limited to the matters set forth in the written statement of grievance. The arguments of the parties may be supported by oral comment and rebuttal. Either or both parties may submit written briefs with a time period mutually agreed upon. Such arguments of the parties, whether oral or written, shall be confined to and directed at the matters set forth in the grievance.

**4.7(e)** Each party shall pay any compensation and expenses relating to its own witnesses or representatives.

**4.7(f)** The Union or the Company, whichever is ruled against by the arbiter, shall pay the compensation of the arbiter including his necessary expenses.

**4.7(g)** The total cost of the stenographic record (if requested) will be paid by the party requesting it. If the other party also requests a copy, that party will pay one half of the stenographic costs.

**Section 4.8 Extension of Time Limits by Agreement.** Time limits designated in this Article for processing grievances and for bringing a matter to arbitration may only be extended by mutual written consent.

**Section 4.9 Agreement Not to be Altered.** In arriving at any settlement or decision under the provisions of this Article, neither the parties nor the arbiter shall have the authority to alter this Agreement in whole or in part.

**Section 4.10 Conference During Working Hours.** All conferences resulting from the application of provisions contained in this Article shall be held during working hours.

**Section 4.11 Business Representative/Grand Lodge Representative, When Not Available May Authorize Designee.** For any period that the Business Representative/Grand Lodge Representative is unavailable to serve in that capacity under this Article 4, he may designate an accredited

Steward or another accredited Business Representative/Grand Lodge Representative to act for him, as his designee. As to each such period of unavailability, authorization of the designee will be accomplished by the Business Representative/Grand Lodge Representative informing the appropriate Company representative of the expected period of the Business Representative/Grand Lodge Representative's unavailability to perform his duties under this Article 4, he shall promptly notify the Company representative of the fact and such notice will terminate the period during which the designee is authorized to act.

**Section 4.12 Signing Grievance Does Not Concede Arbitrable Issue.**

The signing of any grievance by any employee or representative either of the Company or of the Union shall not be construed by either party as a concession or agreement that the grievance constitutes an arbitrable issue or is properly subject to the grievance procedure under the terms of this Article.

## **ARTICLE 5 SENIORITY**

Both parties hereto agree that continued service over a period of time should, and in most cases does, increase the worth of an employee to his employer, and that length of service should receive recognition in case of promotion. Both parties further agree, that the principle of seniority, where qualifications, productivity and dependability are reasonably equal, shall be used for promotion or for retention in case of a reduction in force.

**Section 5.1 Probationary Employees.**

**5.1(a)** For the first ninety (90) days of employment, employees shall be considered as on probation and without seniority. However, if a probationary employee is laid off and rehired within a period of time not in excess of the time he had previously spent as a probationary employee, he will be credited with the time previously worked toward the completion of his probationary period. Upon the completion of his probationary period, his seniority date will then be established as of ninety (90) days prior to the completion date of his probationary period.

**5.1(b)** During such ninety (90) day period, probationary employees may be laid off or terminated at the discretion of the Company.

Such layoffs or terminations during the probationary period shall not be subject to the grievance and arbitration procedure.

**5.1(c)** In the event the contract is awarded to another contractor, it is expressly agreed that no incumbent employee will be placed on; nor considered a probationary employee by the successor contractor. All incumbent employees currently on a probationary period will be authorized to complete their probationary period and all time already completed on probation with the predecessor will be counted towards the total of ninety (90) calendar days.

**Section 5.2 Establishment of Seniority.** Seniority is defined as an employee's total length of continuous employment with the Company (including predecessors) as a non-probationary, regular employee. After successful completion of the probationary period, an employee's seniority shall be calculated from their most recent date of hire by the Company or its predecessors.

**Section 5.3 Employees With Identical Seniority Dates.** When two or more employees have the same seniority date as herein provided, the employee having the highest BEMS ID number shall be considered as having the least seniority for tie breaking purposes.

**Section 5.4 Accumulation Seniority.** Seniority shall accumulate to:

**5.4(a)** Employees who are on the active payroll of the Company and in the bargaining unit defined in Article 1, Recognition, of this Agreement;

**5.4(b)** Employees who are promoted to non-represented positions supervising bargaining unit employees, shall retain seniority and continue to accumulate additional seniority for one year while they remain in such supervisory position;

**5.4(c)** Employees while on active military service and reinstated in compliance with applicable law;

**5.4(d)** Time spent on authorized leave of absence for Union business in accordance with Article 8, Leave of Absence;

**5.4(e)** Time lost by reason of industrial injury, or industrial illness not to exceed the time limits on layoff statute provided in Section 5.4(h);

**5.4(f)** Time spent on authorized leave of absence granted because of pregnancy or to cover periods of non-industrial injury or illness, not to exceed 12 months during any such period;

**5.4(g)** The first 30 days of any other authorized leave of absence;

**5.4(h)** Time spent on layoff for a period not to exceed five (5) years, or for employees with less than one (1) year seniority, time spent on layoff for a period not to exceed one (1) year.

**Section 5.5 Loss of Seniority.** An individual shall lose seniority rights for the following reasons:

**5.5(a)** Resignation. In addition to normal resignations, an individual who, while on leave of absence, engages in other employment without prior written approval by the Company, or fails to report for work or to obtain renewal of his leave on or before its expiration, will be considered as having resigned;

**5.5(b)** Discharge for cause;

**5.5(c)** Failure to respond with an acceptance within seven (7) calendar days after receipt of a recall from layoff notice by certified mail (unless such period is extended by the Company);

**5.5(d)** Failure to report for work within fourteen (14) calendar days after acceptance or on such later date as may be designated by the Company;

**5.5(e)** Failure to keep the Company advised while on active layoff, of any changes in current mailing address. The Company will fulfill its obligation for notice of recall by mailing a certified notice to the employee's last known address of record;

**5.5(f)** Layoff for a period in excess of five (5) years (or for employees with less than one (1) year seniority, layoff in excess of one (1) year);

**5.5(g)** Retirement;

**5.5(h)** Absence in excess of three (3) consecutive working days without notice, either by telephone or written message by messenger to his immediate supervisor shall constitute resignation as in 5.5(a) above, unless satisfactory evidence of inability to report for work is shown.

## **Section 5.6 Transfers To and From the Bargaining Unit.**

**5.6(a)** The Company may transfer or promote employees covered by this Agreement to supervisory positions.

**5.6(b)** Employees transferring to salaried positions other than that described in Section 5.4(b), shall retain their bargaining unit seniority but shall not accumulate additional seniority while they remain in such salaried positions.

**5.6(c)** The Company may, at any time, transfer or demote to positions within this bargaining unit those employees who have accumulated or are accumulating seniority under Section 5.2 of this Article 5. Such transfers or demotions may be made subject only to the job return rights of others to the extent provided in Article 12, Workforce Administration.

## **ARTICLE 6 WORKWEEK, HOURS OF WORK, & SHIFTS**

The workweek will run concurrently with the pay week. Employees will receive two (2) consecutive days off during this seven (7) day workweek period. The Company will attempt to meet its non-regular workweek assignments on a voluntary basis among the employees by seniority from senior to junior. In the event there are insufficient volunteers to meet the requirement, the supervisor may designate and require the necessary number of employees to work the non-regular workweek by reverse order seniority. Each employee will be assigned to a shift with designated start times for beginning and ending. The normal shift is 7:00 a.m. to 4:00 p.m.

For those employees designated by the Company, on the C-17 Training System program the designated beginning time for each shift during the scheduled work week shall be: First shift-between 7:00 a.m. and 4:00 p.m.;



second shift-3:00 p.m. and 12:00 a.m.; third shift-11:00 p.m. and 8:00 a.m. the following day.

Employees will normally be scheduled to work forty (40) hours, consisting of five (5) days of eight (8) hours per day, Monday to Friday.

The Company will not change an employees posted work schedule solely to avoid the payment of overtime.

## **ARTICLE 7 OVERTIME**

**Section 7.1** Employees may be required to work overtime, but the Company will attempt to meet its overtime requirements on a voluntary basis among the employees by seniority who normally perform the work on a straight time basis. However, in cases of selective overtime, new hires or rehires may be excluded for the first ninety (90) calendar days of their employment. In the event there are insufficient volunteers to meet the requirement, the supervisor may designate and require the necessary number of employees to work the overtime. A reasonable effort will be made to equalize overtime between employees within a work group, such work groups to be determined by the Company.

**Section 7.2** Overtime shall be paid at one and one-half (1.5) times an employee's base rate, for all hours worked in excess of forty (40) hours in the workweek. Paid holiday hours shall be included as hours worked in the computation of overtime. Employees required to work on the seventh (7<sup>th</sup>) consecutive day of their work week will be paid double-time for the seventh day.

## **ARTICLE 8 LEAVE OF ABSENCE**

**Section 8.1 Authorized Leaves of Absence.** Time away from work for Leave of Absence (LOA) shall be administered in accordance with the applicable Company Leave of Absence Policy Handbook. Company policy or practices will include benefit continuation periods (including benefit continuation periods for Layoff, Termination and Retirement), any required payments or COBRA eligibility, as may be subject to change on an enterprise wide, business unit, sub-business unit or regional basis. The

Company reserves the right to unilaterally alter, amend, and/or modify any or all terms at its sole discretion on an enterprise-wide or regional basis without further bargaining. No Leave of Absence will be granted to exceed 30 months.

## **ARTICLE 9 SAFETY**

**Section 9.1 Health and Safety.** The Company will continue to make reasonable provisions for the safety and health of employees. The Union shall have the right to confer with the Company on matters pertaining to safety of the employees.

**Section 9.2 Requirement of Medical Examination.** In the interest of continued safety of individuals and their fellow employees, any employee or applicant for employment returning to work following a Medical Leave of Absence or extended medical leave or documented substantial inability to perform the majority of the employees assigned duties and responsibilities, may be required through Government regulations or by the Company to undergo a medical examination by a doctor of the Government's or the Company's selection. If the diagnosis or examination results furnished by the Company doctor are not satisfactory to the employee, he may obtain an opinion from a doctor of his own choosing. If a disagreement still exists between physicians, an additional doctor, which has been mutually agreed upon by the Company and the Union, will be acquired for his analysis. If the mutually agreed upon doctor's diagnosis agrees with the employee's doctor, the Company shall only pay for the services of the mutually agreed upon doctor. The cost incurred for services of all other non-Company physicians shall be the sole responsibility of the employee who gave rise to the dispute.

## **ARTICLE 10 SEPARABILITY**

Should any part hereof or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any decree by a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof and they shall remain in full force and effect. The parties agree that they will meet and renegotiate any part or any provision

of this agreement declared invalid as described above within thirty (30) calendar days.

## **ARTICLE 11 MISCELLANEOUS**

**Section 11.1 Inventions.** Employees shall be permitted to retain ownership of inventions conceived or developed by them while performing work on any of the represented projects as an employee for the Company providing, however that the Government and the Company shall have shop rights extending to all such inventions, which rights shall include the non-exclusive royalty-free rights on the part of the Company, to use such inventions and to make, have made, and sell products, parts or tools incorporating such inventions; and on the part of others making products parts or tools for the Company (to be by the Company or in its products), to incorporate or use such inventions In such products, parts or tools, on in the manufacture thereof.

**Section 11.2 Sabotage.** If the Union knows or suspects that sabotage or damage to or the unauthorized taking of Company, Government, customer or any other person's or employee's property has occurred, the Union will provide any and all relevant information it possesses to assist the Company in investigating the issue.

**Section 11.3 Security Clearance.** Nothing in this Agreement shall require the Company to employ or continue to employ or give access to any of its facilities or work locations, any person or persons to whom the cognizant Security Agency, in the interest of security against espionage or subversive activity, refuses to give access to classified information and/or work. However, the Company will give consideration to assigning an employee in his job title to an area for which he is qualified and a clearance is not required.

**Section 11.4 Non-Discrimination.** All terms and conditions of employment included in this Agreement shall be administered and applied without regard to race, color, religion, national origin, status as a disabled or Vietnam era veteran, age, sex, or the presence of a handicap except in those instances where age, sex or the absence of a handicap may constitute a bona fide occupational qualification. If administration and application of the contract is not in contravention of Federal laws, such administration shall not be considered discrimination under this Section

#### 11.4.

Notwithstanding any other provision of Section 11.4 of this Agreement, a grievance which alleges a violation of this Section 11.4 shall be subject to the grievance procedure and arbitration of Article 4, Grievance Procedure and Arbitration, only if it is filed on behalf of and pertains to a single employee. Class grievances based on alleged violation of this Section 11.4 shall not be subject to the grievance procedure and arbitration under this Agreement.

**Section 11.5 Successor and Assigns.** This Agreement shall be binding upon and shall insure to the benefit of the parties hereto, their successors and assigns. However, in the event the Company ceases to perform on the contract as identified in Article 1, Recognition, the Company shall be released from all obligations on the project(s) so affected under this Agreement.

**Section 11.6 Travel Reimbursement.** Upon request, the Company will furnish, to the Union, copies of the present published Company policies relating to reimbursement of travel.

**Section 11.7 Bargaining Unit Status Report.** A quarterly seniority list will be provided to the Union. The report will include the following information:

- (a) Employee name
- (b) BEMS ID #
- (c) Job title and number
- (d) Seniority date

**Section 11.8 Masculine - Feminine References.** In construing and interpreting the language of this Agreement, reference to the masculine such as "he", "him", or "his" shall include reference to the feminine.

**Section 11.9 Contributions to Machinists Nonpartisan Political League.** Upon receipt by the Company of a signed voluntary authorization by an employee, on a form approved by the Company, requesting that there be deductions made from his wages, in a monthly amount designated by the employee, such deductions to be forwarded to the Union for use by the Machinists Nonpartisan Political League, the Company will thereafter make such deductions and forward them to the Machinists Nonpartisan Political League, in care of the Union. Such authorization will remain in

effect for the duration of this Agreement, unless earlier canceled in writing by the employee.

**Section 11.10 Contributions to Guide Dogs of America.** Upon receipt by the Company of a signed voluntary authorization by an employee, on a form approved by the Company, requesting that there be deductions made from his wages, in a monthly amount designated by the employee, such deductions to be forwarded to the Union. Such authorization will remain in effect for the duration of this Agreement, unless earlier canceled in writing by the employee.

**Section 11.11 Joint Company - Union Alcohol and Drug Dependency Program.**

The Union recognizes the Company's policy to maintain a drug and alcohol free workplace, and to comply with laws and regulations addressing that subject. The Company will implement drug and alcohol testing (a) to the extent necessary to comply with said laws and regulations and (b) to the extent the Company otherwise believes it necessary to achieve a drug- and alcohol-free workplace.

The Company and Union have agreed to use a balanced approach to achieving a drug- and alcohol-free workplace. A central component of that approach is the intent to help employees overcome substance abuse problems through a comprehensive Employee Assistance Program. To that end, the Company agrees to provide employees who have verified positive tests an opportunity for rehabilitation, except where termination for independent reasons is appropriate.

Nothing in this letter shall be construed as limiting the Company's right to impose discipline for cause in substance abuse related cases (or the implementation of any drug testing programs the Company deems appropriate.) The Union reserves the right to grieve the question of whether the Company's program is consistent with this letter.

**Section 11.12 Machinist Custom Choices Worksite Benefits Program.**

This agreement acknowledges that The Boeing Company has agreed to allow the International Association of Machinists and Aerospace Workers to offer the Machinists Custom Choices Worksite Benefits program of supplemental life insurance, long term disability insurance and cancer insurance to its members in the bargaining unit through their designated agent, Employee Benefit Systems, Inc. (EBS). Furthermore, the Parties

agree that if any other product from EBS is added as a benefit for other IAM-represented employees of Boeing, then they will meet and confer on adding those products for employees covered by this Agreement. It is understood that all policyholder service will be provided by the underwriter and EBS. This service will begin as soon as practicable. It is understood that the Company is not the plan sponsor and is not responsible for plan administration, enrollment, or communication.

It is further agreed as a condition of offering this payroll deduction service that EBS will comply with Company Payroll administration and procedures that will include the following basic requirements:

Each participating employee will complete a Deduction Authorization card that contains the employee's name, social security number, deduction name(s) or type(s), employee signature, and date.

Information affecting account activity, including, but not limited to enrollment, policy cancellations, deduction changes, premium rate changes, and other changes affecting the employee deduction amount, must be received by Boeing Payroll by the 20<sup>th</sup> of the month proceeding the month in which the deduction will be effective.

Any deduction amount not collected due to lack of earnings, will be the responsibility of EBS. Boeing payroll will not collect amounts in arrears or provide an account reconciliation service. Deductions will be made from the employees' first paycheck each month.

## **ARTICLE 12**

### **WORKFORCE ADMINISTRATION**

#### **Section 12.1 Surplus Action.**

**12.1(a)** In effecting a reduction in force within a job classification, at a site identified in Article 1, the following procedure shall be followed. The first selection would be probationary employees, followed by part time employees, followed by full time employees in reverse seniority order subject to the use of retentions as defined in Section 12.2. It is further recognized that the principle of seniority,

where qualifications, productivity and dependability are reasonably equal, shall be considered in case of a reduction in force.

**12.1(b) Return To Formerly Held Job.** Affected full time employees referenced in 12.1(a), will be offered the job classification held immediately prior to their present job classification if their seniority permits.

**Section 12.2 Retentions.** A retention is the retaining, in a job classification in which the surplus has been declared by the Company, of an individual whose seniority position would have caused him to have been surplusssed while some other employee or employees with greater seniority are surplusssed. In each instance, the retained employee will be designated, at the time the retention is used, to be retained in the job classification rather than to have him affected by the surplus action.

**12.2(a)** In determining the number of allowable retentions, calendar six-month periods shall be used. The first period in each year shall be from January 1 to June 30, inclusive, and the second period shall be from July 1 to December 31, inclusive.

**12.2(b)** For each period, the allowable number of retentions applicable shall be the number resulting from applying 4% of the total number of employees in each classification in the bargaining unit at the beginning of each six-month period. The number of allowable retentions shall be computed to the nearest whole number and a fraction shall be treated as one.

**12.2(c)** The Company's use of retentions in the number allowed or the surplus resulting from the application and use of such retentions shall not be subject to challenge or to grievance procedure.

**Section 12.3 Recall From Layoff.** Employees who are on active layoff status from job classifications with job openings will be recalled in order of seniority, providing they have the required qualifications and are eligible for recertification for that job.

**Section 12.4 Temporary Assignment.** The Company may temporarily assign employees to perform work assignments described for other job classifications. No overtime will be offered to temporarily assigned employees until the provisions of Section 7.1 of this Agreement are met.

**Section 12.5 Performance of Work.** Supervisors and other non-bargaining unit employees will not normally perform the duties of employees in the bargaining unit, except in emergency situations, for currency, or for the purpose of instructing employees. The parties further agree that the present practice will continue during the term of this agreement.

**Section 12.6 Part Time Employment.** The Company may, providing there are no employees on active layoff status in the classification, to accommodate schedule requirements, hire employees specifically to work a daily or weekly work schedule which is less than the current regular normal workday or workweek. The present practice of using part time employees will continue for the duration of this agreement. Part time employees will not be used to offset the payment of overtime or to displace a full time employee.

**Section 12.7** The Company will maintain an environment in which employees can make known their interest in transferring to other positions which they are qualified to perform, in accordance with established company procedures.

**Section 12.8** Layoff and recall will be conducted by job classification at the site where the surplus action took place.

## **ARTICLE 13 JURY AND WITNESS DUTY**

**Section 13.1** An employee absent from work due to required jury duty will be paid for such lost hours at his current straight time base rate, including differentials where applicable, up to a maximum of eight hours per day, for each regular workday the governmental body that summoned the employee for jury duty pays the employee. Employees will be paid eight (8) hours jury duty pay and will be excused from their scheduled shift if they serve more than four (4) hours on the day so assigned as a juror. All other employees must report for work provided there are more than four (4) hours available on their shift either prior to their scheduled report time for jury duty or after their release from jury duty (two (2) hours of this time will be considered as travel preparation time). Second and third shift employees summoned to jury duty will be temporarily assigned to first shift on a weekly basis during



the time required to serve. Fees received for jury duty will not be deducted from such pay. The employee will furnish to the Company evidence satisfactory to the Company showing the performance of jury duty that meets the requirements of this Section 13.1

**Section 13.2** An employee absent from work in order to comply with a subpoena as a witness in a federal or state court of law, will be paid for such lost hours at his current straight time base rate, including differentials where applicable, up to a maximum of eight (8) hours per day, for each regular workday for which he is paid a daily witness fee. Employees will be paid eight (8) hours witness duty and will be excused from their scheduled shift if they serve more than four (4) hours on the day so serving as a witness. All other employees must report to work provided there are more than four (4) hours available on their shift either prior to their scheduled report time for witness duty or after their release from witness duty (two (2) hours of this time may be considered as travel preparation time). Witness fees will not be deducted from such pay. An employee is not entitled to such pay under this Section 13.2 in circumstances where the employee (1) is called as a witness against the Company or its interests; or (2) is called as a witness on his own behalf in an action in which he is a party; or (3) voluntarily seeks to testify as a witness; or (4) is a witness in a case arising from or related to his outside employment or outside business activities. The employee will furnish to the Company evidence satisfactory to the Company showing his attendance as a witness that meets the requirements of this Section 13.2.

**ARTICLE 14**  
**RATES OF PAY**

**Section 14.1 Base Rate Structure.**

Location	Job Title	Current Rate	Effective 12/6/19	Effective 12/11/20	Effective 12/10/21	Effective 12/9/22
Altus	Administrative Assistant	\$23.71	\$30.27	\$31.18	\$32.12	\$33.08
Altus	Configuration Management Specialist	\$26.93	\$34.19	\$35.22	\$36.28	\$37.37
Altus	Librarian	\$27.06	\$33.29	\$34.29	\$35.32	\$36.38
Altus	Logistics Specialist/Technician	\$28.81	\$38.17	\$39.32	\$40.50	\$41.72
Altus	Systems Administrator	\$41.08	\$49.19	\$50.67	\$52.19	\$53.76

Location	Job Title	Current Rate	Effective 12/6/19	Effective 12/11/20	Effective 12/10/21	Effective 12/9/22
Altus	TMS Scheduler	\$25.76	\$33.05	\$34.04	\$35.06	\$36.11
JBLM	TMS Scheduler	\$32.55	\$40.21	\$41.42	\$42.66	\$43.94

### **Section 14.1(a) General Wage Increases.**

**First Year General Wage Increase.** Effective December 6, 2019, all employees on the active payroll, including those on approved leave of absence of ninety (90) days or less, will have their base rate increased by a 3 percent general wage increase. Employees on an approved leave of absence of 90 calendar days or less on an effective date will have wage changes applied if and when they return to work.

**Second Year General Wage Increase.** Effective December 11, 2020, all employees on the active payroll, including those on approved leave of absence for ninety (90) days or less, will have their base rate increased by a 3 percent general wage increase. Employees on an approved leave of absence of 90 calendar days or less on an effective date will have wage changes applied if and when they return to work.

**Third Year General Wage Increase.** Effective December 10, 2021, all employees on the active payroll, including those on approved leave of absence for ninety (90) days or less, will have their base rate increased by a 3 percent general wage increase. Employees on an approved leave of absence of 90 calendar days or less on an effective date will have wage changes applied if and when they return to work.

**Fourth Year General Wage Increase.** Effective December 9, 2022, all employees on the active payroll, including those on approved leave of absence for ninety (90) days or less, will have their base rate increased by a 3 percent general wage increase. Employees on an approved leave of absence of 90 calendar days or less on an effective date will have wage changes applied if and when they return to work.

**Section 14.2 Reassignments.** When an employee is downgraded for any reason their base rate will be changed to the hourly rate of the employee's classification identified in Table 14.1.

**Section 14.3 Paydays.** For employees working in states where mandatory direct deposit is permitted by law, paychecks will be delivered

via direct deposit on Thursday of every second week, covering all wages, including overtime, earned through Thursday of the preceding week, except when other circumstances intervening beyond the Company's control make such practice impossible. For employees working in other states, paychecks shall be delivered on or before Thursday of every second week, or placed in the U.S. mail on or before Tuesday of every second week, covering wages, including overtime, earned through Thursday of the preceding week, except when holidays or circumstances intervening beyond the Company's control make such practice impossible.

**Section 14.4 Shift Differential.** When an employee is assigned to the second shift, he shall receive a shift differential of seventy-five (75) cents per hour, if assigned to a third shift he shall receive a shift differential of seventy-five (75) cents per hour.

**Section 14.5 Report Time/Call-In Time.** If an employee reports for work in accordance with instructions he shall receive a minimum of four (4) hours pay at his base rate. Report time will not apply in case of emergency shutdown arising out of any condition beyond the Company's control. An employee who leaves work of his/her own volition, or because of incapacity (other than industrial injury), or is discharged or suspended after beginning work, will be paid only for the number of hours actually worked during that day. An employee that leaves work because of incapacity due to industrial injury will be paid eight hours pay at this base rate.

**Section 14.6** The decision to designate a Lead, shall be at the sole discretion of the Company and such rights shall not be subject to the grievance. An employee assigned in writing by the Company for a period of 40 consecutive hours to a Lead shall be paid a premium of \$2.00 per hour above his/her base rate.

**Section 14.7** If an employee currently has lead pay and/or a shift differential those additives are to be included in the calculation of their overtime, vacation, sick leave, bereavement, jury and witness duty, holiday pay, and short-term military duty.

## **ARTICLE 15 VACATIONS & SICK LEAVE**

**Section 15.1 Vacation** It is believed that a reasonable period of time away from the job is conducive to good health and well-being and can have

a refreshing effect that is to the advantage of the Company as well as employees. Accordingly, it is management's responsibility to give each eligible employee the opportunity to take a vacation each year. Every effort will be made to ensure that employees use all their vacation credits for time off within the period of time available to them.

**Section 15.2 Accumulation of Vacation Credits**

**15.2(a) Vacation Accrual Schedule**

<b>Years of Service</b>	<b>Annual Vacation</b>
<b>0 – 4 years</b>	<b>10 days</b>
<b>5 – 14 years</b>	<b>15 days</b>
<b>15 or more years</b>	<b>20 days</b>

**15.2(b)** Vacation hours are accrued daily, awarded weekly, and based on the established increments of Company service using the employee's vacation eligibility date, which is generally the same as the employee's Company service date "Credited Company Service". At the completion of each pay week employees accrue the number of hours of vacation per the annual days column that corresponds with the beginning years of service as indicated in the vacation schedule in paragraph 15.2(a) of this Article. Credit will be given for the employee's total length of service which is continuous with the Company, and other predecessor contractors who performed similar work, and was determined to be a predecessor to the Company under the Service Contract Act. Both the vacation eligibility date and Company service date are the original date of employment plus employment recognized from a predecessor or subsidiary company and adjusted for periods of time off the payroll or while on a leave of absence greater than 90 calendar days.

**15.2(c)** Full-time employees are provided an immediate award of one half of eligible vacation hours upon hire or rehire, with normal accrual beginning in the seventh month.

**15.2(d)** Vacation account balances are maintained to the nearest tenth of an hour unit.

**15.2(e)** Vacation credits will accumulate in an employee's vacation account up to a maximum of two times their current accrual rate.

No additional vacation credits will be awarded until the number of credits in the account drops below this maximum.

**15.2(f)** Vacation credits will not be awarded during period on layoff, strike, or after the first ninety (90) calendar days of a leave of absence. Such absence during a service year will reduce the vacation credit granted at the beginning of an employee's next vacation award. The reduction will be in proportion of 1/365th for each day of absence, rounded to the nearest one-tenth hour, of the hours applicable to the employee per the vacation schedule in paragraph 15.2(a) of this Article.

**Section 15.3 Use of Vacation Credits** An employee shall use their unused vacation credit accumulated as vacation with pay at the base rate, including pay additives, in effect at the time their vacation begins, subject to the following conditions:

**15.3 (a) Use of Vacation Credits for Scheduled Vacations**

**15.3(a)(1)** Employees shall request vacation by submitting dates to their manager and the Company will endeavor to schedule his vacation as requested.

**15.3(a)(2)** In instances where Company management believes the awarding of vacations as requested would interfere seriously with production requirements, the scheduling of vacations shall be as near to the dates requested as possible.

**15.3(a)(3)** In scheduling vacations, the Company will attempt to meet its production requirements by use of employees on a voluntary basis, and, failing in this, the seniors will be given their preference of available vacation dates to the extent established vacation schedules will permit.

**15.3(a)(4)** There will be no pay-in-lieu of time off for vacation. The intent of this provision is to cause each employee to use the vacation credits awarded for time off.

**Section 15.4 Termination (Vacation)**

**15.4(a)** Employees who terminate from the Company will be paid out at the employee's base rate, plus any additives, for all the

vacation in their bank at the time of termination and a prorated amount of vacation from their date of termination and their last vacation award.

**15.4(b)** The vacation bank for employees who maintain employment with the Boeing Company, but leave this bargaining unit, will be subject to Company policy and procedures in effect at that time.

## **Section 15.5 Sick Leave**

### **15.5(a) Eligibility Conditions**

**15.5(a)(1)** The date of hire/rehire of any employee into the bargaining unit shall determine his sick leave eligibility date going forward. The sick leave eligibility date is the date on which sick leave credits are awarded each year.

**15.5(a)(2)** An employee's sick leave eligibility date will not be affected by time spent on an approved leave of absence or other payroll classification.

**15.5(a)(3)** The Company will comply with all applicable laws.

## **Section 15.6 Accumulation of Sick Leave**

**15.6(a)** Full-time employees on the active payroll shall receive a lump sum of 56 hours of sick leave credits. Each successive year, a lump sum of 56 hours of sick leave will be awarded to an employee on his sick leave eligibility date.

**15.6(b)** Part-time employees on the active payroll shall receive a lump sum of 24 hours of sick leave credits. Each successive year, a lump sum of 24 hours of sick leave will be awarded to an employee on his sick leave eligibility date. Additional sick leave credits – not to exceed 56 hours, per year – will accrue, each month, based on hours worked and an accrual rate factor.

**15.6(c)** An employee who cycles on his sick leave eligibility date with sick leave credits remaining will be allowed to carry-over a maximum of 56 hours of sick leave to the following year.

**15.6(d)** Sick leave credits will not be accrued during period on layoff, strike, or after the first thirty calendar days of a leave of absence.

**15.6(e)** Any sick leave credits remaining in an employee's account upon termination (for any reason) will be forfeited. Should an employee be rehired into the bargaining unit within 12 months post-termination, all sick leave credits remaining in the employee's account at the time of termination will be reinstated.

## **Section 15.7 Use of Sick Leave**

**15.7(a)** An employee shall be eligible to use sick leave credits in increments of one (1) hour, as soon as credits have been awarded on his sick leave eligibility date. Payment for sick leave shall be at the employee's straight time base rate, including shift differential where applicable, not to exceed a maximum of eight (8) hours pay for any one day of absence.

**15.7(b)** Sick leave shall be granted under the following conditions:

**15.7(b)(1)** Diagnosis, care, or treatment of an existing health condition of, or preventative care for, an employee or an employee's own family member.

**15.7(b)(2)** For an employee who is a victim of domestic violence, sexual assault, or stalking.

**15.7(b)(3)** For absences due to an illness or injury in the family requiring the employee's presence.

**15.7(b)(4)** In addition, employees may use sick leave for the following reasons:

**15.7(b)(4)(a)** Death in the family to attend the funeral or deal with matters related to the death.

**15.7(b)(4)(b)** Routine medical or dental appointments of the employee or of a family member requiring the employee's presence when such appointments can only be arranged during working hours.

**15.7(b)(4)(c)** Birth and care of a child of the employee when the employee is eligible and entitled to family and medical leave under FMLA as described in the Company Leaves of Absence (LOA) Policy.

**15.7(b)(4)(d)** Placement of a child with the employee for adoption or foster care. The employee must have eligible family and medical leave to cover the absence.

**15.7(c)** All sick leave payments must be approved by the employee's supervisor. When the need to take sick leave is foreseeable, employees are expected to provide reasonable advance notification. When the need to take sick leave is unforeseeable, employees are expected to provide notice as soon as practicable.

**15.7(d)** When sick leave cannot be charged because the employee has exhausted all sick leave credits and he is not yet eligible for an award of his next sick leave credits, the employee may use available vacation credits or be granted – with management approval – leave without pay.

**15.7(e)** Employees on leave of absence may use sick leave credits only if the leave is for medical reasons.

## **ARTICLE 16 BEREAVEMENT LEAVE**

Up to three (3) days paid time off for an eligible employee absence related to the death of a family member or other person close to the employee will be granted to an employee on the active payroll who, because of the death of a person who is a loved one, takes time off from work during his normal work schedule as such term is defined in Article 6 of this Agreement. If additional time off is needed related to bereavement, available sick leave or vacation may be used with management approval. Such pay shall be for eight hours at his straight time base rate, including shift differential, for each such day off; however, such pay will not be applicable if the employee received pay for such days off under any other provision of this Agreement. Bereavement leave must be taken within a month following the death, funeral or service.



## **ARTICLE 17 HOLIDAYS**

**Section 17.1** The following holidays shall be observed by the bargaining unit personnel:

New Year's Day  
Martin Luther King Day  
Presidents' Day  
Memorial Day  
Independence Day  
Labor Day  
Columbus Day  
Veterans' Day  
Thanksgiving Day  
Christmas Day

The actual date of observance will be determined by the customer. In the event of a decision to declare an additional Federal Holiday or day of observance the Company will compensate employees at their present rate for that Holiday, if the "direct charge" to the contract is allowed and approved by the Contracting Officer.

**Section 17.2 Unworked Holidays.** Eligible employees shall receive eight (8) hours pay for unworked holidays (those holidays designated above), at their base rate plus any shift differential or lead pay the employee may have in effect at the time the holiday occurs.

**Section 17.3 Worked Holidays.** Employees who are required to work on the above-named holidays shall receive the pay due them for the holidays plus double their base rate for all hours worked on such holiday, unless the employee starts to work at 10:30 p.m., or thereafter on that day.

**Section 17.4 Holidays During Vacation.** Should a holiday occur while an employee is on vacation, the employee shall be allowed to take one (1) extra day of vacation with pay in lieu of the holiday as such.

**Section 17.5 Holiday Observance When Occurring on a Scheduled Day of Rest.** When a holiday falls on an employee's scheduled day of rest, the holiday will be moved in accordance with the following:

**17.5(a)** If the holiday falls on the first day of rest, the last workday immediately preceding the holiday will be observed as the holiday.

**17.5(b)** If the holiday falls on the second day of rest, the first workday immediately following the holiday will be observed as the holiday.

**Section 17.6 Employees on Non-Regular Workweek.** For those employees who regularly work Saturday and/or Sunday, receiving two (2) consecutive days off during the week, the two (2) days off shall be treated as "Saturday" and "Sunday," in that order, for the purpose of this Article 17. Should any of the holidays observed by the Company occur on such a "Sunday," the following day shall be considered as a holiday for such employees. Should any of the holidays observed by the Company occur on such a "Saturday," the preceding day shall be considered as a holiday for such employees.

## **ARTICLE 18 GROUP BENEFITS**

**Section 18.1 Group Benefits Package for Employees on the Active Payroll.** The Company will provide the Group Benefits as agreed to in the Collective Bargaining Agreement of November 30, 2019, between the Company and the Union for eligible employees and their eligible dependents as summarized in the Benefits Proposal Summary Agreement of October 24, 2019, under the same terms, conditions and limitations summarized in the Summary Plan Description (SPD) and modified by Summary of Material Modifications (SMM), effective January 1, 2020, or otherwise stated.

**Section 18.2 Cost of the Group Benefits Program for Employees on the Active Payroll (who elect the Group Benefit coverage).** The Company will pay the full cost of basic life insurance, accidental death and dismemberment, and short term disability benefits for eligible employees on the active payroll. The Company and the employee shares the cost of employee and dependent coverage under the medical and dental plan. Employee contributions will be thirty-two percent (32%) of the applicable medical premium. Contributions for employee only medical enrollment will not be required except as may be applicable as described in 18.2(a), (b) and 18.3.

**18.2(a)** Employees who elect to decline Boeing sponsored medical and enroll in dental only coverage for yourself or your eligible dependents pay the full cost of dental coverage and any applicable cash in lieu of benefits provided by the special benefit allowance will continue to apply.

**18.2(b)** The employee is required to contribute an additional \$100.00 per month for medical coverage to enroll a spouse if the spouse is a full-time employee eligible for medical coverage under another employer-sponsored plan and waives such coverage. This \$100.00 contribution will not be required for a spouse who waived coverage under another employer-sponsored plan prior to eligibility for medical coverage under the Group Benefits Program, provided the spouse enrolls at the other plan's next enrollment period or, if earlier, at an enrollment date allowed by the other plan.

**18.2(c)** Additional medical plan contributions will be required if the employee and/or enrolled spouse do not complete designated annual health improvement activities. Those health improvement activities consist of completing the online health assessment. Health improvement activities are subject to change from time to time at Company discretion. The additional contributions are as follows:

**18.2(c).1** For either employee-only coverage or employee + child(ren) coverage, the additional contribution will be \$20 per month if the employee does not complete the health improvement activities.

**18.2(c).2** For *either* employee + spouse *or* employee + spouse and child(ren) coverage, the additional contribution will be \$40 per month if both the employee and spouse does not complete the health improvement activities or \$20 per month if only the employee or spouse completes the health improvement activities.

**18.2(d)** In the event Federal government guidance restricts or limits the application of these provisions concerning health improvement activities, they will be adjusted accordingly.

**Section 18.3 Affordable Care Act.** The Affordable Care Act (ACA) will levy excise taxes or fees for plans over certain statutory thresholds beginning in 2022. Beginning in 2021 for the 2022 plan year, and thereafter on an annual basis for each year that the excise tax or fees will be levied, the Company will, following reviews with the Union, make any necessary design changes to the medical plans and/or changes in plan offerings to avoid excise taxes or fees related to the ACA. In the event any taxes, including excise taxes or fees, are levied on the Company for healthcare benefits as mandated by state or Federal legislation and design changes and/or changes in plan offerings are not sufficient to avoid such taxes or fees, the Company will ensure the payment of such taxes or fees but, to the extent permitted by applicable law, the covered employee will be responsible for his or her portion of such taxes and fees (including any additional related taxes, fees and expenses) that applies to the employee's medical plan and enrollment tier. If this situation occurs, the Company will provide the Union with advance notice of the details of this approach, as determined by the Company in its sole discretion in accordance with applicable law. In the event the ACA is repealed, amended, or additional regulatory guidance becomes available, the Company may, at its sole discretion, revert to plan provisions that existed prior to implementation of the changes, or make other changes as necessary.

**Section 18.4 Administration.** The Group Benefits Package shall be administered by the insurance companies, health care contractors or administrative agents with whom the Company enters into contractual relationships for the purpose of providing and/or administering the coverage contemplated by the Group Benefits Package and no question or issue arising under the administration of such Group Benefits Package or the contracts and/or administrative agreements identified therewith shall be subject to the grievance procedure or arbitration provisions of Article 4 of this Agreement. The coverages and benefits indicated in the Group Benefits Package, the rights of eligible employees in respect to such coverages, and the settlement of all claims arising out of such coverages shall be in accordance with the provisions, terms and rules set forth in such policies, contracts or administrative agreements.

**Section 18.5 For Employees on the Active Payroll (who decline medical coverage).** All benefit eligible employees may decline Boeing-sponsored medical coverage. Employees who elect to decline medical coverage must provide proof of other group health insurance in a form designated by the Company, in order to receive the special benefit allowance. For those who are eligible to decline the medical coverage and

receive the allowance, the Company will provide a special benefit allowance at the rate of \$4.06 per regular straight time compensated hour including holiday, vacation, sick, bereavement, short term military duty, and jury and witness pay, but excludes short term disability payments, not to exceed \$324.80 per two-week pay period for that period of time that the employee declines participation.

All benefit eligible employees who decline medical coverage will automatically be enrolled in Company-provided coverage that includes basic life insurance, accidental death and dismemberment, and short term disability. Employees may elect and pay the full cost of supplemental life insurance coverage and flexible spending accounts.

**Section 18.7 Federal or State Programs and Mandates.** If during the term of this Agreement, there is mandated by federal or state government a program that affords to employees covered by this Agreement similar benefits (such as but not limited to medical and dental benefits) to those that are afforded by this Agreement, benefits afforded by this Agreement shall be replaced by such federal or state program. The Company will comply with the provisions for the furnishing of such program to the extent required by law. No question or issue regarding the level of benefits under the state or federal program will be subject to the grievance and arbitration procedure of Article 4. Further, in the event any taxes, including excise taxes, or fees are levied on the health care benefits as mandated by federal or state legislation, these taxes or fees will be the responsibility of the employee.

## **ARTICLE 19 SAVINGS PLAN**

**Section 19.1 Voluntary Investment Plan (VIP).** The Boeing Company and the Union agree that all employees covered by this Agreement may participate in The Boeing Company Voluntary Investment Plan (also known as the VIP) for the duration of this Agreement as set forth below and subject to the terms of the VIP Plan, as amended from time to time pursuant to the procedures set forth in the VIP plan document.

Effective January 1, 2020, employees will be eligible for a company matching contribution to the Plan of 50% of the employee's combined pre-tax, after-tax and ROTH contributions, up to the first 8% of Eligible Pay.

Eligible Pay for Company Matching Contributions is defined as base pay and shift differential.

Employees will be eligible to participate as, to the extent, and under the terms provided in the official VIP plan document. In the event of any conflict between this Article 19 and the official VIP plan document, the official VIP plan document will prevail in every case. The Company, through the persons and process specified in the VIP plan document, reserves the right to amend the VIP (i) to satisfy all requirements of applicable law and regulations, including without limitation the Internal Revenue Code of 1986, the Employee Retirement Income Security Act of 1974 and the federal securities laws, all as amended from time to time; and (ii) the Company reserves the right to unilaterally alter, amend, and/or modify any or all terms of the VIP at its sole discretion, including the right to terminate the VIP without further discussion or negotiation with the Union. All terms and conditions of the VIP, as it may be so amended or modified, will apply to employees covered by this Agreement.

The Company shall not be required or obligated to provide any information to the Union that the Company determines to be proprietary or confidential. Any information or other financial information or data will be provided at the Company's discretion if the Company deems it necessary or appropriate for Union review. If the Company determines that such information should be released, the Union and/or its representatives may necessarily be required to execute a confidentiality agreement before such information is released. At the Union's request, the Company will provide the Union with copies of communications provided generally to VIP participants who are covered by this Agreement. Any information that is released to the Union and/or its representatives will be held confidential and shall not be utilized by the Union and/or its representatives for any purposes that do not directly relate to the VIP. Neither anything in this Article 19 nor any issue involving employees' participation in or benefits under the VIP will be subject to the grievance and arbitration procedure of Article 4.

## **ARTICLE 20**

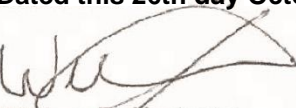
### **DURATION**

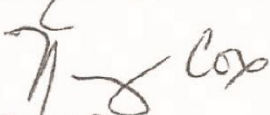
This Agreement shall become effective as of November 30, 2019 (which date is the date as of which this Agreement was executed, sometimes referred to as the "effective date of this Agreement"), and shall remain in full force and effect through 11:59 PM, February 11, 2023, and shall

automatically be renewed for consecutive periods of one year thereafter (after February 11, 2023), unless either party shall notify the other in writing, at least sixty days, but not more than seventy-five days prior to February 11 of any calendar year, beginning with 2023, of its desire to terminate the Agreement, in which event this Agreement shall terminate at midnight at the close of such February 11 unless renewed or extended by mutual written agreement. In the case of such notice, the parties agree to meet immediately thereafter for the purpose of negotiating a new agreement or a written renewal of this Agreement.

**SIGNATURES OF THE PARTIES: IN WITNESS WHEREOF, the Company and the Union have caused this Agreement to be signed by their authorized representatives.**

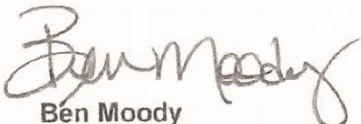
**Dated this 26th day October 2019**


  
**William R. Hartman**  
**Director Labor Relation**  
**The Boeing Company**

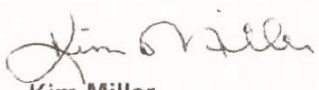
  
**Nancy Cox**  
**C-17 TSSC Manager**  
**Boeing T&PS**

  
**Brett Farris**  
**Labor Relations**  
**The Boeing Company**

**Mike Roberts**  
**Director, Defense Support Services**  
**The Boeing Company**

  
**Ben Moody**  
**Business Representative**  
**IAM&AW**

  
**Pat Bertucci**  
**Business Representative**  
**IAM&AW**

  
**Kim Miller**  
**TMS Scheduler**  
**IAM&AW**

## NOTES



*Local 8 AFL-CIO*