

WTPU Negotiations

SPEEA Counterproposal Highlights

In an unprecedented vote on July 28 at Century II, 96.5% of the voting members in the WTPU rejected the Spirit contract offer.

Following that vote, the WTPU Negotiation Team surveyed employees, prepared and presented to Spirit on Aug. 25, a full and complete counterproposal to the company's offer. Below are highlights from that counterproposal.

- **3-year contract**
- **Market Based Wages** – Aligned with “SIRS High Tech Composite” data to maintain the market relationship within Spirit’s compensation philosophy throughout the life of the contract.
- **Guaranteed salary increases** – If market adjustment is greater than 3%, a minimum increase of 1% will be distributed to each employee.
- **Incentive Bonus Plan** – 5% minimum and 10% maximum in 2011, 6% minimum and 12% maximum 2012 and subsequent years.
- **Medical Contributions Capped** – WTPU Negotiators agreed to accept premium increase of 2% in plan year 2012 and an additional 2% in 2013 if Spirit capped the escalation growth of the plan(s) costs at 7% per year. This would allow employees to be protected against catastrophic increases. The premium increase is coupled to Spirit agreeing to work on cost control and not just cost shifting.
- **Employee Medical Billing Auditing** – Letter of Understanding implementing our proposal to provide incentives to employees who find errors in their medical billing. This proven program has the potential to save Spirit millions of dollars in improperly billed medical costs each year.
- **401(k) Improvements** – Correcting the inadequate retirement benefit provided to today’s younger and newer employees who, under Spirit’s offer, would have the worst pension plan of any major aircraft/aerospace company in the region.
- **Remove Special Protections for Contract Labor** – Protecting direct employees and keeping the Spirit “Team” intact by requiring contract labor to be dismissed before instituting lay off or starting short work weeks for regular employees.
- **Technical Product Design** - Letter of Understanding working existing job code issues.
- **Signing Bonus** – 150 shares of “Class A” Common Stock to each employee at ratification.
- **Protection from plant sale or management change** – Each employee to receive a bonus equivalent to one year’s salary if the Wichita site is sold, leased, divested, acquired, split, merged or in any way experiences a meaningful change in management or ownership structure during the life of the contract.

The WTPU counterproposal to Spirit was prepared with results from the survey of bargaining unit. The survey was completed by more than 850 employees. Survey results and employee comments are available on the Negotiations Page of the SPEEA website; www.speea.org.

