LETTER OF UNDERSTANDING Between SPEEA (WTPU and WEU) AND SPIRIT AEROSYSTEMS, INC. Regarding Arbitration of Grievances

April 27, 2017

WHEREAS, Spirit AeroSystems, Inc. ("Spirit" or "the Company") and SPEEA seek to clarify Article 3, Article 16, and Attachment A of both SPEEA Collective Bargaining Agreements ("CBA's").

NOW THEREFORE, the parties agree as follows:

- 1. The parties agree that any grievance (as defined in Section 3.1, and subject to any other grievance exclusions in the contract) which the Union may have against the Company or the Company may have against the Union with regard to the interpretation or application by either party of any of the terms of the CBA may be brought by the Union or the Company. Any limitation applying to individual employee grievances set forth in the CBAs shall continue to apply to grievances brought by the Union. Such grievances will commence at Step 3 of the Grievance Steps, as set forth in Section 3.3 of the CBAs, by submitting the grievance in writing to Human Resources (by the Union) or to a Union Representative (by the Company). The parties intentionally and knowingly supersede any restriction against Union or Company grievances recognized in the September 17, 2013, and March 15, 2017, rulings of the U.S. Tenth Circuit Court of Appeals.¹
- 2. The parties further agree that the meaning of "insurance premiums" or "premiums" or "medical premium cost" as used in the CBAs includes the cost of coverage established for any self-insured health benefit coverage (which, in the case of self-insured group health coverage, means the cost of coverage established for COBRA purposes, without regard to the 2% administrative charge) and that the term "Employee Premium Contribution" in Attachment A to the CBAs means an employee's share of the cost of benefit coverage, whether such coverage is insured, self-insured, or partially insured and partially self-insured.

Ryan Rule 6

SPEEA President

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√P Human Resources

¹ Specifically, *SPEEA v. Spirit AeroSystems, Inc.*, 541 Fed. Appx. 817 (10th Cir. 2013) and *SPEEA v. Spirit AeroSystems, Inc.*, No. 16-3022, 2017 U.S. App. LEXIS 4515 (10th Cir. 2017).