

COLLECTIVE BARGAINING AGREEMENT

Between

SPIRIT AEROSYSTEMS, INC.

And

**SOCIETY OF PROFESSIONAL ENGINEERING EMPLOYEES IN
AEROSPACE**

- Wichita Technical and Professional Unit

~~Effective Date: July 11, 2011~~

COLLECTIVE BARGAINING AGREEMENT

Between

SPIRIT AEROSYSTEMS, INC.

And

~~SOCIETY OF PROFESSIONAL ENGINEERING EMPLOYEES IN~~

~~AEROSPACE – Wichita Technical and Professional Unit~~

PREAMBLE

THIS AGREEMENT, dated as of the ___th day of _____ ~~2011~~2019, is made and entered into by and between Spirit AeroSystems, Inc. (hereinafter referred to as “the Company”), and the Society of Professional Engineering Employees in Aerospace – Wichita Technical and Professional Unit (hereinafter referred to jointly as “the Union”).

PREFACE

Company and Union Cooperation.

This agreement is a reflection of the parties’ commitment to these shared principles:

- _____ To maintain a respectful, cooperative relationship; recognizing that the employees are the most valued resource the Company has.

- _____ To work together to further the mutual success of both parties; so that the Company will continue to have a productive, flexible, competitive business with a highly-motivated, skilled and involved workforce while enabling the Union to best represent and serve its members.

- _____ To resolve issues to the greatest extent possible through a collaborative process marked by open communication and respect for the employees, the Company and the Union.

- _____ To appreciate what the Union and the Company bring to our business.

The Company and the Union believe that a relationship built on cooperation and collaboration is beneficial to the Company and its employees. It is agreed that the Company and the Union may discuss suggestions, issues,

or other matters either party wishes to present, provided that neither party shall be bound to act upon any item presented or modify or change any provision of this Agreement.

The parties also understand that in a long-term cooperative relationship of this nature, developments may arise that neither party anticipated. In such circumstances, it may be in everyone's best interest to modify specific terms in this Agreement. The parties agree to approach such discussions with the utmost good faith in order to find solutions best for all. This Agreement has been constructed so as to maximize the likelihood of realizing these objectives in regard to the intent and spirit of this Agreement.

ARTICLE 1

BARGAINING UNIT

Section 1.1 Recognition. For the purposes of collective bargaining with respect to rates of pay and other conditions of employment, the Company recognizes the Union as the exclusive bargaining agent for the collective bargaining unit described as follows:

1.1(a) Non-engineering. All full-time and regular part-time nonexempt employees and exempt salaried non-engineering employees (except the Occupation/Family codes included below) primarily employed and working in the Company's plants in Sedgwick County, Kansas, including persons who are on travel status from such plants, but excluding all full-time and regular part-time employees designated as being in the professional unit in the agreement with the Company, the Union and the National Labor Relations Board in the Occupation/Family codes 6ANB, BBAQ, BBAP, 7BTP, BCCK, 7BTN, 7BTR and the 7BTY employed within the SHEA Medical Organization, confidential employees [1.1(b) below], managerial employees, guards and supervisors as defined in the National Labor Relations Act, and all other employees.

1.1(b) The Company and the Union agree that a number of employees are excluded from the bargaining unit because of their job functions and/or organizations. The following is a list of categories of work that these employees do and/or the organizations they are in:

1.1(b)(1) Employees who work with confidential personnel information. The people in this group include (a) all individuals working in human resource functions including employment, organizational personnel representatives, compensation and benefits, equal employment opportunity/workforce diversity, staffing and workforce, union relations, people systems and management development; (b) all individuals working in the Employee Assistance Program; (c) all individuals in the Law and Ethics organizations; and (d) all individuals in the Security and Fire protection organization. Not included in this group of confidential employees are those employees who coordinate and provide training programs.

1.1(b)(2) Employee who work with confidential business information. The people in this group include all individuals in the Business Operations, in Internal Audit, in Communications and Public Affairs, in State and Local Government Relations and all Executive Office Administrators. Additionally, certain employees in the Finance Organizations in payroll, payment services, insurance, estimating/pricing, investment analysis, cost management, contracts, financial planning, overhead, tax specialists, sales accounting/billings and finance/business management as further described in Appendix A are confidential. These employees work regularly with data and information that is confidential because it includes one or more of these elements: forward pricing, confidential information regarding litigation with employees, employee personnel data, strategic business plans, decisions analysis and labor forecasting.

1.1(b)(3) Employees in Information Technology who have systems level root authority. "Systems level root authority" is defined as privileged access allowing employees to install, update and upgrade restricted system software and parameters at the operating system level. "Systems level root authority" also includes unlimited access to operating system passwords, user passwords, and system data. "Unlimited access" is defined as the ability to inquire, update, and/or delete information at operating system and/or database levels. The functions and job codes included in the three groups described above are listed in Appendix A hereto which may be updated from time to time by mutual agreement of the parties. Upon request, the Company will provide the Union with job classification information sufficient to allow the Union to ensure compliance with this Article.

Section 1.2 Employees. For purposes of the remaining articles of this Agreement, the term "employees" shall include only those persons who are a part of the unit as described in Section 1.1.

ARTICLE 2

RIGHTS OF MANAGEMENT

Section 2.1 Management of Company. Except as expressly modified or restricted by a specific provision of this Agreement, all statutory, common law, and inherent managerial rights, prerogatives, and functions are retained and vested exclusively in the Company, including, but not limited to, the rights in accordance with its sole and exclusive judgment and discretion to: establish reasonable rules and regulations; manage the operation; direct the workforce; promote, demote, transfer and/or assign its employees; discipline (up to and including discharge) employees for just cause; determine the number of employees to be employed; and hire employees, determine their qualifications and assign their work and work locations.

2.1(a) Company and the Union agree that due to the nature of the work performed by employees represented by the Union, management employees may from time to time, perform work that would

otherwise be performed by bargaining unit members for the purposes of product development, process improvement, employee training or emergencies.

2.1(b) The terms and conditions of this Agreement are minimum and the Company shall be free to grant more favorable terms and conditions to any employee at its discretion.

ARTICLE 3

DETERMINATION OF DISPUTES

Section 3.1 -Establishment of Procedure.- Definition: The term “grievance” shall mean a written complaint involving the interpretation or application of this Agreement. -A grievance may include a complaint about an act, communication or omission which occurs after the termination of this Agreement, but no such grievance shall be subject to arbitration.

Section 3.2 -Just Cause Requirement. -Employees shall not be disciplined or discharged without just cause. -For grievances involving a layoff, discharge, suspension, or involuntary resignation, employees shall have the right to begin the grievance process at Step 3 of this procedure, with the designated Company representative within ten (10) workdays after the date of such layoff, discharge, suspension, or involuntary resignation.

Section 3.3 -Grievance Steps.

Step 1 – Oral. -Any employee having a complaint shall first bring it to the attention of his immediate supervisor. -A Union Representative shall be present if requested by the Company or the employee.- The decision in this Step will be final and binding unless, within ten (10) workdays of the decision, the employee proceeds to Step 2 of this procedure.

Step 2 - Documented.- Any complaint not resolved in Step 1 – Oral, must be documented and signed by the employee specified with alleged facts giving rise to the complaint, the Article or Sections of this Agreement alleged to have been violated, and the remedy requested. -The grievance must be submitted to the employee’s supervisor within ten (10) working days of the Step 1 – Oral decision. -Within fifteen (15) calendar days of the manager’s receipt of a grievance, the supervisor or his designee will meet with the employee and the Council Representative or designee in an effort to resolve the grievance. -A written answer shall be given to the employee with a copy to the Union within three (3) workdays after the meeting.

Step 3 – Pre-Arbitration.- The employee’s managers’ decision will be final and binding unless, within ten (10) workdays of the issuance of that decision, the grievance is appealed in writing to Human Resources.

Within fifteen (15) calendar days of Human Resources' receipt of appeal, a Human Resource representative will meet with the employee and Union representative. -The Human Resources representative will give a written decision to the employee with a copy to the Union within five (5) workdays from the date of such meeting. -The parties attending such meetings shall have full authority to make final and binding settlements.

~~(a)~~ **Settlements.** -Grievances settled by the parties at any stage shall not be precedential for any purpose.

Step 4 – Arbitration.- The decision of Human Resources will be final and binding unless, within ten (10) workdays of the issuance of the decision, the grievance is appealed in writing to arbitration. -Such appeal shall be directed to Human Resources. -An impartial arbitrator shall then be appointed by mutual agreement of the parties.- Failing such agreement, a request shall be initiated by the parties to the Federal Mediation and Conciliation Service to submit a panel of seven (7) names from which a selection shall be made within fourteen (14) calendar days by the parties alternately striking one person on the panel. -The fees and expenses of the arbitrator and any other joint expense incurred in connection with the arbitration proceedings shall be paid by the loser. -The decision of the arbitrator will be final and binding on the Company and the Union.

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 this Agreement may be brought by the Union or the Company. Any limitations applying to individual employee grievances set forth in this Agreement shall continue to apply to any grievances brought by the Union. Grievances brought by the Union or the Company as described in this paragraph shall set forth the Section or Sections of this Agreement that are alleged to have been violated, the names of the employee(s) affected, and the remedy sought. Such grievances will commence at Step 3 of the Grievance Steps, as set forth in this section, Section 3.3. 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. 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).

Section 3.4 -Agreement Not To Be Altered.- The jurisdiction and authority of this arbitrator shall be confined exclusively to the interpretation of the explicit provision or provisions of this Agreement at issue between the Union and the Company. -The arbitrator shall have no authority to add to, detract from alter, amend or modify any provision of this Agreement, or impose on any party a limitation or obligation not explicitly provided for in this Agreement. -The arbitrator shall have no authority or power to limit or impair any right that Article 2 of this Agreement reserves to Management as a Management prerogative. -The arbitrator shall not consider as a past practice any other event or policy that occurred before the Effective Date of this Agreement.

Section 3.5 -Time Limit to Process Grievance.- The Company shall not be required to consider or process any Step 1 – Oral grievance not presented within ten (10) workdays after the occurrence which gave rise to the grievance, or any grievance which is not processed within the other time limits established in this Article. -Upon

mutual agreement the parties may extend time limits.- Should Management not act within any prescribed time limit, the grievance shall automatically proceed to the next step.

Section 3.6 -Arbitration Proceeding.- Unless otherwise agreed by the parties, each grievance appealed to arbitration shall be the subject of a separate and distinct arbitration hearing and decision, and no arbitrator shall be selected by the parties to hear or decide more than one (1) grievance in any one (1) arbitration proceeding.

Section 3.7 -Investigatory Interviews.- Each employee shall be informed of the right, during an investigatory interview by personnel of the Company's Security Organization, the Employee Relations Organization (ERO), or the Equal Employment Opportunity Organization (EEO), which may result in discipline, to request the presence of a union representative, if the union representative is available. -If his union representative is not available, such employee may request the presence of another immediately available union representative. -The union representative shall not obstruct or interfere with the purpose or timely completion of the interview. Reasonable delays will be accommodated to assure representation is available.

Section 3.8 -Time Limitation as to Back Pay and Wage Overpayments.

3.8(a)- Grievance claims regarding retroactive compensation shall be limited to thirty (30) calendar days prior to the written submission of the grievance to the Company; provided, however, that this thirty (30)-day limitation may be waived by mutual consent of the parties. -The parties commit to make every effort to resolve arbitration cases as expeditiously as possible.

3.8(b)- Company recovery of wage overpayments shall be limited to thirty (30) calendar days prior to discovery of the overpayment.

Section 3.9 -Conferences During Work Hours.- All conferences resulting from the application of provisions of this Article shall be held during working hours.

ARTICLE 4

EMPLOYEE PERFORMANCE

Section EXPECTATIONS AND GOALS

SECTION 4.1 -Employee Performance Process. COLLABORATION FOR SUCCESS. The Union and the Company agree that ~~many factors contribute~~ on-going, open, honest communication is critical to performance. ~~The~~ the success of the Company ~~will establish, modify.~~ This communication takes many forms and ~~continuously improve the employee performance and evaluation process.~~ The process will provide a documented means for the employee and must be embedded in the manager to assess

~~performance and an option to build Individual Development Plans (IDP). The Union and the culture of the Company will discuss and the Company will consider in good faith any changes to the current process.~~

~~4.1(a) Both the employee and the manager are responsible for the completion of this process annually. A copy of the completed final review shall be placed in the employee's Personnel file.~~

~~4.1(b) It is expected that occasional disagreement over Performance Evaluation content will be resolved at the lowest possible every level. A skip level manager may be involved in the process for this purpose. However, in those few instances where such resolution is not possible, the Union may involve the Human Resource Director (or designee). Spirit will continue to educate employees and management on this interactive process.~~

~~4.1(c) Failure to perform to identified performance standards may result in progressive discipline.~~

Section 4.2 Individual Development Plan

~~Employees who want to improve their skills in their current job or qualify for a job level upgrade may develop an Individual Development Plan (IDP) with Management. The IDP will generally identify a path of courses, activities, assignments and/or on the job training. Successful completion of an IDP targeted at qualifying for a higher level job shall be considered by the Company if or when promotions are available.~~

A crucial element of this culture occurs between line managers and their employees. Both the manager and the employee must seek to understand each other's perspectives, goals and aspirations on an ongoing basis. In recognition of the individuality of Spirit employees and the uniqueness of the employee's roles and responsibilities, the exact frequency and forum for communications is to be determined by the employee and their manager, with the minimum frequency being determined by the Company.

Topics to be discussed may include, but are not limited to:

- The employee's goals in the context of value to the organization/corporation which may include the potential of reassignment to achieve success.
- Current roles and responsibilities for the individual and how they support the manager and the manager's organization.
- Breaking down Corporate goals and attributes to measurable goals within the organization.
- Individual performance measured in a qualitative and/or quantitative sense and how that performance supports the success of the organization.
- Future roles and responsibilities.
- Examination of work/life balance against organizational needs

Documentation of these discussions is strongly encouraged. This is meant to facilitate on-going and honest feedback, enable informed discussions within functional leadership discussions to better facilitate personnel movement and support management decisions such as upgrades, and salary adjustments.

ARTICLE 5

HOLIDAYS

Section 5.1 Dates Observed. There will be twelve (12) scheduled paid holidays each calendar year. The following holidays will be observed by the Company for the purpose set forth in this Article:

20112019 Holidays	Day of Week	Date of Observance
Labor Day	Monday	September 5, 2011
Thanksgiving Day	Thursday	November 24, 201128 -Nov-19
Day following Thanksgiving	Friday	November 25, 201129 -Nov-19
Christmas Break	Tuesday Friday	December 23, 201124 -Dec-19
Christmas Break Day	Wednesday Monday	December 26, 201125 -Dec-19
Christmas Break	Thursday Tuesday	December 27, 201126 -Dec-19
Christmas Break	Friday Wednesday	December 28, 201127 -Dec-19
Christmas Break	Monday Thursday	December 29, 201130 -Dec-19
Christmas Break	Tuesday Friday	December 30, 201131 -Dec-19

2012 Holidays	Day of Week	Date of Observance
New Year's Day	Monday	January 2, 2012
Memorial Day	Monday	May 28, 2012
Independence Day	Wednesday	July 4, 2012
Labor Day	Monday	September 3, 2012
Thanksgiving Day	Thursday	November 22, 2012

Day following Thanksgiving	Friday	November 23, 2012
Christmas Break	Monday	December 24, 2012
Christmas Day	Tuesday	December 25, 2012
Christmas Break	Wednesday	December 26, 2012
Christmas Break	Thursday	December 27, 2012
Christmas Break	Friday	December 28, 2012
Christmas Break	Monday	December 31, 2012
2013 Holidays	Day of Week	Date of Observance
New Year's Day	Tuesday	January 1, 2013
Memorial Day	Monday	May 27, 2013
Independence Day	Thursday	July 4, 2013
Labor Day	Monday	September 2, 2013
Thanksgiving Day	Thursday	November 28, 2013
Day following Thanksgiving	Friday	November 29, 2013
Christmas Break	Tuesday	December 24, 2013
Christmas Day	Wednesday	December 25, 2013
Christmas Break	Thursday	December 26, 2013
Christmas Break	Friday	December 27, 2013
Christmas Break	Monday	December 30, 2013
Christmas Break	Tuesday	December 31, 2013

2014 Holidays	Day of Week	Date of Observance
New Year's Day	Wednesday	January 1, 2014
Memorial Day	Monday	May 26, 2014
Independence Day	Friday	July 4, 2014
Labor Day	Monday	September 1, 2014
Thanksgiving Day	Thursday	November 27, 2014
Day following Thanksgiving	Friday	November 28, 2014
Christmas Break	Wednesday	December 24, 2014
Christmas Day	Thursday	December 25, 2014
Christmas Break	Friday	December 26, 2014
Christmas Break	Monday	December 29, 2014
Christmas Break	Tuesday	December 30, 2014
Christmas Break	Wednesday	December 31, 2014
2015 Holidays	Day of Week	Date of Observance
New Year's Day	Thursday	January 1, 2015
Memorial Day	Monday	May 25, 2015
Independence Day	Friday	July 3, 2015
Labor Day	Monday	September 7, 2015
Thanksgiving Day	Thursday	November 26, 2015
Day following Thanksgiving	Friday	November 27, 2015

-Christmas Break	Thursday	December 24, 2015
-Christmas Day	Friday	December 25, 2015
-Christmas Break	Monday	December 28, 2015
-Christmas Break	Tuesday	December 29, 2015
-Christmas Break	Wednesday	December 30, 2015
-Christmas Break	Thursday	December 31, 2015

2016 Holidays	Day of Week	Date of Observance
New Year's Day	Friday	January 1, 2016
Memorial Day	Monday	May 30, 2016
Independence Day	Monday	July 4, 2016
Labor Day	Monday	September 5, 2016
Thanksgiving Day	Thursday	November 24, 2016
Day following Thanksgiving	Friday	November 25, 2016
-Christmas Break	Friday	December 23, 2016
-Christmas Break	Monday	December 26, 2016
-Christmas Break	Tuesday	December 27, 2016
-Christmas Break	Wednesday	December 28, 2016
-Christmas Break	Thursday	December 29, 2016
-Christmas Break	Friday	December 30, 2016

2017 Holidays	Day of Week	Date of Observance
New Year's Day	Monday	January 2, 2017
Memorial Day	Monday	May 29, 2017
Independence Day	Tuesday	July 4, 2017
Labor Day	Monday	September 4, 2017
Thanksgiving Day	Thursday	November 23, 2017
Day following Thanksgiving	Friday	November 24, 2017
-Christmas Break	Friday	December 22, 2017
-Christmas Day	Monday	December 25, 2017
-Christmas Break	Tuesday	December 26, 2017
-Christmas Break	Wednesday	December 27, 2017
-Christmas Break	Thursday	December 28, 2017
-Christmas Break	Friday	December 29, 2017

2018 Holidays	Day of Week	Date of Observance
New Year's Day	Monday	January 1, 2018
Memorial Day	Monday	May 28, 2018
Independence Day	Wednesday	July 4, 2018
Labor Day	Monday	September 3, 2018
Thanksgiving Day	Thursday	November 22, 2018

Day following Thanksgiving	Friday	November 23, 2018
-Christmas-Break	Monday	December 24, 2018
-Christmas-Day	Tuesday	December 25, 2018
-Christmas-Break	Wednesday	December 26, 2018
-Christmas-Break	Thursday	December 27, 2018
-Christmas-Break	Friday	December 28, 2018
-Christmas-Break	Monday	December 31, 2018

2019 Holidays	Day of Week	Date of Observance
New Year's Day	Tuesday	January 1, 2019
Memorial Day	Monday	May 27, 2019
Independence Day	Thursday	July 4, 2019
Labor Day	Monday	September 2, 2019
Thanksgiving Day	Thursday	November 28, 2019
Day following Thanksgiving	Friday	November 29, 2019
-Christmas-Break	Tuesday	December 24, 2019
-Christmas-Day	Wednesday	December 25, 2019
-Christmas-Break	Thursday	December 26, 2019
-Christmas-Break	Friday	December 27, 2019
-Christmas-Break	Monday	December 30, 2019
-Christmas-Break	Tuesday	December 31, 2019

2020 Holidays	Day of Week	Date of Observance
New Year's <u>Year's</u> Day	Wednesday	January 1, 2020 <u>1-Jan-20</u>
Memorial Day	Monday	25-May-20 <u>25, 2020-20</u>
Independence Day	Friday	July 3, 2020 <u>Jul-20</u>
Labor Day	Monday	September 7, 2020 <u>7-Sep-20</u>
Thanksgiving Day	Thursday	November 26, 2020 <u>Nov-20</u>
Day following Thanksgiving	Friday	November 27, 2020 <u>Nov-20</u>
Christmas Break	Thursday	December 24, 2020 <u>Dec-20</u>
Christmas Day	Friday	December 25, 2020 <u>Dec-20</u>
Christmas Break	Monday	December 28, 2020 <u>Dec-20</u>
Christmas Break	Tuesday	December 29, 2020 <u>Dec-20</u>
Christmas Break	Wednesday	December 30, 2020 <u>Dec-20</u>
Christmas Break	Thursday	December 31, 2020 <u>Dec-20</u>

2021 Holidays	Day of Week	Date of Observance
New Year's <u>Year's</u> Day	Friday	January 1, 2021 <u>1-Jan-21</u>
Memorial Day	Monday	31-May-21 <u>31, 2021-21</u>
Independence Day	Monday	July 5, 2021 <u>Jul-21</u>
<u>Labor Day</u>	<u>Monday</u>	<u>6-Sep-21</u>
<u>Thanksgiving Day</u>	<u>Thursday</u>	<u>25-Nov-21</u>
<u>Day following Thanksgiving</u>	<u>Friday</u>	<u>26-Nov-21</u>
<u>Christmas Break</u>	<u>Friday</u>	<u>24-Dec-21</u>
<u>Christmas Day</u>	<u>Monday</u>	<u>27-Dec-21</u>
<u>Christmas Break</u>	<u>Tuesday</u>	<u>28-Dec-21</u>
<u>Christmas Break</u>	<u>Wednesday</u>	<u>29-Dec-21</u>
<u>Christmas Break</u>	<u>Thursday</u>	<u>30-Dec-21</u>
<u>Christmas Break</u>	<u>Friday</u>	<u>31-Dec-21</u>
2022 Holidays	Day of Week	Date of Observance
<u>New Year's Day</u>	<u>Monday</u>	<u>3-Jan-22</u>
<u>Memorial Day</u>	<u>Monday</u>	<u>30-May-22</u>
<u>Independence Day</u>	<u>Monday</u>	<u>4-Jul-22</u>
<u>Labor Day</u>	<u>Monday</u>	<u>5-Sep-22</u>
<u>Thanksgiving Day</u>	<u>Thursday</u>	<u>24-Nov-22</u>
<u>Day following Thanksgiving</u>	<u>Friday</u>	<u>25-Nov-22</u>
<u>Christmas Break</u>	<u>Friday</u>	<u>23-Dec-22</u>

<u>Christmas Break</u>	<u>Monday</u>	<u>26-Dec-22</u>
<u>Christmas Break</u>	<u>Tuesday</u>	<u>27-Dec-22</u>
<u>Christmas Break</u>	<u>Wednesday</u>	<u>28-Dec-22</u>
<u>Christmas Break</u>	<u>Thursday</u>	<u>29-Dec-22</u>
<u>Christmas Break</u>	<u>Friday</u>	<u>30-Dec-22</u>
<u>2023 Holidays</u>	<u>Day of Week</u>	<u>Date of Observance</u>
<u>New Year's Day</u>	<u>Monday</u>	<u>2-Jan-23</u>
<u>Memorial Day</u>	<u>Monday</u>	<u>29-May-23</u>
<u>Independence Day</u>	<u>Tuesday</u>	<u>4-Jul-23</u>
<u>Labor Day</u>	<u>Monday</u>	<u>4-Sep-23</u>
<u>Thanksgiving Day</u>	<u>Thursday</u>	<u>23-Nov-23</u>
<u>Day following Thanksgiving</u>	<u>Friday</u>	<u>24-Nov-23</u>
<u>Christmas Break</u>	<u>Friday</u>	<u>22-Dec-23</u>
<u>Christmas Day</u>	<u>Monday</u>	<u>25-Dec-23</u>
<u>Christmas Break</u>	<u>Tuesday</u>	<u>26-Dec-23</u>
<u>Christmas Break</u>	<u>Wednesday</u>	<u>27-Dec-23</u>
<u>Christmas Break</u>	<u>Thursday</u>	<u>28-Dec-23</u>
<u>Christmas Break</u>	<u>Friday</u>	<u>29-Dec-23</u>
<u>2024 Holidays</u>	<u>Day of Week</u>	<u>Date of Observance</u>
<u>New Year's Day</u>	<u>Monday</u>	<u>1-Jan-24</u>
<u>Memorial Day</u>	<u>Monday</u>	<u>27-May-24</u>
<u>Independence Day</u>	<u>Thursday</u>	<u>4-Jul-24</u>
<u>Labor Day</u>	<u>Monday</u>	<u>2-Sep-24</u>
<u>Thanksgiving Day</u>	<u>Thursday</u>	<u>28-Nov-24</u>
<u>Day following Thanksgiving</u>	<u>Friday</u>	<u>29-Nov-24</u>
<u>Christmas Break</u>	<u>Tuesday</u>	<u>24-Dec-24</u>
<u>Christmas Day</u>	<u>Wednesday</u>	<u>25-Dec-24</u>
<u>Christmas Break</u>	<u>Thursday</u>	<u>26-Dec-24</u>
<u>Christmas Break</u>	<u>Friday</u>	<u>27-Dec-24</u>
<u>Christmas Break</u>	<u>Monday</u>	<u>30-Dec-24</u>
<u>Christmas Break</u>	<u>Tuesday</u>	<u>31-Dec-24</u>
<u>2025 Holidays</u>	<u>Day of Week</u>	<u>Date of Observance</u>
<u>New Year's Day</u>	<u>Wednesday</u>	<u>1-Jan-25</u>
<u>Memorial Day</u>	<u>Monday</u>	<u>26-May-25</u>
<u>Independence Day</u>	<u>Friday</u>	<u>4-Jul-25</u>
<u>Labor Day</u>	<u>Monday</u>	<u>1-Sep-25</u>
<u>Thanksgiving Day</u>	<u>Thursday</u>	<u>27-Nov-25</u>
<u>Day following Thanksgiving</u>	<u>Friday</u>	<u>28-Nov-25</u>
<u>Christmas Break</u>	<u>Wednesday</u>	<u>24-Dec-25</u>
<u>Christmas Day</u>	<u>Thursday</u>	<u>25-Dec-25</u>
<u>Christmas Break</u>	<u>Friday</u>	<u>26-Dec-25</u>
<u>Christmas Break</u>	<u>Monday</u>	<u>29-Dec-25</u>
<u>Christmas Break</u>	<u>Tuesday</u>	<u>30-Dec-25</u>
<u>Christmas Break</u>	<u>Wednesday</u>	<u>31-Dec-25</u>

<u>2026 Holidays</u>	<u>Day of Week</u>	<u>Date of Observance</u>
<u>New Year's Day</u>	<u>Thursday</u>	<u>1-Jan-26</u>

Section 5.2 Unworked Holidays. Employees shall receive eight (8) hours pay for unworked holidays (those holidays designated above), at their Base Rate in effect at the time the holiday occurs, plus shift premiums where applicable, ~~provided, however the employee works his last full working day prior to and after the holiday(s), unless excused by supervisor.~~

Section 5.3 Worked Holidays.

5.3(a) Non-exempt employees who are required to work on their designated holidays shall receive the pay due them for the holiday, plus double their Base Rate for all hours worked on such holiday plus shift premiums where applicable.

5.3(b) Exempt employees shall receive the pay due them for the holiday, plus their Base Rate plus \$~~68~~.50 per hour for all hours worked on such holiday plus shift premiums where applicable.

Section 5.4 Holidays During Earned Time Off. Holidays occurring while an employee is on earned time off are not deducted from earned time off credits.

Section 5.5 Employees Prevented from Working Because of Local Holidays. Employees assigned to a non-Company facility who are prevented from working their assigned shift because a holiday not listed in this Article is recognized at that facility shall be paid for such assigned shift unless the Company, at its option, modifies the work schedule for the week in which the holiday falls so that the employees are able to work a full work week. In all cases, hours worked on scheduled days of rest will be treated as overtime under Section 10.

ARTICLE 6

EARNED TIME OFF

Section 6.1 Computation of Credit. All earned time off must be approved in advance by one's supervisor excluding illnesses. The amount of earned time off depends on the amount of continuous service and hire date. Years of service for Boeing employees hired on or before the Effective Date shall apply. Earned time off will be accrued per pay period.

Complete Years of Service	Earned Time Off Days	Earned Time Off Hours
0 - 4	16	128
5 - 9	18	144
10 - 11	21	168
12 - 13	22	176
14 - 15	23	184
16 - 17	24	192
18 +	25	200

New hires will be advanced sixty-four (64) hours of ETO and any ETO accrued during the first twenty-six (26) weeks of employment will be used to repay the advanced ETO. If a new employee's employment ends before the completion of twenty-six (26) weeks of employment, the employee must repay any ETO used but not earned prior to the termination.

Shift differential and work schedule premium pay will be paid where applicable in addition to Base Rate.

Section 6.2 Unused Credit.

6.2(a) All earned time off must be taken before the expiration of twelve (12) months after the date the earned time off day is earned. However, days earned up to the maximum accrual during an anniversary year may be carried over into the succeeding anniversary year. At no time shall an employee carry a balance of more than two (2) times their annual accrual.

6.2(b) An employee may choose to be paid, upon written request, for a total of up to ten (10) earned time off days in any calendar year. An employee may request payment on two occasions during the year: ~~(1) on their service date; and (2) one other time during the calendar year~~ at the employee's discretion.

Section 6.3 Use of Credit. All earned time off shall be taken at a time as to not seriously interfere with scheduled operations. So far as practicable, the Company will permit all earned time off for the period for which employees express preference. Employees, including exempt employees, may take earned time off in one tenth (.10) hour increments up to a maximum accrual per the appropriate schedule.

Section 6.4 Bereavement Leave. Up to three (3) days bereavement leave with pay will be granted to an employee on the active payroll who, because of death in his immediate family, takes time off from work during his normal work schedule as such term is defined in Section 10 of this Agreement. Such pay shall be at the

employee's straight time base rate, including shift differential and cost of living adjustment where applicable for each such day off; however, such pay will not be applicable if the employee receives pay for such days off under any other provision of this Agreement. Bereavement leave must be taken on consecutive workdays as selected by the employee within ~~twenty (20)~~thirty (30) calendar days following the death (or evidence of belated notification of death). For the purposes of this Section 6.4 the "immediate family" is defined as ~~follows the following family members of the employee or the employee's spouse:~~ spouse, mother, father, mother-in-law, father-in-law, children, brother, sister, son-in-law, daughter-in-law, great-grandparents, grandparents, grandchildren, stepmother, stepfather, stepchildren, stepbrother, stepsister, half-brother, half-sister, ~~spouse's grandparents,~~ domestic partner, step-grandparents, brother in law, sister in law, in loco parentis, and ~~spouses step-grandparents-~~others as management may approve. In addition, an employee will be granted bereavement leave for a stillborn child.

ARTICLE 7

WORKFORCE

Section 7.1 Objective-

The parties agree that it is in their mutual interest to ensure that appropriate employment, advancement, retention, redeployment, and layoff practices are implemented.

Section 7.2 Surplus-

The term refers to a condition in which the Company determines that the assigned number of individuals exceeds the needs of the activity, project, program or organization to which the individuals are assigned. -A surplus may or may not result in layoffs.- To the extent deemed practicable by the Company, surpluses will be resolved by placing individuals in other assignments.

Section 7.3 Layoffs-

The general objective of the procedure stated in this 7.3 is to provide for the accomplishment of layoffs for business reasons, to the end that insofar as practicable the layoffs will be made equitably, expeditiously and economically, and at the same time will result in retention on the payroll of those employees regarded by management as comprising the workforce that is best able to maintain or improve the efficiency of the Company, further its progress and success and contribute to the successful accomplishment of the Company's current and future business. The Company also recognizes that generally employees in a higher level of a job classification demonstrate a greater breadth of skills available to meet these goals. The occurrence and existence of any condition necessitating a layoff, and the number of employees involved, will be determined exclusively by the Company. Following such determination, the Company will notify the Union of the anticipated layoff ~~and~~, the affected retention groups and number of employees apt to be affected.

Section 7.4 Procedure Relating to the Filling of Positions-

7.4(a) The parties are agreed that it is in their mutual interest to assure that favorable promotional and retention consideration is granted to those individuals who are best able to maintain or improve the efficiency of the Company, further its progress and contribute to the successful accomplishment of current and future business. Accordingly, in the filling of positions, particular attention will be given to the development, advancement and retention of the existing workforce.

7.4(b) The Company will first seek qualified candidates from within the existing active workforce for all available positions, giving first consideration in the following order:

7.4(b)(1) An "in-place" promotion is the promotion of an employee to a higher level within the same Job Classification. This promotion results from expansion of the employee's own work assignment and is not for the purpose of filling a position vacated by another employee. The Company may make such in-place promotions without limitations.

7.4(b)(2) Reassignments of individuals within the bargaining unit who have been identified for redeployment

7.4(b)(3) Reassignments of individuals from other payrolls who have been identified for redeployment

7.4(b)(4) Employees who were, within six (6) years preceding the date on which the open position is designated, while on the active payroll, downgraded for other than performance reasons from the same Job Classification as the available position, or from a higher level of that Job Classification, or from a directly related management, engineering, or other payroll position and has not declined a Company offer of return to the Job Classification from which downgraded.

7.4(b)(5) Transfers into the bargaining unit of individuals who at some previous time were assigned to the Job Classification.

7.4(b)(6) Individuals on file for recall as described in 7.9(b)

7.4(b)(7) Candidates who make timely application for the open position through the Company's Employee Requested Transfer process.

7.4(b)(8) Others.

7.4(c) Workforce Deployment. Because of changing business practices or organizational structure, a need to re-deploy employees may occur. In such cases, the Company will give as much advance notice to the Union as is practicable. If an open position occurs for a Job Classification in which an employee has been redeployed from or identified for re-deployment to, the employee already assigned to that Job Classification can apply and shall have first consideration within a year from redeployment for the open position.

~~**7.4(c)(1)** If an open position occurs for a Job Classification in which employees have been identified for re-deployment, an employee already assigned to that Job Classification shall be selected for the open~~

~~position.~~

7.4(d)- Employee Requests for Transfers. The Company will maintain an environment in which employees can make known their interest in transferring to other positions for which they are qualified to perform and which may satisfy their personal needs. A job posting and transfer process will be maintained which will allow employees, without fear of reprisal, to make application for transfer and receive consideration as a candidate for open positions for which they are qualified. All employees, including those involved in surpluses, shall have full access to the Company staffing process. The Company will provide the Union with a copy of the request for transfer procedure and any changes thereto.

Section 7.5 Reductions-in-Force. Should reductions-in-force become necessary, the Company will retain employees ~~with the best performance or~~ as warranted by business need in each job classification with a rating system that includes company discretion and employee length of service. It is the Company's intent that non-employee sources of services will be reduced as much as practical prior to any reductions-in-force, pursuant to the terms within Article 8.

7.5(a) Voluntary Layoff. An employee may request that he or she be voluntarily laid off. The Company will endeavor to accommodate those requests for Voluntary Layoff; however, if it is necessary to retain the employee in order to avoid significant disruption or impact, the Company may deny a request. The employee will be coded as a layoff and will be regarded for all Company purposes as a laid off employee, however, employees accepted for voluntary layoff shall not maintain recall rights. The Union will be advised of all employees approved for voluntary layoff.

~~**7.5(a) Retention Rating.** The Company will establish and communicate to the employees and the Union, a retention rating process consisting of three (3) categories. Employees will be given written notification of their rating.~~

- ~~i. Category A shall represent the employees rated in the top 70% of the employees in each classification.~~
- ~~ii. Category B shall represent the employees rated in the next 20% of the employees in each classification.~~

iii. ~~Category C shall represent the employees rated in the lowest 10% of the employees in each classification. Employees rated in Category C will be notified of their vulnerability to layoff during a reduction in force.~~

~~**7.5(a)(1) Adjustments for Company Service.** Employees with twenty (20) or more years of Company service who are ranked in the Category C will be adjusted to a Category B retention rating, and employees with twenty (20) or more years of Company service who are rated in Category B will be adjusted to a Category A retention rating. Such adjustments will be reflected in the written notification to each employee.~~

~~**7.5(a)(2) Retention Rating Appeals.** An employee who feels the assigned retention rating is inappropriate may at any time discuss the matter with his or her immediate supervisor. If within thirty (30) calendar days following notification of the assigned retention rating the employee elects to appeal the rating, and discussion with the immediate supervisor has not resolved the employee's concern, certain ratings may be appealed for further review as provided below:~~

~~**7.5(a)(2)a** Employees ranked in Category C will be allowed to appeal the rating.~~

~~**7.5(a)(2)b** Any employee experiencing a drop in rating will be allowed to appeal the rating.~~

~~**7.5(a)(3)** Final Appeal will reside with the Workforce Skill Team Strategist or HR Generalist, the Labor Relations Representative, and the Union Representative who will resolve the appeal by majority decision at the meeting or within five workdays thereafter. In the event the Union considers the decision to be inappropriate to the facts of the case, the Union may advance its appeal to the Site Union Relations Manager whose decision will be final and binding and will conclude the appeal process. Pertinent information may be obtained from meeting with the employee, the immediate supervisor and/or the appropriate management representative.~~

~~**7.5(a)(4) Retention Rating Frequency.** Retention ratings will occur at least every eighteen (18) months. A retention rating may be conducted in any retention groups in advance of any contemplated surplus.~~

~~**7.5(a)(5) Employee Notification.** Following each periodic retention index review, the Company will provide each employee with a written notification of the employee's retention rating prior to the effective date, except where such is made impracticable due to the unavailability of the employee or the supervisor occasioned by vacations, travel assignments, etc. In such circumstance the notification will be given as soon as practicable. In addition, management will discuss the new retention rating with employees. The written notification will contain:~~

~~**7.5(a)(5)a** The employee's Job Classification;~~

~~**7.5(a)(5)b** The employee's retention rating prior to and following any adjustment under 7.5(a)(1);~~

~~**7.5(a)(5)c** The number of employees in each of the three retention index categories [as adjusted under 7.5(a)(1)], within the employee's retention index group;~~

~~**7.5(a)(5)d** A description of the jobs and levels included in the retention group;~~

~~**7.5(a)(5)e** "Designation" status, in accordance with Section 7.10;~~

~~**7.5(a)(5)f** Manager signature and date the notification was presented to the employee, and employee signature acknowledging receipt (the employee's signature does not represent agreement but merely that the employee was notified of the information provided above).~~

~~**7.5(b) Out-of-Sequence Retention Rating.** The retention rating of an employee who is reclassified between periodic retention rating reviews will be sustained or revised as defined in 7.5(b)(3).~~

~~**7.5(b)(1)** With downward movement between sequenced rating groups, the employee will become a Category A until the next periodic retention rating review.~~

~~**7.5(b)(2)** With an upward movement between sequenced groups, the employee will automatically receive a retention rating of Category C until the next periodic retention rating review.~~

~~7.5(b)(3) When no level sequencing between groups is involved, the employee will retain the same retention rating as before the reclassification until the next periodic retention rating review.~~

~~7.5(b)(4) An employee who returns from leave of absence between periodic retention rating reviews shall retain the same rank until the next periodic retention rating review.~~

~~7.5(b)(5) An individual who enters the bargaining unit between periodic retention rating reviews shall automatically be assigned a retention rating of Category C until the next periodic retention rating review.~~

~~7.5(b)(6) An individual who returns from layoff shall be assigned the retention rating of record at the time of layoff, providing there has not been a retention rating review during the layoff period. The individual will automatically be assigned a retention rating of Category C if a retention rating review has been conducted during the layoff period.~~

~~7.5(b)(7) The out or sequence retention rating assigned under the provisions of 7.5(b)(1) through 7.5(b)(7) will be reaffirmed or superseded by the rank assigned during the next periodic retention rating review.~~

~~**7.5(c) Retention Rating Group Makeup.** Management will assign the retention rating by Job Classification for each employee to who this Article applies, with the basic objective of identifying those employees who in the opinion of Management, are best able to maintain or improve the efficiency of the Company, further its progress and success and contribute to the successful accomplishment of the Company's current and future business. Each retention group will consist of all the employees in the appropriate identified Job Classification. Exempt and non-exempt employees will not be in the same retention group.~~

~~**7.5(d) 7.5(b) Involuntary Reductions.** After Voluntary layoffs have been conducted pursuant to Section 7.5(a), involuntary reductions will be accomplished using a combination of: (1) a Company assessment of potentially impacted employees, and (2) Years of Service. The Management Assessment shall account for half of the employee score and the Years of Service shall account for the other half of the employee's score. Reductions will occur with those employees scoring the lowest points first.~~

7.5(b)(1) The Company will solely be responsible for establishing the parameters and considerations of the assessment; however, in general, the Company will review employee's

criticality, versatility, contribution, diligence, demonstrated capabilities and performance. There will be no appeal of the Company assessment. The Company assessment will result in rating employees in the potentially affected group(s). A scale of 1 (lowest) to 4 (highest) will be utilized.

7.5(b)(2) An Employee's Year's of Spirit Service must be continuous and will be calculated as follows:

<u>Years of service</u>	<u>Points</u>
<u>Less than 3</u>	<u>1</u>
<u>Over 3 but less than 8</u>	<u>2</u>
<u>Over 8 but less than 13</u>	<u>3</u>
<u>Over 13 years</u>	<u>4</u>

7.5(b)(3) The Company will determine if any scores arrived at utilizing this section will be applied to more than one reduction in force exercise, as required.

7.5(c) Application. When a workforce reduction is determined by management to be necessary within one or more ~~retention rating~~ groups, management will follow the applicable provisions of Article 8 and designate for layoff the required number of employees within such ~~retention rating~~ groups, beginning with the lowest ~~rating index~~ employee score. Management will make the final determination of reductions for any employees who scored the same lowest score.

~~7.5(d)(1) Exceptions. Exceptions to the designation for layoff may be made by the Company where it desires to retain a maximum of 10% of employees who are Category C, 10% of employees who are Category B, and 10% of employees who are Category A within an affected Retention Index Group as of the time of the most recent retention index review. Exceptions will be identified in writing to the Union representative.~~

~~7.5(d)(1)a One (1) employee may be subject to the 10% exception if there are one (1) to fourteen (14) employees in the retention rating group;~~

~~7.5(d)(1)b Two (2) employees may be subject to the 10% exception if there are fifteen (15) to twenty-four (24) employees in the retention rating group;~~

~~7.5(d)(1)c Three (3) employees may be subject to the 10% exception if there are twenty-five (25) to thirty-four (34) employees in the retention rating group;~~

~~7.5(d)(1)d Higher numbered retention rating groups may be rounded similarly.~~

~~7.5(d)(2) Employees designated for layoff in a retention rating group that is sequenced by levels with a group that has lower levels and which is populated will be allowed a downgrade in lieu of layoff.~~

~~7.5(d)(3)~~ **7.5(c)(1) Travel.** Employees on travel status that is expected to continue for thirty (30) or more days may not be laid off while on such status. Such ~~employees~~ employees' scores shall not ~~be counted among or reduce the number of exceptions permitted by the provisions of Section 7.5 nor shall their rating~~ prevent the layoff or downgrade of employees with a higher ratingscore who are otherwise subject to such action.

~~7.5(d)(4)~~ **c)(2) Unique Job Code.** Employees selected by management to participate in a program of formal training in a field outside their current Job Classification, which training is conducted or approved by the Company, and employees who at management's request transfer from one major functional area to another for a Company-sponsored skill transition and retraining program will be assigned a unique job code upon entering the training program or upon transfer to the new functional area respectively. The trainee shall retain this unique code for a period of six (6) months following completion of training or transfer to the new functional area, as the case may be, in order to allow time for the trainee to demonstrate his or her adaptability to the new assignment. During the period in which the trainee is assigned the unique code, in the event of a layoff, he or she will ~~retain the retention rating held at~~ be scored as if s/he were in the time of assignment to the unique code. ~~In the event a surplus is declared in the trainee's new assignment and if the trainee's rating would cause him or her to be an individual surplus, the trainee will be returned for assignment to an area under his or her last held regular assigned Job Classification and the retention rating of record.~~

~~7.5(d)(5)~~ **c)(3)** Employees laid off after refusing less than equivalent job offers made as a result of re-deployment activities will be coded as a layoff and will be regarded for all Company purposes as a laid off employee.

~~7.5(d)(6)~~ ~~The Company and the Union agree that, any provision in the parties' Collective Bargaining Agreements to the contrary notwithstanding, an employee may request that he or she be voluntarily laid off without regard to assigned rating or adjustments for company service. If the request is approved by management, the employee will be coded as a layoff and will be regarded for all Company purposes as a laid off employee. The Union will be advised of all employees approved for voluntary layoff.~~

Section 7.6. Temporary Layoff ~~and~~ Short Workweek.

7.6(a) Temporary Layoff. Management, with bona fide requirements, can conduct temporary layoffs without regard to retention, provided the number of such layoffs per month does not exceed 5% of the total number of employees employed in the bargaining unit on the first day of that month. -Temporary layoffs will be voluntary whenever practical and will not exceed sixty (60) days, within a rolling twelve (12) month period. Employees on a temporary layoff will receive health and welfare benefits as provided for by the Health and Welfare Benefit Plans during such layoff. The union shall be notified of plans for temporary layoff as early in the process as practicable. Contract personnel within the same job codes and Program shall be terminated prior to implementing temporary layoffs, except when the Company determines that it needs to retain any key contract labor in order to avoid significant customer

disruption or impact on a Program. Such exceptions must be approved by the Senior Executive in the Program, shall not be greater than five percent (5%) of the bargaining unit, and the Union shall be notified.

7.6(b) Short Work Week. If deemed necessary to avoid a layoff, management will ask for volunteers but may in its discretion schedule short workweeks of not less than ~~24~~³² hours for a period not to exceed ~~180~~¹²⁰ consecutive calendar days- during any rolling 18 -month period for any individual employee. Health and welfare benefits will not be prorated during this time period. The union shall be notified of plans for short workweeks as early in the process as practicable. ~~Contract~~ Prior to implementing shortened work weeks, the company shall endeavor to eliminate the need for shortened work weeks by eliminating contract personnel in the same job code and Programs as employees.

Any remaining contract personnel within the same job code and Program shall also be placed on short workweeks during any time employees in the same job code and Program are assigned to short workweeks, except when the Company determines that it needs to retain any key contract labor in order to avoid significant customer disruption or impact on a Program. Such exceptions must be approved by the Senior Executive in the Program, shall not be greater than five percent (5%) of the bargaining unit, and the Union shall be notified.

~~7.6(c) The Company shall provide the union with a list of Key Contract Labor at least annually, and shall update it as necessary.~~

Section 7.7 Exceptions to Foregoing Procedures.

In instances where in the opinion of the Company the layoff procedures set forth in this section do not achieve the objectives stated in 7.3, exceptions thereto, without any limitation as to the number, may be made not more than one time during the contract term when approved by the current Chief Executive Officer at the execution of this Contract or designated representative. It will be the responsibility of any supervisor who recommends such an exception to prepare and transmit, a detailed report of the proposed exception(s) and the reasons therefore. An explanation, prior to implementation, will be provided to the Union.

Section 7.8. Layoff Notice.

The Company will ~~attempt to~~ give at least two (2) ~~weeks~~^{weeks} notice prior to layoff to the employees affected, except when the layoff is caused by unexpected events (WARN Act definition), ~~termination of a Government or other production contract, or when the affected employees are absent.~~

Section 7.9. Layoff Status.

7.9(a) Maintenance of Layoff Status.

7.9(a)(1) Each employee laid off under the provisions of this Article will remain on layoff status for a total period of three (3) years from the date the layoff was effective, subject to 7.9(a)(2).

7.9(a)(2) An employee shall remain on layoff status in accordance with Section 7.5, provided he or she does not:

7.9(a)(2)(a) Fail to respond to a contingent or formal offer from the Company of a job within ten (10) workdays after it is extended or by such later date as may be stipulated by the Company, or

7.9(a)(2)(b) Refuse a contingent or formal offer from the Company for a full-time job within the bargaining unit or in the same labor market area from which laid off, for which the salary or level offered is equal to or greater than the employee's salary at the time of layoff plus the inflation adjustment in effect at the time of layoff, or

7.9(a)(2)(c) Fail to report to work within ten (10) workdays following acceptance of a formal Company offer or on such later date as may be stipulated in the Company offer, or

7.9(a)(2)(d) Elect retirement thereby removing themselves permanently from layoff status.

7.9(a)(3) Employees removed from layoff status for any reason other than retirement or expiration of the three (3) year period following layoff will be notified in writing of such removal, and the reasons therefore, by the Company.

7.9(a)(4) Laid off employees who are prevented from meeting the conditions described in 7.9(a)(2)a, 7.9(a)(2)b or 7.9(a)(2)c solely due to medical disability, verified to the Company's satisfaction by their personal physician, shall upon request be granted a waiver for the missed requirement(s).

7.9(b) Return to Active Employment-

7.9(b)(1) Recall. It is a mutual objective of the Company and the Union that laid off employees who have not been determined ineligible be recalled to active employment, ~~and a mutual desire that such recall into the Company the laid-off employee will~~ be offered a recall in approximate

reverse order, within a sixty (60-) day range, from the Job Classification from which the employee was laid off.

7.9(b)(2) Retaining Recall Status. At the time of layoff, the Company automatically will place in the file for priority consideration return to active employment the names of all laid-off employees. ~~In order to maintain such recall status, the employee must keep the~~ The Company informed will provide the file of his or her interest in returning to active employment by submitting a letter so stating. The employee must register by letter at time of layoff and no later than December 31st of eligible employees on recall to the Union each calendar quarter of each year following during the year in which the layoff occurs. Such letter must contain the individual's name, employee identification number, address, and telephone number. life of this agreement. The Company's sole obligations to provide notice of recall shall be to ~~(1)~~ send a certified ~~written notice letter~~ to the last mailing address provided by the employee and ~~(2)~~ notify the Union of the employees ~~to be being~~ recalled. The Company may make contingent offers to several employees on the recall list at one time.

7.9(b)(3) Priority Recall. Prior to hiring from outside the Company, the Company shall extend job offers to those eligible on the recall list. Nothing in Article 7.9 will preclude the Company from hiring from sources outside the Company when projected requirements exceed the number of employees in applicable job classifications eligible to be recalled from the priority recall list.

7.9(b)(4) Recall Disputes. If any employee on layoff status disputes his or her recall status as reflected in Company records, Company records shall prevail unless rebutted by either (a) a Company receipt, or (b) a properly addressed U.S. Postal Service return receipt evidencing filing of the salaried payroll employment availability form (or letter) during the calendar period in question.

7.9(c) Salary and Level of Returning Laid-Off Employees. Company offers extended to laid-off employees for return to active employment in the same area will be, at a minimum, the salary and level from which laid off. The Company will review salary on a ~~by~~ case basis and make adjustments as appropriate. Rejection of a formal Company offer for a position outside the bargaining unit or in a labor market area other than from which laid off will not be cause for removal from layoff status.

~~7.9(d) Retiree Medical Eligibility. Employees who are on layoff status may credit up to 30 months of time spent on layoff towards eligibility for retiree medical benefits.~~

7.9(e) Record Maintenance. The Company will maintain a record of all laid-off employees who are on layoff status under the above provisions.

Section 7.10. Designated Employees.

7.10(a) The Company may designate employees who ~~either~~ will be declared ineligible for first consideration recall rights ~~or will not receive a service adjustment or both.~~ Any such designation shall be subject to the following requirements:

7.10(a)(1) Designated employees will be identified as part of the retention ~~ratings~~scoring process and advised ~~in writing that, in at~~ the ~~event of layoff during the period of time between retention ratings, either time of layoff~~ they will have no first consideration recall rights ~~or will not receive a service adjustment or both.~~

~~7.10(a)(2) Designated employees must have an assigned Category C retention rating.~~

7.10(a)(2) Designation may only be used for those employees who have a documented record of recent unremedied performance deficiencies. Any employee designated has the right to challenge the designation through the process set forth in Article 3 beginning at Step 3. Should the employee's challenge proceed to arbitration, the arbitrator shall be limited to determining if the company had a legitimate business reason for the designation and the remedy would be placement on the recall list.

7.10(a)(3) Designated employees will be identified by ~~the appropriate management team~~skill teams or functional leadership.

~~**7.10(b) Employee Improvement Action Plan.** Employees who have been identified as “designated” will be provided with an Employee Improvement Action Plan within thirty (30) calendar days of the designation, which will identify the specific conditions leading to the designation and improvements necessary to avoid such designations in the future. Management and the employee will have on-going, scheduled discussions about the employee’s progress in achieving the objectives outlined in the action plan. The Company will promptly notify the Union of the identities of designated employees. The identification of designated employees shall not be subject to Article 3 (Determination of Disputes); however, designated employees may appeal the designation regardless of their previous retention index rating in accordance with Section 7.5(a)(2). Designations pursuant to this section will remain in effect until the next scheduled retention rating review exercise or until the employee satisfactorily completes the Improvement Action Plan and has been removed from designation. The employee and union will be informed of the removal of the designation.~~

~~7.10(b)(1) All employees have the opportunity to request an Employee Improvement Action Plan within (30) calendar days of their retention rating.~~

Section 7.11. Temporary Recall.

~~7.11(a) The parties acknowledge that Article 8 limits the use of contract personnel during workforce reductions or when~~**Introduction.** ~~When~~ employees are on active recall status. ~~The, the~~ parties acknowledge ~~further~~ that occasionally situations arise when short-term assignments, expected to be of no more than six (6) months duration, require additional staffing. -The Company could choose to contract out these work packages. The Company in its sole discretion has from time to time preferred to have this work performed by employees on active layoff status. In recognition of the fact that the work under discussion ~~involved~~**involves** short-term assignments, the parties agree to the implementation of the process described immediately below.

7.11(b) Definition. The process shall be known as Temporary Recall and shall be defined as the temporary re-employment of individuals on active layoff status (hereinafter “employees”).

7.11(c) Duration. Temporary Recall assignments may be designated for specific programs or projects whose normal maximum will be six (6) months. -Assignments will normally be full-time (average eighty (80) hours in a pay period). The Company may extend the Temporary Recall beyond six (6) months for an additional three (3) months. Any further extensions must be mutually agreed to by the Union and the Company.

7.11(d) Selection of Employee. The Company will determine which employees will be offered Temporary Recall assignments. Temporary Recall will be strictly voluntary on the part of the employee. Refusing to consider an employee for Temporary Recall or an employee’s rejection of an offer of Temporary Recall will not affect the employee’s active layoff status.

7.11(e) Salary. Temporarily-recalled employees will receive the same salary they were receiving prior to layoff.

7.11(f) Insurance Benefits. Eligibility for coverage for medical/dental insurance, life insurance, accidental death and dismemberment insurance, business travel accident insurance, long-term and short-term disability insurance, and voluntary personal accident insurance begins on the first day which the re-employment commences.

7.11(g) Compensation Benefits. With regard to the Retirement Plan, unused sick leave, and Earned Time Off, employees on Temporary Recall will be set up in the system based on their respective

layoff/recall circumstances. This will include the reactivation of unused but earned credits and the generation of future benefits consistent with standard policies. 401(k) Plan contributions shall be resumed (subject to the terms of the Plan), beginning upon recall.

7.11(h) Company Service. Company service will be earned beginning the first day back on the active payroll.

7.11(i) Recall Status Requirements. Active layoff status will not be interrupted. ~~Filing requirements once during each year for first consideration recall status will remain.~~

~~7.11(j) Employees on Temporary Recall will not receive a retention index based on Temporary Recall assignments.~~

~~7.11(k)~~**7.11(j) Select Salary Adjustment.** Employees on Temporary Recall will generate funds for a selective adjustment exercise if they meet contractual criteria.

~~7.11(l)~~**7.11(k) Additional Layoff Benefits.** Employees on Temporary Recall will not be eligible for additional layoff benefits when their Temporary Recall assignment ends.

~~7.11(m)~~**7.11(l) Internal Job Postings.** Employees on Temporary Recall are not eligible to apply for internal job postings.

Section 7.12. General Provisions.

7.12(a) Compensable Injuries. Any employee who has been wholly or partially incapacitated for that employee's regular work by compensable injury or compensable occupational disease while in the employ of the Company may, while so incapacitated, be employed in work which the employee can do without regard to the provisions of this Agreement. The Union shall be notified of persons to whom this waiver applies and the effective dates of such waiver.

7.12(b) Veterans. The Company and the Union, recognizing that the reemployment rights of employees entering or inducted into the Armed Forces of the United States are controlled by the Uniformed Services Employment and Reemployment Rights Act (USERRA) and its related regulations are the subject matter of legislation, and agree that nothing contained in this Agreement will preclude the Company from reemploying such employees in compliance with provisions of any applicable laws.

7.12(c) Transfer Return Rights. An employee who is transferred by the Company from the bargaining unit described in Article 1 of this Agreement to another SPEEA-represented bargaining unit, and at the time of such transfer is accorded return rights by the Company in writing, will not be laid off while assigned at such other unit, but will be transferred back to the original unit in accordance with the return rights previously accorded by the Company. An exception will be made if the employee elects to be laid off in which case the employee will waive transfer return rights.

Section 7.13. Reclassification to a Lower Level at Employee’s Request or in Lieu of Layoff.

7.13(a) The Company may at the employee’s request effect a reclassification to a lower level.

7.13(b) The Company may offer an employee a reclassification to a lower level in lieu of layoff.

Section 7.14. Acting Supervisors. The Company agrees to inform the Union in a timely manner when it intends to use a member of the bargaining unit as an acting supervisor. If the employee remains as an acting supervisor for more than six (6) consecutive months, the employee shall be reclassified to management or returned to his or her bargaining unit position. Deviations shall require the consent of the Union.

Section 7.15 Probationary Period. Employees may be terminated within the first ninety (90) days of employment for any reason deemed appropriate by management. The Company will maintain a process to provide feedback to new employees during this Probationary Period, generally at thirty (30), sixty (60) and ninety (90) days. A discharge during this Probationary Period is not grievable.

Section 7.16 Layoff Benefits. The Company will maintain a Layoff Benefit Plan that employees will receive upon execution of a release agreement for income continuation benefits as set forth in this Section.

Section 7.16(a) Eligibility. All bargaining unit employees who have at least one year of service and who are laid off from the Company are eligible to receive the benefit described in Section 7.16(b); provided, however, the following employees shall not be eligible for the benefit: employees who are temporarily laid off, employees who are laid off from the Company because of a merger, sale or similar transfer of assets and are offered employment with the new employer; employees who are laid off because of an act of God, natural disaster, or national emergency; employees who are laid off because of a strike, picketing of the Company’s premises, work stoppage or any similar action which would interrupt or interfere with any operation of the Company; and employees who terminate employment for any other reason other than layoff.

Section 7.16(b) Amount of payment and benefit. An eligible employee’s income continuation benefit shall be as follows:

<u>YEARS OF SERVICE</u>	<u>BENEFIT</u>
-------------------------	----------------

<u>1-4.99</u>	<u>6 WEEKS</u>
<u>5-7.99</u>	<u>8 WEEKS</u>
<u>8 +</u>	<u>12 WEEKS</u>

Section 7.16(c) Income Continuation. Income continuation benefits will be paid in 40-hour increments. Income continuation benefits shall immediately cease upon the earlier of any of the following events: exhaustion of the employee’s total income continuation benefit, re-employment with the Company or any of its subsidiaries or affiliates, failure to accept a formal offer of recall from layoff within ten workdays after it is extended; failure to report to work on the date designated by the Company or change in the employee’s employment status from layoff to resignation, dismissal, retirement, death, or leave of absence.

Section 7.16(d) No employee shall be paid an income continuation benefit more than once during any two year period; provided, however, if an employee is re-employed by the Company before payment of the employee’s total income continuation benefit and is subsequently laid off in such two-year period under conditions which make the employee eligible for a benefit, any unused benefit will be payable to the employee under the provisions of this Section.

ARTICLE 8

CONTRACT LABOR AND SUBCONTRACTING

Section 8.1. Intent Regarding Contract Personnel and Purchased Services.

It is the Company’s intent that Contract Personnel and Purchased Services will be used as a buffer to lessen the need for layoffs of employees during times of reductions in force and as a resource not readily available to the Company otherwise.

Purchased Services. During time of a layoff involving 25 or more employees of the bargaining unit, the Company will review the job classification(s) that is being laid off. The Company will consider whether work performed at the Wichita, Kansas plant by Purchased Services in that job classification may be reassigned to Company employees. This applies to work that is currently performed by bargaining unit members as their primary job duty.

Section 8.2 Contract Labor-

A.8.2(a) Purpose. The Company and the Union recognize that Contract personnel are a practical source of skilled temporary labor that allows the Company to acquire skilled professional and technical support in a timely manner. The Company and ~~the~~ Union recognize that requirements for experienced Contract personnel must be balanced with the need to build and maintain the experience base and to support our mutual objective of workforce stabilization by minimizing ~~employee~~ layoffs.

B. — 8.2(b) Definition. The term, contract personnel, refers to temporary personnel supplied by another business entity to perform work ~~in Sedgwick County, Butler County, Harvey County, and Sumner County~~ at the Company’s plants in Wichita, Kansas under the daily control and supervision of Company management. The business entities that provide contract personnel normally are in the business of

providing temporary services (such as temporary employment agencies and staffing firms). Sources of contract personnel may also include businesses in the aerospace or related fields that make their personnel available for temporary labor (so called "~~industry assist~~'industry assist' arrangements). Excluded from the definition of contract personnel are consultants and their employees and employees of subcontractors or vendors.

Section 8.2 ~~Procedure~~3. Procedures and Limitations.

8.23(a) Notification to Union. The Company shall notify the Union of the basis for the need, the approximate number of Contract personnel required and the Job Classification normally held by employees performing the type of work involved during the quarterly Labor/Management business meeting.

8.23(b) Contract Labor Term. If based on a variety of factors (including but not limited to the nature of the assignment, the status of the program, the overall need for the skills at issue, and the purpose of using Contract personnel described above) the Company needs the skills supplied by Contract personnel on a long-term basis, the position shall be made available in accordance with the Company job posting process. ~~Individual contract personnel may not perform work for the Company for more than eighteen (18) consecutive months without the written approval of the appropriate senior level executive. With such approval of the appropriate senior level executive, the individual contract personnel may perform work for the Company for an additional eighteen (18) months. No further extensions shall occur without agreement by the Union.~~

8.23(c) Surplus Periods. The Company and the Union agree that it is normally inappropriate to hire Contract personnel as direct hires in periods of surplus activity within a Job Classification. Deviations will be subject to approval by the appropriate senior-level executive and provided, in writing, to the Union. The granting of a deviation to allow such hiring shall not be subject to the grievance and arbitration process.

8.23(d) Limitations. Contract personnel shall not be authorized to make decisions normally associated with management responsibility including salary determination, retention and discipline. Individual contract personnel may not perform work for the Company for more than eighteen (18) consecutive months without the written approval of the appropriate senior level executive. With such approval of the appropriate senior level executive, the individual contract personnel may perform work for the Company for an additional eighteen (18) months. ~~They shall not be assigned lead positions. Any additional extensions will be allowed only if the Company and the Union cannot identify a mutually acceptable alternative.~~

8.23(e) Surplus of Employees. No employee shall be laid off while Contract ~~personnel are still employed~~ Personnel in the same Skill Classification, ~~except when are still employed at the Company determines that it needs to~~ Company's plants in Sedgwick County, Kansas. However, the company may retain any

~~contract labor~~Contract Personnel while surplusing employees in the same Skill Classification at the Company's plants in Sedgwick County, Kansas in order to avoid significant disruption or impact on the committed packages of work— where bona fide occupational qualifications of direct employees do not align. Examples include defense packages, regulatory/OEM designations, duties involving coordination of offsite services, or unique specialty skills. In such cases, the approval of the Human Resource leader and the appropriate senior level executive shall be required. Notification of such decision will be provided to the Union as soon as practicable.

8.23(f) Employee Skill Review. Employees will not be laid off until their skills have been reviewed to determine if they can replace ~~contract personnel in other than their job classifications.~~Contract Personnel who are performing WTPU work at the Company's plants in Sedgwick County, Kansas in classifications other than the employee's current WTPU job classification.

Section 8.34 Data.~~On request,~~

During the time of a general reduction in force in Wichita among employees as defined in Section 8.1 the Company shall supply the Union with data that displays the number of ~~contract personnel~~non-employee sources of represented services utilized at the Wichita site by function or Job Code, if available, so that compliance with all limitations identified in 8.23 can be monitored. The data shall include names, Job Classifications~~as applicable~~, organizations, and start dates as applicable.

Section 8.45 Subcontracting.

Section 8.45(a) Business Strategy. The Company and the Union agree that subcontracting, market access/offset agreements or other assignments of work may be a part of the Company's business strategies.

Section 8.45(b) Union Notification. With respect to the subcontracting of work currently performed by bargaining unit employees, the parties recognize that from time to time such subcontracting may be necessary. To enable the Union to suggest competitive alternatives which might allow the retention of work within the bargaining unit, the Company will, at least sixty (60) days prior to signing any agreement to subcontract work currently being performed by bargaining unit employees, provide notice to the Union of its plans to subcontract work which would directly result in the ~~displacement~~layoff of ~~twenty-five (25)~~ or more bargaining unit employees. The Company will provide information related to the potential subcontracting other than information it considers to be confidential, proprietary or subject to nondisclosure provisions.

Section 8.45(c) Confidentiality. The parties recognize that ~~some subcontracting decisions cannot be disclosed within the sixty (60) day period referred to above,~~difficulties may arise due to confidentiality concerns: associated with some subcontracting activity. ~~In such circumstances, the Company will~~

provide the Union as much notice as practicable those instances the parties commit to good faith efforts to resolve these concerns including obtaining consent of associated third parties where possible.

Section 8.45(d)- Union Proposal. Following notice of specific plans to subcontract work currently performed by the bargaining unit that would directly ~~displace twenty-five~~ (result in the layoff of 25) or more ~~of~~ bargaining unit employees, the parties shall, upon the request of the Union, meet and discuss the impact on the bargaining unit. The Company agrees to consider any proposal the Union might make which would result in a less costly way to retain such work in the bargaining unit. The Union must present any such proposals within thirty (30) calendar days of receipt of the Company's plans. The decision to implement any such ~~union~~Union proposal instead of subcontracting the work shall be the Company's. The parties will meet periodically to review the implementation of any such ~~union~~Union proposals selected by the Company. If the Company chooses to implement the ~~union~~Union proposal instead of subcontracting the work, and if the Union's projected savings are not realized within any ninety (90) day period following implementation, the Company may subcontract the work without repeating the notification process.

ARTICLE 9

JOINT MEETINGS

Section 9.1 Joint Meetings.

9.1(a) Meeting Requests. Should either party desire to discuss with the other any matter affecting generally the relationship of the parties, a meeting of Union and management 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.

9.1(b) Purpose. This ~~Article~~article is intended to provide an open 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 information grievances and complaints.

Section 9.2 Business Overviews. Regularly scheduled quarterly meetings will be held between the Company and the Union to share information about Company business plans such as workforce planning, business outlook, facility and safety issues, subcontracting, surplus activity, employment of ~~contract~~engineerscontractors, and other areas of interest as agreed to by the parties. Meetings shall be attended by appropriate Union, Human Resources and Business Unit Representatives.

Section 9.3 Joint Oversight Committee (JOC) for Labor-Management Cooperative Initiatives. The parties will establish a joint committee to oversee labor management initiatives the parties undertake. These joint initiatives are intended to enhance and develop employees as the Company's key resource. The oversight function can include: (1) establishing subcommittees to handle the initiatives; (2) reviewing, expanding where appropriate, and resolving issues related to ongoing initiatives; and (3) formulating future labor-management cooperative initiatives. The Company at its sole discretion will provide administrative staff and appropriate funding to support the initiatives. To create a proper environment for the committee's work, no aspect of the committee's proceedings shall be used as the basis for, or as evidence in, any proceedings under Article 3.

9.3(a) Committee membership: Joint Committee with WTPU and the Company. The Joint Union-Company Oversight Committee shall consist of up to four persons representing the Company and up to 4 persons representing the Union. The Company representatives will be appointed from the Business Unit(s) and Human Resources management. The Union representatives will be selected from the bargaining unit's membership. Each party shall appoint a chairperson of its group.

9.3(b) Initiatives. The Joint Oversight Committee may oversee initiatives:

- _____ Review proposed changes to the job descriptions and job structure.
- _____ Discuss Salary Reference Tables and Salary Planning Fund, including size and management training materials, Company compensation philosophy, and market relationships.

- _____ Monitoring developments in the areas of use of compensatory time off, child and elder care, Drug and Alcohol-Free Workplace Program, and the Employee Assistance Program.

- _____ Exploring alternate forms of compensation and delivery methods, salary planning process, market relationships and compensation philosophy.

- _____ Discussion groups on topics of mutual interest.

- _____ Exploring healthcare costs and plan details.

- _____ Career Enhancement, including:
 - _____ Programs to provide employees the information, training, and opportunity to influence their career direction.

—○ A program to provide a meaningful career alternative for those employees who choose to remain on a technically oriented career path (as opposed to a managerial track).

—○ Coordination with related activities to maximize efficiency and involve appropriate people and viewpoints as required.

●● _____ Discuss the potential Company employee transfer process.

●● _____ Conducting briefings on the Company's plans for the introduction of new technological change that may affect employees, including schedules of introduction and areas of skill impacts.

●● _____ Planning, developing, implementing and evaluating pilot projects involving innovative approaches in the workplace aimed at improving the quality of work life and productivity.

●● _____ Reviewing on a quarterly basis, if requested, data regarding overtime worked by employees.

9.3(c) Frequency. The Joint Oversight Committee shall meet as often as its members agree, but in no event less than quarterly. The Company and Union chairpersons will establish committee meeting locations, agendas and procedures.

9.3(d) — Joint Training Committee

— The Company and the Union are committed to ensuring that employees have opportunities to improve their skills and are prepared for changing technologies.— The parties agree to a Joint Training Committee. The Committee will have an equal number of representatives, including a co-chair, from each party.— The Committee will have no bargaining authority.— The Committee will monitor and explore developments in the areas of education and training, skill utilization and application, and career development as those link to emerging technologies.— The Committee will consider the possibility of utilizing third-party training providers jointly selected by the Company and the Union.

9.3(e) Joint Benefits Committee.

— The Company and the Union are committed to ensuring that employees have access to cost effective, quality health care coverage, and other competitive benefits. The parties agree to a Joint Benefits Committee. The Committee will have an equal number of representatives, including a co-chair, from each party. The Joint Benefits Committee will have no bargaining authority. When appropriate, health care experts and representatives from the Company's health plans, and other benefits experts will be invited to attend Committee meetings. Among the topics that the parties will consider and discuss are:

- _____ Explore the possibility of self-funding the medical plans
- _____ Explore health care audit program
- _____ Explore retirement program structure
- Healthy Spirit strategy for Kansas employees

- ~~_____~~ • Programs, events, rewards, etc.
- ~~_____~~ • Healthcare Reform and anticipated impacts
- ~~_____~~ • Medical trend information –Quarterly reviews
- ~~_____~~ • Summary of Material Modifications to the Summary Plan Descriptions
- ~~_____~~ • Employee Education and Communication
- ~~_____~~ • Jointly develop education and communication materials
- _____ • Explore bereavement leave immediate family definition
- _____ • Other pertinent items as they come up

ARTICLE 10

HOURS OF LABOR

Section 10.1 Regular Hours.

10.1(a) Definition. A regular work day and work shift shall be eight (8) hours and a regular work week shall be forty (40) hours. The regular schedule of hours shall be as follows: First (daylight) Shift: start time will be from 4:00 A.M. to 11:59 A.M.; Second Shift: start time will be from 12:00 P.M. to 7:59 P.M.; Third Shift: start time will be from 8:00 P.M. to 3:59 A.M. (seven (7) hours shift, thirty (30) minutes unpaid lunch) on Monday, Tuesday, Wednesday, Thursday, and Friday. The Company shall assign the initial start times as stated above.

10.1(b) Variable Work Schedules. Variable work schedules can be established to meet business requirements. Any such change in work schedules will be reviewed with the Union.

10.1(c) Volunteering. Management may allow employees to volunteer for variable work schedules (e.g., four (4) 10-hour days; Thursday through Monday work week) as warranted by business need.

Section 10.2 Shift Premiums. An employee who ~~works is permanently assigned~~ second shift shall be paid a shift premium of one dollar (\$1.00) per hour and an employee who ~~works on~~ third shift shall be paid a shift premium of seventy five cents (\$.75) ~~Base Rate of pay plus 6% per hour, not to be less than \$2~~ per hour. An employee who ~~works is permanently assigned~~ third shift of six and one-half (~~6-1/2~~ ½) hours will receive an adjustment equivalent to one and one-half ~~hours' hours'~~ pay at his base rate. A prorated portion of that adjustment will be paid when the employee works less than six and one-half hours on a regular third shift.

10.2(a) Employees receiving the shift premium are not eligible for the work schedule premium.

Section 10.3 Work Schedule Premiums.

10.3(a) An employee permanently assigned to either Saturday or Sunday as a regular day of work as part of a non-standard work week to meet Company requirements will receive ~~two dollars fifty cents (\$2.50) per hour in addition to~~ Base Rate of pay plus 6% per hour, not to be less than \$2 per hour, for all hours worked on Saturday and/or Sunday during the employee's scheduled work week.

10.3(b) Employees may, at their request and with management approval, work any variable work week schedule. Employees working schedules at their request, and in the absence of a company requirement for such a schedule, will not be eligible for the work schedule premiums.

10.3(c) Employees receiving the work schedule premium are not eligible for the shift premium.

Section 10.4 Shift Preference or Variable Work Week Schedule.

10.4(a) When staffing a shift or variable work week schedule, the Company maintains the right to assign employees necessary to accomplish the work, including the right to assign employees with key skills regardless of their shift preference. The Company will attempt to complete such staffing from volunteers, assignments from other shifts in reverse seniority order, promotions and new hires.

10.4(b) Where appropriate, the employee and management shall agree to flexible work schedules to accommodate personal or business needs.

Section 10.5 Overtime Rate.

10.5(a) Non-exempt Employees. Time worked in excess of forty (40) hours in one (1) work week shall be paid at one and one-half (1-1/2) times employee's statutory regular hourly rate. All overtime worked in excess of 12 hours in a workweek will be paid at double his or her base rate. Time worked on one's scheduled second day of rest will be paid at a rate of two (2) times one's Base Rate if the employee also worked on first scheduled day of rest.

10.5(b) Exempt Employees. The hourly rate to be paid for scheduled overtime worked by employees will be straight time plus \$~~6~~8.50 per hour.

Section 10.6 Reporting Pay. If a non-exempt employee reports for work in accordance with instructions, he shall receive a minimum of eight (8) hours pay at his Base Rate plus shift premiums where applicable.

This will not apply in case of emergency shutdowns arising out of any condition beyond the Company's control. An employee who leaves work of his own volition, or because of incapacity (other than industrial injury or

illness), or is discharged or suspended after beginning work, will be paid only for the number of actual hours worked during that day. An employee who leaves work because of incapacity due to industrial injury will be paid eight (8) hours pay at his Base Rate plus shift premiums where applicable.

Section 10.7 Call Back Pay. A minimum of four (4) hours pay at the applicable overtime rate will be paid for any call back work performed outside of one's regularly scheduled hours. An employee who leaves work of his own volition, or because of incapacity (other than industrial injury or illness), or is discharged or suspended after beginning work, will be paid only for the number of hours actually worked during that day. ~~An employee, who leaves work after call back, will be paid only for the number of hours actually worked unless authorized by management.~~

Section 10.8 Compensated Travel Time

The Company will pay up to eight (8) hours of travel time to the employee if the employee is required by management to travel for company business on any scheduled day of rest.

Section 10.9 Overtime Scheduling. It is the intent of the Company to distribute overtime as equally as reasonably practicable in light of the work to be performed by shift, classification, and skill. Both the Union and the Company recognize that the employees who are assigned the work must be qualified to perform the specific work. The Company will strive to meet its overtime requirements on a voluntary basis when practical. In the event there are insufficient qualified volunteers to meet the requirement, Management may designate and require the necessary number of employees to work overtime.

10.89(a) Accordingly, the Company and the Union agree, subject to the exceptions noted below, that no employee shall normally be required, and need not be permitted, to work more than 144 overtime hours in any budget quarter, more than 576 overtime hours in a twelve-month period, more than three (3) weekends consecutively without the next weekend off, or more than eight (8) hours on a Saturday or a Sunday or other regularly-scheduled day of rest. Overtime work on the first or second day of scheduled rest, or on the first and second days of scheduled rest, shall constitute a weekend worked. All overtime on a holiday as set forth in the Agreement or on the weekend which immediately precedes a Monday holiday or immediately follows a Friday holiday shall be voluntary for those on weekday work schedules.

10.89(b) All overtime in excess of the above limits shall be strictly on a voluntary basis and no employee shall suffer retribution for his refusal or failure to volunteer. An employee may be required to perform overtime work beyond the above limitations where necessary for delivery of Company products to a customer, where necessary for the timely submission of proposals where related to customer-requested emergency repair of delivered products, or for Government DX or Government DO rated orders.

Section 10.910 Meal Periods. Non-exempt employees will work schedules which provide a fixed unpaid meal period to start not more than five (5) hours after start time, consisting of a forty (40) minute lunch period, ten minutes of which shall be paid time and thirty (30) minutes of which shall be unpaid. Non-exempt employees

working in excess of an eleven (11) hour shift are entitled to a second unpaid meal period, to start not more than eight (8) hours after start time, consisting of a minimum of thirty (30) minutes. Meal periods will be paid if the employee is not fully relieved of his or her duties.

ARTICLE 11

LEAVES OF ABSENCE

AND JURY/WITNESS DUTY

Section 11.1 Authorized Leaves of Absence. Leaves of Absence will be granted in accordance with the Family and Medical Leave Act (FMLA) and the Company local policy. Employees are not required to use available earned time off concurrently with authorized leaves of absence. Other leaves of absence may be granted to any employee with a minimum of ninety (90) days active service for any reason deemed satisfactory to the Company or as required by law. Where practical, a request for a leave of absence must be made in writing to one's supervisor five (5) working days prior to the beginning of the leave.

Section 11.2 Leave of Absence Condition. An employee, while on leave of absence, shall be deemed to have voluntarily resigned from the Company upon accepting other employment, or engaged in business for himself that prevents his return from leave, or is inconsistent with the medical or other limitations that provide the basis for the employee's leave of absence from the Company.

Section 11.3 Military Leave of Absence. An employee who is a member of a reserve component of the United States Armed Forces or a State's National Guard, who is absent due to required active annual training duty or temporary special services duty, shall be paid Base Rate plus shift premiums where applicable, up to a maximum of ten (10) workdays each calendar year. An employee who, because of schedule adjustments by the reserve component, receives orders to report for two (2) training periods in one (1) calendar year may receive time off with pay in excess of the ten (10)-day annual maximum provided that the total time off with pay does not exceed twenty (20) workdays in a two (2) consecutive year period (either current and previous calendar years or current and following calendar years) and the employee was a member of the reserve component during both of the applicable consecutive years. Employees with military orders to serve additional days of duty will be placed on unpaid authorized leave of absence. The amount due the employee under this Section shall be reduced by the amount received from the government body identified with such training duty or services, for the period of such duty (up to the maximum period mentioned above). Such items as subsistence, uniform and travel allowance shall not be included in determining pay received from state or federal government. Members of a reserve component of a uniformed service ordered to temporary special duty under Military U.S. Code Title 10 or mobilized by the applicable state agency are eligible for military differential pay up to a maximum of (ninety) 90 calendar days for each occurrence.

Section 11.4 Jury/Witness Duty. When an employee is required to report for jury duty, or compelled to testify in a case brought by someone other than the employee or on his behalf, on his regularly scheduled workday, the

employee shall receive eight (8) hours pay at his Base Rate plus shift premiums where applicable. Employees who report for jury/witness duty but are excused, are expected to return to work if more than one-half (1/2) of their shift remains. Employees shall receive holiday pay if a holiday occurs while on jury/witness duty. Proof of such service satisfactory to the Company must be given before this Section shall apply. Time spent on jury/witness duty is not to be counted as absenteeism for purposes of disciplinary action.

Section 11.5 Parental Leave

The company shall grant, not to exceed the total current weekly base pay of the employee, one (1) week (5 consecutive work days), paid parental (paternity or maternity) leave for a birth or adoption. Employees will not be eligible for short-term disability while receiving the week of paid Parental Leave, but may be eligible for other disability benefits thereafter.

ARTICLE 12

JOB CLASSIFICATIONS AND SALARIES

Section 12.1 Job Classifications. It is agreed that it is the right and responsibility of Management to establish new job classifications, or eliminate existing classifications, and establish the appropriate pay rate for such classifications. Any such change in classifications will be reviewed and discussed with the Union at least thirty (30) days in advance of its establishment. Should a dispute arise concerning the pay range for the new job classification, it shall be treated as a grievance and handled in accordance with Article 3.

12.1(a) Definition: The term "Job Classification" shall be used to classify similar or related work activities that constitute a position of employment based on primary assignment, common products or processes, and employee skills. There will be elements of the job classification that from time to time the Company may use for varying purpose.

12.1(b) Individual Employee's Job Classification or Skills Management Code Review. An individual employee may request a review of his or her job classification or level based on the contention the work assigned by the Company differs from the job classification or skills management code to the extent and in such a manner as to warrant reclassifying the employee to a different existing job classification or skills management code. Employees will attempt to resolve classification first by discussion with first-line management. In the absence of a resolution mutually agreeable to both management and the employee, the following steps will be utilized in the review process. The review process shall be completed within ninety (90) days of request for review under 12.1(b)(1), below, unless mutually extended by the Company and Union:

12.1(b)(1) If the employee contends that a classification or level issue still exists, he or she along with his or her Union Representative will notify the next-level Manager to request a review.

12.1(b)(2) The next-level Manager will meet with the employee and the Union Representative to fully discuss the employee’s issue in an effort to reach mutual resolution.

12.1(b)(3) If the employee and Union Representative do not agree with the next-level Manager’s decision, the next-level Manager, the appropriate Human Resources Representative and the Union Representative will meet to resolve the matter by a majority decision.

Section 12.2 Base Rate. “Base rate” is an employee’s hourly rate of pay, excluding all, allowances, awards, bonuses, additives, and premiums.

Section 12.3 Salaries. Salaries are set forth by Job Family, Job Title and Rate Table in the Company’s compensation web site or other accessible means.

Section 12.4 Rate Range and Discretionary Salary Increases. The Company will establish and fully distribute salary adjustment funds in accordance with the dates set forth below. No increase adjustments to base pay will exceed the established Base Rate Range maximum. Employees at rate maximums may receive lump sums in lieu of base salary increases. These lump sum increases will charge to the salary adjustment fund.

In February of 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, and 2020

<u>Review Period</u>	<u>Fund Computation Date</u>	<u>First Full Pay period Following</u>	<u>Increase Percentage*</u>
<u>1</u>	<u>4/1/2020</u>	<u>7/1/2020</u>	<u>Market +0.5%</u>
<u>2</u>	<u>4/1/2021</u>	<u>7/1/2021</u>	<u>Market</u>
<u>3</u>	<u>4/1/2022</u>	<u>7/1/2022</u>	<u>Market</u>
<u>4</u>	<u>4/1/2023</u>	<u>7/1/2023</u>	<u>Market +0.5%</u>
<u>5</u>	<u>4/1/2024</u>	<u>7/1/2024</u>	<u>Market</u>
<u>6</u>	<u>4/1/2025</u>	<u>7/1/2025</u>	<u>Market</u>
<u>* Minimum of \$750 for any employee under comparatio of 1.00 and with hire dates six months or more prior to the Fund Computation Date</u>			

12.4(a) Definition of Market. In April of each year, a review of market increases will be conducted. If survey data indicates a market adjustment has occurred, a Selective Salary Adjustment Fund (“Fund”) will be generated, with selective salary adjustments made no later than the first pay period following July 1 of that year. The following process shall be followed in calculating the Fund.

- The ~~SIRS High Technology Composite Salary Budgets~~ Increase Budget report from Mercer US Compensation Planning Survey Report (“Report”) will be used. Should ~~the SIRS report~~ this Report be discontinued or its methodology significantly changed, a similar report will be used. No geographical adjustment shall be made to this Report. The Fund amount will be equal to the Projected Salary Increase Budget for the year in the Professional (Non-Sales) category.

~~• Three groupings in the Report shall be used in calculating a Fund amount:~~

~~○ Exempt~~

~~○ Non-Exempt—Office Clerical~~

~~○ Non-Exempt—Technical Support~~

~~○ Below is an example of how the Fund Percentage shall be calculated each year. Only for the purpose of illustrating this calculation, assume there were 1100 exempt employees and the SIRS report projected a 2.8% increase for exempt employees, there were 100 non-exempt office clerical employees and the SIRS Report projected a 2.7% increase, and there were 1100 non-exempt technical support employees and the SIRS Report projected a 3.1% increase, the Fund would be calculated in the following way:~~

$$\frac{((1100*0.028)+(100*0.027)+(1100*0.031))}{2300}*100 = 2.9\%$$

~~•~~

~~••~~ Once the fund percentage has been determined, the Fund shall be calculated by multiplying the Fund Percentage by the total WTPU base salaries in February of the year of calculation. This Fund calculation shall be a minimum and the Company shall be free to increase the Fund due to unusual economic conditions. Likewise, the Union will consider a reduction in the Fund if merited by unusual economic conditions, but no such reduction may be made without Union approval.

~~• A portion of the Fund equal to 0.5% of total WTPU base salaries shall be reserved for promotions and out-of-sequence raises during the year. **12.4(b) Promotional Funds.** Annually, and in addition to the selective salary adjustment fund above, the Company will provide a fund of one-half of one percent (0.5%) of the total unit salaries as of Fund Computation Date specifically to be used to manage both salary growth and promotions within the unit. If the bargaining unit weighted average comparatio is more than 0.97, the Company will not add the additional 0.5%. If the full amount reserved for promotions and out-of-sequence raises is not used, the unused portion shall be added to the following year's Fund. In 2016 through 2020, if the bargaining unit weighted average comparatio is less than 0.97, the Company will not reserve the 0.5% for promotions and out-of-sequence raises for that year and the entire Fund shall be used for selective salary adjustments. In 2020, if at year end there remains unspent funds reserved from the Fund for promotions or out of sequence raises, then such remaining funds shall be used for promotions or out of sequence raises by the Termination Date of this Agreement.~~

~~• Employees at a comparatio of 0.85 or less shall be awarded an increase at least as great as the Fund Percentage if the employee's performance rating on the most recent evaluation is at "Meets" or higher. The Company will continue to use the current process for calculating comparatios, and the calculation shall not be grievable and shall be at the sole discretion of the Company.~~

- ~~Selective salary adjustments shall be made no later than the first pay period following July 1 of that year.~~
 - ~~Each year, the Company will establish guidelines regarding the relationship of individual performance, *comparatio*, and distribution of the selective salary adjustments.~~
 - ~~These guidelines shall be communicated to the Union and supervisors before the selective salary adjustment exercise.~~
 - ~~Exceptions to the guidelines require approval of the Director of the Organization.~~
 - ~~Individual salary adjustments shall not be grievable.~~

12.4(c) Salary Reference Tables. The Parties agree that current practice of evaluating Salary Reference Table mid-points in tandem with national survey data, adjusted geographically, shall continue except the company will use the 50th percentile of "High Technology - Manufacturing" national survey structure data (SIRS), adjusted downward 7.0% for the Wichita geographical area. The aforementioned data will be used in all job classifications, except where the Company and Union mutually agree that doing so may not be appropriate. To determine the appropriateness of the data, the Company and the Union shall meet no less frequently than quarterly to discuss matters related to salary reference tables, benchmarking positions and industry trends.

Should Mercer discontinue or materially modify the SIRS process or methodology, the Company and Union shall work together to find a mutually acceptable replacement.

Because the WTPU Salary Reference Tables will be principally determined by SIRS salary structure reports, the SRT mid-points may go up or down, depending upon the national survey data.

12.4(d) Ratification Bonus. Upon ratification of this contract on first vote, each employee in the bargaining unit will receive a payment of \$2000 and shares of Spirit stock at a value of \$1500 at the time of award within forty-five (45) days from the effective date of this contract.

Section 12.5 Eligibility. Eligible employees are those who were in the bargaining unit and on the active payroll on both the fund computation date and the increase effective date.

Section 12.6 ~~Performance Bonus~~ Short Term Incentive Plan. (STIP)

12.6(a) The Company intends to pay a performance bonus when financial performance equals or exceeds the established targets. ~~Beginning with the 2011 Plan Year, employees~~ Employees covered by this collective bargaining agreement will participate in the Spirit AeroSystems Holdings, Inc. Incentive Award Plan for Salaried Employees (M&S Bonus Plan), as it may be amended from time-to-time. Targets will be the same as in the existing M&S Bonus Plan or any changes to the existing plan during the duration of this agreement. ~~If the M&S Incentive Award Plan is discontinued for the M&S Payroll, and employees on that Payroll are moved to a different Incentive Plan, the WTPU Bargaining Unit employees covered by this Agreement will be afforded an opportunity to participate in that new plan in lieu of continued participation in the M&S Incentive Award Plan. Payments will be as follows:~~ Eligible Pay shall

be defined as straight-time and overtime wages, pay for Earned Time Off, and Holiday pay. Disability benefits, Layoff benefits and income from other benefit plans are not included as eligible pay. Payments will be 6% of Eligible Pay at Target and 12% of Eligible Pay at Maximum.

- ~~• Plan Years 2011 and 2012: 3% of Eligible Pay at Target and 6% of Eligible Pay at Maximum. For Plan Year 2011, a Two Thousand (\$2,000) Dollars guaranteed advance on the 2011 Plan Year payment will be paid within thirty (30) calendar days of ratification to each active employee in the WTPU unit on the date of ratification. This advance shall reduce the employee's Incentive Award Plan payment in March 2012 by Two Thousand (\$2,000) Dollars, but not below \$0.00.~~
- ~~• Plan Years 2013 and 2014: 4% of Eligible Pay at Target and 8% of Eligible Pay at Maximum.~~
- ~~• Plan Years 2015 through 02020: 6% of Eligible Pay at Target and 12% of Eligible Pay at Maximum.~~

~~**12.6(b)** Eligible Pay shall be defined as total earnings from straight time and overtime hours worked in the appropriate Plan Year, except for Plan Year 2011. For Plan Year 2011, Eligible Pay shall be defined as total earnings from straight time and overtime hours worked from July 1, 2011 through December 31, 2011.~~

12.6(b) Nothing will prevent the Company from making payments in excess of those provided.

12.6(c) –All active WTPU employees on the payroll on December 31st of the applicable Plan Year shall be eligible to participate in the Plan with respect to incentive award amounts payable under the Plan for that Plan Year.

12.6(d)- Payments will be made no later than March 15 of the year following the applicable Plan ~~Year.~~

Year.

~~**12.6(e)** Nothing will prevent the Company from making payments in excess of those provided, or where none is provided, for in this section, including maximums set out in 12.6(a), or from making improvements to the plan.~~

Section 12.7 Gain Share Plan. The WTPU Gainsharing Plan will be eliminated in 2020. If 2019 Gainshare year end targets are met, any payment for the 2019 Gainshare will be made in the year 2020.

ARTICLE 13

UNION OFFICIALS

Section 13.1 Union to Furnish List of Officials. The Union shall inform the Company in writing of the names of its officials (not more than one (1) council representative per two hundred (200) employees, or major fraction thereof) who are accredited to represent it, which information shall be kept up to date at all times. Only persons so designated will be accepted by the Company as representatives of the Union. If the geographical dispersion of represented employees in parts of the Wichita facility leads to an inordinate amount of in-plant travel by a council representative, the Company will consider any requests by the Union to designate additional council representatives for these particular areas.

Section 13.2 Union Officials – Access to Plant. The Union Leadership and Staff Representatives, not employed by Company, will be permitted access to the Company’s facility during normal working hours. The Union will provide advance notification to the Company of such visits. Such visits shall be subject to such regulations as may be made from time to time by any governmental or government affiliated agency of the United States, other customers, or the Company. The Company will not impose regulations that are designed to exclude the Union Leadership and Staff Representatives from the plant or render ineffective the intent of this provision. No union meetings involving more than sixty-five (65) will occur on company property without express written permission.

Section 13.3 Union Activity During Working Hours. The Company agrees not to discriminate in any way against any employee for Union activity, but such activity shall not be carried on during working time, except as specifically allowed below.

13.3(a) Upon request of his or her supervisor, each employee, before leaving his or her assigned work on Union business, shall have authorization from the Union and shall notify his or her supervisor prior to taking such leave. The Union shall provide to the designated Company Representative oral confirmation of such authorization at least one day prior to such leave and written confirmation immediately thereafter.

13.3(b) SPEEA-paid Time. Time worked for union-related issues, limited to regular working hours, shall be charged to a special charge account number and the Union agrees to reimburse the Company at the employee’s regular hourly rate for all such time so spent.

13.3(c) Employer-paid Time. Time worked for contract-related issues, limited to regular working hours, shall be charged to an employer charge account number that identifies the organization in which the contract-related issue is worked.

Section 13.4 Bulletin Boards. The Union shall have the right to use designated bulletin boards on the Company property for the purpose of posting notices of Union meetings and other activities which are officially approved by the Union prior to posting.

Section 13.5 Grievance and Contract Administration.

13.5(a) The Union shall investigate and adjust grievances, perform contract administration, support employee disciplinary hearings and conduct information sharing meetings with bargaining unit members in the work area, exclusively through Executive Board members and Council Representatives, who shall be employees, and Union Staff Representatives.

13.5(b) Each Executive Board Member and Council Representative shall notify and obtain permission from his or her supervisor before leaving the work assignment for the purpose of investigating complaints or claims of grievance on the part of employees in his or her work area. Such permission shall be granted except where the supervisor considers such absence would seriously interfere with the performance of the group of which the representative is a part. Time spent on such approved investigations and discussions shall be considered work time provided such activity does not extend beyond the time that the supervisor considers reasonable under the circumstances. Any Executive Board Member and Council Representative in the conduct of his or her investigation, and before contacting an employee, shall obtain permission of the supervisor of such employee and advise the supervisor of the estimated time required for the discussion. Such permission shall be granted except where the visit would seriously interfere with the work of the group.

Section 13.6 Leaves of Absence.

13.6(a) Duration. Leaves of absence of at least thirty (30) days without pay shall be granted for the following reasons:

- ◆◆ Full-time employment by the Union or its national organization.

- ◆◆ Union business authorized by the Executive Board and approved in writing by the designated Company Representative, which approval shall not be withheld absent legitimate business circumstances.

13.6(b) Return from Leave of Absence. The Company will reinstate employees on such leaves at not less than his or her former grade level and salary. The Company will review salary on a case-by-case basis and make adjustments as appropriate.

Section 13.7 Substitute Council Representative. In the absence of a Council Representative for any reason, the Union may designate a temporary substitute.

Section 13.8 Protection of Union Officials.

13.8(a) Executive Board members and Council Representatives shall not be laid off during their respective terms of office except as described herein.

13.8(a)(1) Executive Board members and Council Representatives will be given a retention rating while serving during their term of office that will be adjusted to indicate that the employee is at the top of the highest retention rating in the applicable skill or job activity code. So rated, the Representatives will be subject to all terms and conditions of Article 7 of the parties' Agreements. Once the Representatives are no longer in office, the retention rating will be readjusted to the otherwise applicable rating.

13.8(a)(2) If Council Representatives are relocated, due to transfer or otherwise, out of the district in which they were elected, the Representatives will continue to be protected from layoff for the balance of their term of office so long as they remain recognized members of the Council. Each designated Council position can be filled by only one member.

13.8(a)(3) Nothing herein precludes an Executive Board Member or Council Representative from requesting a voluntary or accelerated layoff.

13.8(a)(4) Layoff protection does not apply to Executive Board members and Council Representatives who, at the time of election or appointment, have received an active advance notice of potential layoff, unless the Board of Members or Council Representative is running for reelection to a consecutive term of office.

13.8(b) In the event management deems it necessary to involuntarily transfer or loan a Council Representative, and other employees then represented by the Council Representative would remain in the same skill code, when practicable the Company will inform the Union of the proposed transfer or loan thirty (30) days prior to its effective date and will discuss with the Union the feasibility of transferring or loaning another employee.

Section 13.9 Union Requests for Employer Data. The Company will provide the data to the Union which is listed in the memorandum from the Union to the Company effective June 30, 2005, subject to such revisions in the future as may be made by mutual agreement of the parties. Nothing herein is intended to waive any right the Union may have to receive additional data.

Section 13.10 SPEEA Access to the Web. The parties hereby agree that SPEEA shall have access to the Company's internal Web page. To that effect, the parties agree as follows:

13.10(a) SPEEA shall maintain the confidentiality of all information, data and computer programs ('Information Assets') to which SPEEA has access, along with any passwords or access procedures given to facilitate access to 'authorized SPEEA users'.

13.10(b) SPEEA shall only access the Information Assets specified by the Company Computing Access Focal Point, and then only in accordance with the access procedures.

13.10(c) SPEEA shall not access any other Information Assets not approved by the Company Computing Access Focal Point.

13.10(d) SPEEA shall not remove any Information Assets from Company computing systems, or delete, change or otherwise modify any Information Assets.

13.10(e) Access to Information Assets marked 'Company Limited' or bearing Government classified markings is strictly prohibited. The Company may re-evaluate access at any time. Any decision by the Company to withdraw access shall not be subject to the provisions of Article 3.

ARTICLE 14

PAYROLL DEDUCTION FOR UNION DUES

Section 14.1 Payroll Deduction for Union Dues. Whenever an employee shall appropriately request in writing, the Company will deduct from such employee's pay each month dues payable to the Union. The Union will promptly notify the Company of any changes in the rate of dues during the term of this Agreement. The agreed forms for use by employees in making a request for deduction, as well as form of notice of withdrawal, will be furnished by the Union. The Company will not deduct dues or discontinue dues deductions absent authorization from the employee. In no circumstances shall the Company be held liable for the payment of any dues to the Union. The Company agrees to recognize all current and new authorization cards on file.

ARTICLE 15

STRIKES AND LOCKOUTS

Section 15.1 Strikes and Lockouts.

15.1(a) During the term of this Agreement neither the Union (including its officers, agents, representatives, and members) nor any employee covered by this Agreement shall in any way, directly or indirectly, authorize, cause, assist, encourage, participate in, ratify or condone any strike (whether it be an economic strike, sympathy strike, unfair labor practice strike or otherwise) slow down, walk out, boycott, picketing, or any other interference with the Company's operations by bargaining unit members, including any refusal to cross any other labor organization's or other party's picket line. Nothing in 15.1 shall require employees to work in an unsafe environment. Any employee who violates this Article may be subject to disciplinary action.

Consistent with the foregoing, during the term of the Agreement, the Union has the right to engage in informational picketing provided that such picketing does not have an effect of inducing any individual employed by any person in the course of his employment to refuse to pick up, deliver, or transport any goods, or not to perform any services.

15.1(b) The Union will make every effort to stop and discourage any action prohibited by Section 15.1, if it should occur and will keep the Company advised of its actions.

15.1(c) The Company agrees that there shall be no form of lockout during the term of this Agreement.

15.1(d) The Parties agree that violations of the no strike/no lockout provisions of this Article will cause irreparable harm and therefore they agree that either party may enforce the obligations of this Article by injunction action in the courts without any requirement that the grievance and arbitration procedure of this Agreement be invoked or exhausted. The parties further agree that the Company, at its option, may file a grievance alleging a violation of the no strike obligation of this article and the Union, at its option, may file a grievance alleging violation of the no-lockout obligation at Step 3 – Pre-Arbitration of the Grievance Procedure in Article 3.2.

ARTICLE 16

GROUP INSURANCE AND RETIREMENT PLANS

16.1 Benefits. Benefits shall be provided as defined in the Plans and as described in Attachment A.

ARTICLE 17

HEALTH AND SAFETY

Section 17.1 Mutual Objective. It is the desire of both parties to this Agreement to maintain high standards of safety and health in order to eliminate, as far as possible, industrial accidents and illness. Both parties will continue to establish proactive, customer-driven programs and systems to support this mutual objective.

Section 17.2 Health and Safety In The Workplace.

17.2(a) The Company shall maintain on all full shifts, an emergency first aid station.

17.2(b) The Company will furnish personal protective equipment as deemed necessary.

17.2(c) The Company is committed to a tobacco-free work environment based on the evidence that tobacco smoke and second-hand smoke is detrimental to employee health. Accordingly the interior spaces of all Company facilities are tobacco-free. The Company shall designate exterior spaces for smoking and use of other tobacco products. There shall be no use of tobacco products except in designated areas.

Section 17.3 Drug and Alcohol-Free Workplace.

17.3(a) The Union and the Company recognize the value of working together to maintain the Drug and Alcohol-Free Workplace Program. This program has been established to promote a safe, healthy, and productive work environment. This program is intended to help prevent substance abuse through drug and alcohol/drug testing and enhanced employee communication that emphasizes the importance of awareness and rehabilitation. By complying with state/federal laws, regulations and enforcing the Company prohibition against drugs and alcohol in the workplace, public confidence in Company products and services is maintained. Both parties commit to work together to create an environment which promotes a drug and alcohol-free workplace and adhere to the Company's established policy.

17.3(b) For reasonable suspicion and post-accident testing only, the employee has the right to request the presence of a Union Representative at the collection site. The Union Representative shall not in any way interfere with or otherwise obstruct the collection process. The parties agree that the collection may be delayed a reasonable period, not to exceed thirty (30) minutes, to await the arrival of the Union Representative. The thirty (30) minute period will commence when the Union, to include a Union Representative, is notified.

ARTICLE 18

NON-DISCRIMINATION

Section 18.1 Non-Discrimination.

18.1(a) 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 Viet Nam era veteran, age, sex, sexual preference, marital status, or the presence of a disability except in those instances where age, sex or the absence of a disability may constitute a bona fide occupational qualification.

18.21(b) Administration and application of the Agreement that is not in contravention of federal or state law shall not be considered discrimination under this Article. The parties recognize that the Company is required to comply with applicable federal and state disability discrimination laws, and agree that the Company may take actions necessary to stay in compliance. The Company agrees to notify the Union in advance in the event that compliance with such laws affects the employee rights set forth in this Agreement.

Section 18.2 Non-Discrimination Grievances. Notwithstanding any other provision of Article 3, a grievance alleging a violation of this Article 18 shall be subject to the grievance and arbitration procedure of Article 3 only if it is filed on behalf of and pertains to a single employee. Class grievances under Article 18 shall not be subject to the grievance and arbitration procedure under this Agreement.

ARTICLE 19

SCOPE OF AGREEMENT

Section 19.1 Complete Agreement. This Agreement constitutes the entire contract between the parties hereto and supersedes and replaces any and all prior obligations and/or agreements, whether written, oral, expressed or implied between or concerning employees and/or the Union and the Company. No amendment, modification or addition to this Agreement shall be effective unless it is reduced in writing and duly executed by the parties. Nothing herein limits the parties' obligation to bargain mandatory subjects arising during the term of this agreement.

Section 19.2 Severability. If any term or provision of this Agreement is, at any time during the life of this Agreement, adjudged by a court or administrative body of competent jurisdiction to be in conflict with any law,

such term or provision shall become invalid and unenforceable, but such invalidity or unenforceability shall not impair or affect any other term or provision of this Agreement.

ARTICLE 20

MISCELLANEOUS

Section 20.1 Child and Elder-care Referral. The Company will maintain a child and elder-care referral program consisting of referrals of employees to licensed care facilities, consultation with employees to determine individual needs, and providing educational materials and programs.

Section 20.2 Printing of Contracts. The parties agree, in the spirit of labor/management cooperation, that they will equally share the costs of printing the labor agreement.

ARTICLE 21

PERIOD OF AGREEMENT

Section 21.1 Duration. This Agreement shall be effective for a period from the date of contract ratification, and shall remain in force through the January 31, ~~2021~~2026 (Contract Termination Date). This Agreement shall remain in force from year to year thereafter, unless either party shall notify the other, in writing by registered mail, not more than ninety (90) calendar days nor less than sixty (60) calendar days prior to the anniversary of the Contract Termination -Date in the year in which contract termination is desired. Unless terminated, this Agreement shall remain in full force and effect from year to year thereafter.

Section 21.2 Notification. Notice under Section 1 above shall be served on the senior Human Resources manager for the Company and the designated representative for the Union.

Section 21.3 ~~CONTRACT REAFFIRMANCE~~

Contract Reaffirmance. The Company and the Union agree and commit that they will, on the day of the third, ~~sixth, and ninth~~ anniversary of this Agreement, or such other date as either party requests, mutually sign and execute a written amendment to this Agreement, which expressly reaffirms this Agreement for its remaining stated term.

Signed at Wichita, Kansas, and dated this _____th day of _____, ~~2011~~2019.

~~Society of Professional Engineering~~ — ~~Spirit AeroSystems, Inc.~~
~~Employees in Aerospace~~

By _____ By _____

~~Tom McCarty~~ _____ ~~Adam Pogue~~

~~President~~ _____ ~~Vice President~~ — ~~Labor Relations and Workforce Strategies~~

APPENDIX A

~~APPENDIX A~~

**ORGANIZATIONS/FUNCTIONS WITH CONFIDENTIAL EMPLOYEES AND
CURRENT JOBS IDENTIFIED AS CONFIDENTIAL**

A. CONFIDENTIAL GROUP 1 – PERSONNEL INFORMATION

1. People Organization/People Systems excluding Trainers and Health Services Administrators

- FADU – HUMAN RESOURCE GENERALIST
- FADV – HUMAN RESOURCE SPECIALIST
- UAWL – OFFICE ADMINISTRATOR CONFIDENTIAL
- BDAW – APPLICATIONS ANALYST
- BDAU – PROGRAM/ANALYST – BUSINESS
- 9AWE – BUSINESS AND PLANNING ANALYST CONFIDENTIAL

2. Employee Assistance Program

- 7BTW – EMPLOYEE ASSISTANCE PROGRAM ADMINISTRATOR

3. Law and Ethics

- CABN – COUNSEL
- UAMX – ADMINISTRATIVE ASSISTANT
- SAMT – ETHICS ADVISOR

4. Security & Fire Protection

- BCBH – DESKTOP SYSTEMS INSTALLER
- BACS – COMPUTING SECURITY SPECIALIST
- LAHQ – INDUSTRIAL SECURITY SPECIALIST
- LAHR – ACCESS ADMINISTRATOR
- LAHS – INVESTIGATOR
- LAHW – S & FP MULTIPLE OPERATIONS SPECIALIST
- LAHT – UNIFORMED SECURITY OFFICER
- UAWL – OFFICE ADMINISTRATOR

B. CONFIDENTIAL GROUP 2 – BUSINESS INFORMATION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39

1. Program Management Office

- 2AGP – WRITER/EDITOR
- KADN – MARKETING AND SALES REPRESENTATIVE
- KADQ – STRATEGY & ANALYSIS SPECIALIST
- KADS – CUSTOMER RELATIONS SPECIALIST
- KADT – MARKETING AND SALES PROCESS SPECIALIST
- UAMC – PROGRAM MANAGEMENT SPECIALIST
- WASV – PROGRAM MANAGEMENT SPECIALIST (P & L)
- UAWL – OFFICE ADMINISTRATOR CONFIDENTIAL
- UAMX – ADMINISTRATIVE ASSISTANT
- UANR – STAFF ANALYST

2. Internal Audit

- 9AHL – INTERNAL AUDITOR

3. Communications & Public Affairs and State & Local Government Relations

- 2AGR – GRAPHIC ARTIST
- 4ADL – COMMUNICATIONS SPECIALIST
- MACU – COMMUNITY RELATIONS SPECIALIST
- MACV – EDUCATION RELATIONS SPECIALIST
- MACX – GOVERNMENT RELATIONS SPECIALIST
- UAWL – OFFICE ADMINISTRATOR CONFIDENTIAL
- UAMX – ADMINISTRATIVE ASSISTANT
- UANR – STAFF ANALYST

4. Finance

- 9AWC – ACCOUNTANT CONFIDENTIAL
- 9AWE – BUSINESS AND PLANNING ANALYST CONFIDENTIAL
- 9AHN – TAX SPECIALIST
- 9AWG – ESTIMATING AND PRICING SPECIALIST CONFIDENTIAL
- 9AHK – INSURANCE/RISK MANAGEMENT ANALYST
- 9ARA – GOVERNMENT PROPERTY ANALYST
- 5AAD – CONTRACTS & PRICING ADMINISTRATOR (Levels 4 & 5)
- 5AAE – EXPORT ADMINISTRATOR
- 5AAH – IMPORT ADMINISTRATOR
- 5AMS – COMMERCIAL A/C CONTRACTS ADMINISTRATOR

5. Executive Office Administrators/Executive Support

- UAWL – OFFICE ADMINISTRATOR CONFIDENTIAL

1 ♦♦ _____ BCWD – EXECUTIVE SUPPORT

2

3 C. CONFIDENTIAL GROUP 3 – INFORMATION TECHNOLOGY

4

5 1. Systems Level Root Authority

6 ♦♦ _____ BCWD – SYSTEM DESIGN & INTEGRATION SPECIALIST CONFIDENTIAL

7 ♦♦ _____ BDBA – DATABASE ADMINISTRATOR

8

1 **ATTACHMENT A**

2 **401k**

3 Except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes
4 required by applicable law, all provisions of Spirit 401k Plan in place on the ratification date of this agreement
5 are to remain unchanged:

- 6 • All Employee and Employer contributions shall be made as soon as administratively possible after
7 each pay period. This does not include the company’s non-matching contribution.
- 8 • Employees may choose to contribute up to 50% of Base Salary, up to federal limits
- 9 • Company Contributions
 - 10 ○ Matching: 75% match on first 8% of employee contributions
 - 11 ○ Company additional contributions:

<u>If your age + earned vesting</u> <u>service equals:</u>	<u>The percentage of company additional</u> <u>contributions you receive is:</u>
<u>Less than 60</u>	<u>1.5%</u>
<u>60 – 79</u>	<u>3.0%</u>
<u>80+</u>	<u>4.5%</u>

12
13 The Company shall make the above contributions for a retiring employee so long as the employee has 1,000
14 hours of service in the Plan Year.

- 15 • Transition Contributions

<u>Service at Closing</u>	<u>Contribution</u>
<u>5-9 years</u>	<u>1.5%</u>
<u>10-14 years</u>	<u>2.5%</u>
<u>15+ years</u>	<u>3.5%</u>

Contribution continues for the lesser of 15 years from June 17, 2005, or
completed years of Boeing service on June 17, 2005. Effective June 18,
2020 the transition contributions shall cease for all covered employees
with the final payment for 2020 earnings made no later than April 15,
2021.

16
17 **Spirit Retirement Plan:**

18 Except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes
19 required by applicable law, all provisions of Spirit Retirement Plan (Former Boeing BCERP and PVP Plans) in place
20 on the ratification date of this agreement are to remain unchanged, with the exception of the following
21 amendments:

22 Subject to approval by the Spirit Board of Directors, SPEEA-WTPU represented employees with an
23 accrued pension benefit in the “Frozen Pension Plan” will have the ability to voluntarily elect to receive
24 their frozen pension benefit value as a lump sum. Such approval shall not be unreasonably withheld. It
25 is expected that they will roll it over into their 401(k). Participating in this offer will not require that the
26 employee terminate their employment with Spirit.

1 The lump sum shall be determined based on IRC 417(e) segment rates from November the prior
2 calendar year and shall include early retirement subsidies (if applicable).

3 Employees will initially be surveyed regarding their interest in receiving a lump sum payout of their
4 pension benefit. The survey will include information on what the lump sum value of their pension is.
5 Employees who formally express interest to the survey will be spun off into a plan that will be
6 terminated, subject to regulatory approval, allowing access to the benefits in the form of a lump sum
7 upon completion of the plan termination. These employees will have a second chance (at the time of
8 plan termination) to reconsider whether to elect a lump sum. Those who decline will receive their
9 pension benefit in the form of an annuity payment in accordance with the terms of the frozen pension
10 plan. Those who retire and commence payment of their monthly pension benefit before the Frozen
11 Pension Plan is terminated will not be eligible for a lump sum payment.

12 **Medical Plans**

13 All medical plans offered to SPEEA represented Spirit employees shall utilize a nationwide PPO network outside
14 of the Accountable Care Organization network area.

15 Unless prohibited by a collective bargaining agreement, the Company will endeavor to use the entirety of the
16 risk pool for each respective plan when setting rates. Rates not include any employer HSA contributions,
17 transition bonus funds or ratification bonuses.

18 Except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes
19 required by applicable law, all provisions of the Spirit medical plans (Core, Enhanced, Green, Blue and Orange) in
20 place on the ratification date of this agreement are to remain unchanged

21 Effective July 1, 2020, the Company shall provide access to the following plans:

- 22 • Core Plan
- 23 • Enhanced Plan
- 24 • Green Plan (HSA)
- 25 • Blue Plan (HSA)
- 26 • Orange Plan (HSA)

27 Effective July 1, 2022, the Company shall only provide access to the following plans:

- 28 • Green Plan (HSA)
- 29 • Blue Plan (HSA)
- 30 • Orange Plan (HSA)

31 **Core Plan – 30% Premium Contribution**

32 Except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes
33 required by applicable law, all provisions of the Core plan in place on the ratification date of this agreement are
34 to remain unchanged. Beginning July 1, 2021, the Company contribution to the Core Plan shall be capped at the
35 Company contribution to the Green Plan. Beginning July 1, 2022, the Core Plan will no longer be offered.

36 **Enhanced Plan – 25% Premium Contribution**

37 Except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes
38 required by applicable law, all provisions of the Enhanced plan in place on the ratification date of this agreement
39 are to remain unchanged. Beginning July 1, 2021, the Company contribution to the Enhanced Plan shall be

1 capped at the Company contribution to the Green Plan. Beginning July 1, 2022, the Enhanced Plan will no longer
2 be offered.

3 **Green Plan – July 2020 17% Premium Contribution, July 2021 20% Premium Contribution, July 2022 22%**
4 **premium thereafter**

- 5 • The individual annual deductible (in-network) will be \$1,500 for single coverage, with the family
6 deductible two times higher. If federal minimums are raised the deductible will be raised
7 accordingly.
- 8 • Out-of-network deductible will be two times the in-network deductible.
- 9 • Preventative prescriptions shall be allowed before deductible, subject to OOP maximums.
- 10 • Non-preventative prescriptions shall be subject to the deductible and OOP maximums.
- 11 • The coinsurance for all in network services (incl retail and mail order drugs) will be 80%/20%
12 (60%/40% out of network)
- 13 • The annual out-of-pocket maximum shall be two times the applicable deductible for network and
14 four times the applicable deductible for out of network services.
- 15 • The applicable annual deductible will be included in the respective annual out-of-pocket maximum.

16 **Blue and Orange Plans – July 2020 17% Premium Contribution, thereafter 20% Premium Contribution**

- 17 • The deductibles for the blue and orange plans shall not change unless required by federal law in
18 order to maintain a qualified status as a High Deductible Health Plan
- 19 • Preventative prescriptions shall be allowed before deductible, subject to OOP maximums.
- 20 • Non-preventative prescriptions shall be subject to the deductible and OOP maximums.
- 21 • The Coinsurance for all network services (incl retail and mail order drugs) will be 70%/30%
22 (50%/50% out of network)
- 23 • The applicable annual deductible will be included in the respective annual out-of-pocket maximum.

24 **HSA Funding:**

- 25 • Effective with the first pay period after June 30, 2020 each employee that has enrolled in the Green
26 or Blue plan shall receive a lump sum payment equal to 100% of their applicable deductible.
27 Employees enrolled in the orange plan shall receive the same amount as employees enrolling in the
28 blue plan. This lump sum payment will be contributed to the employee’s Health Savings Account
29 (HSA) unless the employee chooses to receive the contribution in a lump sum cash payment.
- 30 • Effective with the first pay period after June 30, 2021 each employee that has enrolled in the Green
31 or Blue plan shall receive a lump sum payment equal to 100% of their applicable deductible.
32 Employees enrolled in the orange plan shall receive the same amount as employees enrolling in the
33 blue plan. This lump sum payment will be contributed to the employee’s Health Savings Account
34 (HSA) unless the employee chooses to receive the contribution in a lump sum cash payment.
- 35 • Effective with the first pay period after June 30, 2022 each employee that has enrolled in the Green
36 or Blue plan shall receive a lump sum payment equal to 75% of their applicable deductible.
37 Employees enrolled in the orange plan shall receive the same amount as employees enrolling in the
38 blue plan. This lump sum payment will be contributed to the employee’s Health Savings Account
39 (HSA) unless the employee chooses to receive the contribution in a lump sum cash payment.
- 40 • Effective with the first pay period after June 30, 2023 each employee that has enrolled in the Green
41 or Blue plan shall receive a lump sum payment equal to 75% of their applicable deductible.
42 Employees enrolled in the orange plan shall receive the same amount as employees enrolling in the

1 blue plan. This lump sum payment will be contributed to the employee’s Health Savings Account
2 (HSA) unless the employee chooses to receive the contribution in a lump sum cash payment.

- 3 • Effective with the first pay period after June 30, 2024 each employee that has enrolled in the Green
4 or Blue plan shall receive a lump sum payment equal to 60% of their applicable deductible.
5 Employees enrolled in the orange plan shall receive the same amount as employees enrolling in the
6 blue plan. This lump sum payment will be contributed to the employee’s Health Savings Account
7 (HSA) unless the employee chooses to receive the contribution in a lump sum cash payment.
- 8 • Effective with the first pay period after June 30, 2025 each employee that has enrolled in the Green
9 or Blue plan shall receive a lump sum payment equal to 60% of their applicable deductible.
10 Employees enrolled in the orange plan shall receive the same amount as employees enrolling in the
11 blue plan. This lump sum payment will be contributed to the employee’s Health Savings Account
12 (HSA) unless the employee chooses to receive the contribution in a lump sum cash payment.
- 13 • Employees hired after the start of each respective plan year shall receive the same amounts as
14 above prorated based on the remaining months of the plan year.
- 15 • While employed by Spirit, Spirit shall pay the monthly administrative fees associated with
16 maintaining the HSA account at the HSA custodian of Spirit’s choice.
- 17 • The company shall permit employees the ability to make HSA contributions via payroll deduction.

18 **Concierge Primary Care**

19 Spirit will provide employees with access to Concierge Primary Care (CPC) services. CPC is an optional health
20 care delivery model structured to improve health outcomes, lower costs, and provide an enhanced patient care
21 experience. This will be an optional network, which employees may choose when completing annual enrollment
22 activities beginning in the 2020/2021 benefit year. Employees who elect to participate in the CPC network will
23 receive a 3% reduction in premium in the 2020/2021 year, and a 5% reduction in the premium thereafter.

24 In order to preserve the health savings account (HSA) benefits and give employees the best of both the
25 traditional and CPC models, where permitted by law, the CPC network shall have unlimited free primary care,
26 unlimited free coverage for minor procedures (as defined by the CPC) and a listing of free generic drugs; where
27 not permitted by law, the CPC clinic shall charge the lowest reasonable fee for the services and/or prescriptions
28 provided.

29 Spirit will create a CPC Oversight Committee, and SPEEA staff will be invited to become involved as an active
30 member. CPC providers will follow generally accepted standards of medical practice. Spirit will strive the CPC
31 has a posted list of available services and procedures that is maintained and updated annually on a prospective
32 basis, prior to each annual enrollment. The parties understand and agree that the structure and substance of the
33 services provided under this CPC option may change each plan year during the course of this Agreement.

34 **Retiree Medical**

LETTER OF UNDERSTANDING
RELATING TO STATEMENT OF INTENTIONS

Day 1 employees age 62 and older who separate service with at least 10 years of company service may enroll in the same medical benefit options as provided to active employees and pay the same monthly premium as active employees. Employees with at least 10 years of service who are laid off by Spirit up to 30 months prior to meeting eligibility for this benefit will be eligible for this benefit upon reaching age 62 regardless of interim coverage.

Subsidized coverage for employees will be provided until Medicare eligibility. Should the employee become Medicare eligible in advance of their spouse becoming Medicare eligible and/or children turning age 26, the spouse and/or remaining eligible children may remain on the Spirit subsidized retiree medical plan for an additional 12 months.

Employees who retire from service with at least ten years of service and who are between the ages of 55 – 65 will be eligible to enroll in Access-Only retirement coverage. The Plans available through Access-Only will be the same as the Plans available to the active employee population, however, the retiree will pay the full cost of the associated benefits, which will be rated on the retiree population experience.

Employees who retire at age 55+ with 10+ years of service, or at age 60+ with 5+ years of service, may elect to continue receiving primary care services through the CPC. The CPC is not a health insurance plan and does not provide specialty care or hospital services. Retirees need to make certain they are covered by a comprehensive medical plan. To do so, the employee must have elected this network at the first opportunity and remained continuously enrolled in the CPC network, or have been enrolled in the CPC network for three consecutive years prior to retirement. Spirit will subsidize the per member per month fee for CPC access at 50%. Once the employee reaches age 65, or becomes Medicare eligible, whichever comes first, Spirit will no longer subsidize the per member per month fee. If the employee reaches 65 or becomes Medicare eligible their eligible dependents will be able to remain on subsidized coverage for an additional 12 months.

Healthy Spirit Activities

The Healthy Spirit discounts will no longer apply after June 30, 2020.

Dental Benefits

The company shall offer the current Premier Plan, the Standard Plan and the Basic Plus Plan. Except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes required by applicable law, all provisions of the Dental plans in place on the ratification date of this agreement are to remain unchanged with the exception of the following amendments:

- Effective 7/1/2021: The Premier Dental plan premium contribution shall be 10%.

Voluntary Vision Benefits

Except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes required by applicable law, all provisions of the Enhanced, Basic and Exam Only vision plans in place on the ratification date of this agreement are to remain unchanged.

1 **Safety Glasses**

2 Except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes
3 required by applicable law, all provisions of the current prescription vision hardware benefit in place on the
4 ratification date of this agreement are to remain unchanged.

5 **Flexible Spending Accounts:**

6 The Company shall provide access to a general purpose healthcare FSA with the limit matching the federal
7 maximum. Should the federal maximum be eliminated, the annual maximum shall match the Orange Plan
8 individual deductible.

9 The company shall provide access to a dependent care FSA with a \$5000 limit.

10 For individuals in an HSA-Qualified medical plan, Effective 7/1/2019 the company also began to provide access
11 to a Limited Purpose FSA with a limit matching the general purpose FSA.

12 **Company Paid Life Insurance**

13 Except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes
14 required by applicable law, all provisions of Company Paid Life Insurance plan currently in place are to remain
15 unchanged.

16 **Optional Supplemental Life Insurance**

17 Except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes
18 required by applicable law, all provisions of Optional Supplemental Life Insurance plan currently in place are to
19 remain unchanged.

20 **Company Paid Short Term Disability**

21 Except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes
22 required by applicable law, all provisions of STD plan currently in place are to remain unchanged.

23 **Company Paid Long Term Disability**

24 Except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes
25 required by applicable law, all provisions of LTD plan currently in place are to remain unchanged.

26 Employees shall be able to use ETO to supplement the LTD payments to bring the employee back up to 100% of
27 the pre-disability salary.

28 **Accidental Death and Dismemberment**

29 Except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes
30 required by applicable law, all provisions of Accidental Death and Dismemberment plan currently in place are to
31 remain unchanged.

32 **Company Paid Business Travel Accident (BTA)**

33 Except as the parties may otherwise agree pursuant to any Letter of Understanding, as well as any changes
34 required by applicable law, all provisions of BTA plan currently in place are to remain unchanged.

35

1 Letter of Understanding 1

2 Relating to Statement of Intentions

3 Dated July 11, 2011

4 We are writing to express the business objectives and intentions of Spirit AeroSystems, Inc. (the "Company") in
5 regard to employment levels and employment security at the Company's facilities in Wichita, KS, and Tulsa and
6 McAlester, OK.

7

8 The Company's objective is to maintain principal business operations at these existing facilities, to build and
9 maintain a strong workforce of full time direct employees, and to mitigate any business-driven need for lay-offs
10 by seeking new work and business in these facilities, retaining the work and business now conducted there by
11 the Company, and by providing training and development opportunities that increase the skills flexibility of
12 individual employees.

13

14 ~~Dated July __, 2011~~

15

16 ~~Spirit AeroSystems, Inc.~~

17

18

19 ~~By~~

20

21 ~~Adam Pogue~~

22 ~~Vice President—Labor Relations and Workforce Strategies~~

23

24

25

1

2

Attachment 2

1 **Letter of Understanding 2**
2 **Relating to Section 3.7**

3

4 **Dated July 11, 2011**

5 Pursuant to this Agreement, if an interview being conducted by the Company's Employee Relations Organization
6 (ERO), Security Investigations, or the Equal Employment Organization (EEO) could reasonably lead to discipline
7 of the employee being interviewed, the Company has undertaken in Section 3.7 to inform the employee of the
8 employee's right to union representation. -The parties agree that the target of any investigation shall be
9 informed of this right to union representation before the interview begins. -If a witness makes statements during
10 an interview that cause the interviewer to conclude that it is reasonable to anticipate that discipline of the
11 witness might occur, if the witness has not already been informed of his or her right to union representation, the
12 witness shall be so informed and union representation provided if requested.

13

14

15 ~~Dated July __, 2011~~

16

17 ~~Society of Professional Engineering — Spirit AeroSystems, Inc.~~

18 ~~Employees in Aerospace — WTPU~~

19

20 ~~By _____ By~~

21

22

23 ~~Tom McCarty _____ Adam Pogue~~

24 ~~President _____ Vice President — Labor Relations and Workforce Strategies~~

25

26

1

2

1 **Letter of Understanding 3**

2 ~~**2011 EBIT Performance Bonus Plan**~~

3

4 ~~The EBIT Performance Bonus Plan in the current WTPU Collective Bargaining Agreement (2005 – 2011) will~~
5 ~~remain in effect for the January 2011 – June 2011 time period. A pro-rated payment will be made to all eligible~~
6 ~~represented employees if the plan meets the specific payout targets.~~

7

8

9 ~~Dated __, 2011~~

10

11 ~~**Society of Professional Engineering – Spirit AeroSystems, Inc.**~~

12 ~~**Employees in Aerospace – WTPU**~~

13

14 ~~By _____ By~~

15

16

17 ~~Tom McCarty _____ Adam Pogue~~

18 ~~President _____ Vice President – Labor Relations and Workforce Strategies~~

19

20

Letter of Understanding

Regarding Technical Product Designers

Dated July 11, 2011

The parties agree a job analysis will be performed pursuant to Section 12.1(b) on all employees in the 6ASE, Technical Product Designer job code. -It is further agreed 6ASE employees performing administration responsibilities will remain under the current "technical support" job classification. -6ASE employees providing design responsibilities to support engineering will be moved to an "engineering support" Designer function/job classification.

~~Dated __, 2011~~

~~Society of Professional Engineering — Spirit AeroSystems, Inc.~~

~~Employees in Aerospace — WTPU~~

~~By _____ By~~

~~Tom McCarty _____ Adam Pogue~~

~~President _____ Vice President — Labor Relations and Workforce Strategies~~

Letter of Understanding 4
Regarding Medical Plan Auditing

Dated July 11, 2011

The parties agree that within six (6) months of the ratification of this contract, to implement a trial program to encourage employees to audit their medical bills in order to reduce cost escalation of insurance premiums. -The Company Benefits Organization shall assign a coordinator for the program.- If an employee discovers errors in the employee's medical bills associated with a procedure reimbursed by the Company's health insurance provider, and if the bill is subsequently lowered because of the employee bringing the error to the attention of the health care provider, the employee shall be awarded a fifty dollar (\$50.00) payment. -If significant savings are not realized during the first six months of the program being implemented, the Company may discontinue the program and reassign the program coordinator.

~~Dated __, 2011~~

~~Society of Professional Engineering — Spirit AeroSystems, Inc.~~

~~Employees in Aerospace — WTPU~~

By _____ By

Tom McCarty _____ Adam Pogue

President _____ Vice President — Labor Relations and Workforce
Strategies

|

Letter of Understanding 5

Regarding 401(k) Contributions

Dated July 11, 2011

Subject to Board approval, the Company will modify the requirement for retirees to be employed on the last day of the year to receive Company contributions to the 401(k) plan and the Company shall make such contributions for the retiring employee so long as the employee has 1000 hour of service in the Plan Year. -The contribution shall be made at the same time as other Company contributions.

The Company further agrees that if any enhancements are made to 401(k) Company contributions for other salaried employee groups at the Company's Wichita facility during the term of this Agreement, such enhancements shall be provided to WTPU represented employees as well.

LETTER OF UNDERSTANDING 6

Regarding Job Classifications

Dated ~~___, 2011~~ June 24, 2019

~~Society of Professional Engineering~~ — ~~Spirit AeroSystems, Inc.~~

~~Employees in Aerospace~~ — ~~WTPU~~

By _____ By _____

Tom McCarty _____ Adam Pogue

President _____ Vice President — Labor Relations and Workforce
Strategies

Letter of Understanding

WHEREAS, Spirit AeroSystems, Inc. ("Spirit" or "the Company") and SPEEA Wichita Technical and Professional Unit ("WTPU") seek to add Job Classifications to Article 1, Section 1.1 of the SPEEA WTPU Collective Bargaining Agreement ("CBA").

NOW THEREFORE, the parties agree as follows:

1. The parties agree that, as of the date of this Letter of Understanding, the following Job Classifications will become a part of the WTPU Bargaining Unit and the terms and conditions of employment for the employees holding those Job Classifications will be controlled by the SPEEEA WTPU CBA:
 - a. ED – Environmental Engineer/Scientist

2. The parties further agree that the addition of these Job Classifications is based solely on the agreement of the parties with respect to the Job Classifications referenced above and is not due to any position taken by the Company with regard to the covered employees' degrees or educational experience. The addition of these Job Classifications to the SPEEA WTPU Bargaining Unit shall not be precedent setting or deemed to indicate either parties' position regarding the expansion of the WTPU Bargaining Unit to any other Job Classifications in the future.

LETTER OF UNDERSTANDING 7

Regarding ~~Salary Reference Tables~~ Supply Chain Procurement Agents and Medical Plan Options

The Parties agree that current practice of evaluating Salary Reference Table mid-points in tandem with national survey data, adjusted geographically, shall continue except that such adjustments shall be made annually and mid-points may go up or down, depending upon the national survey data. The evaluation and adjustments shall be discussed by the Joint Oversight Committee pursuant to section 9.3(b).

Dated ~~___, 2011~~ February 14, 2017

~~Society of Professional Engineering~~ — WHEREAS, Spirit AeroSystems, Inc. (“Spirit” or “the Company”)
seeks to modify and enhance the medical plan options available to the SPEEA represented employees.

~~Employees in Aerospace – WTPU~~

By _____ By

Tom McCarty _____ Adam Pogue

President _____ Vice President — Labor Relations and Workforce
Strategies

**Letter of Understanding
Regarding Gain Sharing Plan**

~~A. The Company and the Union will make their best efforts to establish a gain sharing plan to be implemented for 2012 whereby employees are rewarded for Company productivity improvements.~~

~~B. The framework for such a Plan shall include:~~

~~a. Target performance goals will be set for each year. Each year the Company will make a good faith effort to establish reasonable goals with a realistic chance of being achieved.~~

~~The Company will meet quarterly with Union officials to discuss the targets that have been set and the quarterly progress with regard to the attainment of the target levels. The definition of Target and Outstanding Performance goals will be communicated to the Union as soon as they have been set at the beginning of the Plan. WHEREAS, SPEEA seeks to preserve the PO Management & Expediting position aka Supply Chain Procurement Agent from the potential of subcontracting as stated in Spirit's correspondence to SPEEA of intent to subcontract work dated December 15, 2016 ("Intent to Subcontract Work") and has proposed cost saving options relating to the Spirit benefit plan options.~~

NOW THEREFORE, the parties agree as follows:

1. Spirit will continue to offer the medical plan options known as Core and Enhanced. The vision rates will be reduced from the current Core and Enhanced plans and may be elected, with a separate vision election.
2. The Health Saver LOU will expire effective 6/30/2017, and the plan option known as the Health Saver will terminate 6/30/2017, and will no longer be offered.
3. Beginning with the upcoming 2017-2018 benefit year, SPEEA represented employees will also be offered the same benefit plan options (medical and vision) offered to Management and Salary employees.
4. The medical plan rates and employee contributions for those SPEEA represented individuals that elect a M&S plan will be identical to the Spirit Wichita Non-union Salaried workforce. If any changes are made to the HSA contributions to benefit another Spirit Wichita group, such changes will also be offered to SPEEA.
5. Spirit will cease its current activity relating to the Intent to Subcontract Work. The work performed by the PO Management & Expediting/Supply Chain Procurement Agent will not be subcontracted for the remainder of the WTPU Collective Bargaining Agreement.
6. SPEEA and Spirit will partner together to encourage SPEEA represented employees to consider the new plans and will work together to help SPEEA represented employees understand all choices.

7. This agreement will remain in force as to WEU employees through the duration of the WEU contract (December 1, 2018) and will remain in force as to WTPU employees through the duration of the WTPU contract (January 31, 2021)

- ~~b. Year—Once set, the Target and Outstanding Performance goals may not be changed to be more difficult to achieve during the Plan Year.~~
- ~~c. —If the Target is met, employees will be paid a gain sharing payment equal to one (1.0) percent of the employee’s straight time and overtime wages (pay for hours worked) during the calendar year. If the Outstanding goal is met, employees will be paid a gain sharing payment equal to two (2.0) percent of the employee’s straight time and overtime wages (pay for hours worked) during the calendar year. If Threshold savings are achieved that are less than the Target goal or less than the Outstanding goal, a proportionate payment shall be made.~~
- ~~d. —In 2012, the target shall focus on achieving a savings equal to at least twice the total payout.~~
- ~~e. —As a condition to be eligible for the gain share payment, the employee must be employed by the Company in the SPEEA WTPU bargaining unit position on December 31st of the particular calendar year for which the gain share payment is being made. Payment shall be made by March 15 of the following year.~~

~~Society of Professional Engineering — Spirit AeroSystems, Inc.~~

~~Employees in Aerospace — WTPU~~

~~By _____ By~~

~~Tom McCarty _____ Adam Pogue~~

~~President _____ Vice President — Labor Relations and Workforce Strategies~~

|

Attachment A