

**LAST, BEST AND FINAL
ECONOMIC PROPOSAL**

TO CONCLUDE

2008 NEGOTIATIONS

Between

LOCKHEED MARTIN AERONAUTICS-MARIETTA

AND

**THE INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS
LOCAL LODGES 709, 1027, & 2386**

**February 27, 2008
Evening Session**

Except as specifically modified by this proposal, and items previously agreed upon by the parties during these negotiations, all terms and conditions of this printed Agreement will remain the same.

Period of Agreement: March 2, 2008 through March 6, 2011.

In all instances, qualified benefit plan language is the controlling document. Nothing contained herein or expressed by the parties orally or in writing, constitutes a waiver/deviation from the plan agreement.

LOCKHEED MARTIN AERONAUTICS COMPANY – MARIETTA

ECONOMIC – EXCLUDING BENEFIT PLANS

Part A and B

RATIFICATION BONUS

Provided that the membership ratifies the contract on or before March 2, 2008, a **\$2000** ratification bonus will be paid within sixty (60) days of ratification to each bargaining unit employee on the active payroll as of March 3, 2008, or on an approved leave of absence of less than one year, or on military leave. The entire payment may be deferred to the Hourly Savings Plan Plus (401K) upon completion of the appropriate form.

WAGE PAYMENTS

FIRST YEAR

Effective March 8, 2008, a **general wage increase** in the amount of **4.0%** will be effective for each bargaining unit employee on the active payroll, or approved leave of absence for less than one year, or military leave. The maximum and minimum for all GPR and non-GPR labor grades shall also be increased by **4.0%**.

SECOND YEAR

Effective March 7, 2009, a **general wage increase** in the amount of **3.0%** will be effective for each bargaining unit employee on the active payroll, or approved leave of absence for less than one year, or military leave. The maximum and minimum for all GPR and non-GPR labor grades shall also be increased by **3.0%**.

THIRD YEAR

Effective March 6, 2010, a **general wage increase** in the amount of **3.0%** will be effective for each bargaining unit employee on the active payroll, or approved leave of absence for less than one year, or military leave. The maximum and minimum for all GPR and non-GPR labor grades shall also be increased by **3.0%**.

ARTICLE VIII – PAY RATES

**FACTORY RATE RANGES
For
GPR Eligible Employees**

Effective March 2, 2008

MARIETTA GPR MAXIMUMS

LABOR GRADE	FACTORY		OFFICE & TECHNICAL	
	<u>Current</u>	<u>New</u> March 2, 2008	<u>Current</u>	<u>New</u> March 2, 2008
18	30.37	31.58	30.37	31.58
17	29.54	30.72	29.52	30.70
16	29.18	30.35	28.95	30.11
15	28.79	29.94	28.51	29.65
14	28.49	29.63	27.02	28.10
13	28.19	29.32	26.85	27.92
12	27.93	29.05	26.61	27.67
11	27.77	28.88	26.45	27.51
10	26.94	28.02	26.29	27.34
9	26.78	27.85	26.12	27.16
8	26.57	27.63	25.95	26.99
7	26.46	27.52	25.10	26.10
6	24.86	25.85	24.86	25.85
5	24.72	25.71	24.72	25.71
4	24.64	25.63	24.64	25.63
3	24.58	25.56	24.58	25.56
2	24.43	25.41	24.43	25.41
1	24.28	25.25	24.28	25.25

NOTE: All individuals with bargaining unit rights on the active payroll, approved leave of absence or on layoff June 14, 1993 (when subsequently recalled) shall be eligible for a Guaranteed Personal Rate (GPR) while assigned to Labor Grades 1 thru 14 Factory and 1 thru 16 Technical and Office.

ARTICLE VIII – PAY RATES
RATE RANGES FOR LABOR GRADES

MARIETTA NON GPR MAXIMUMS

LABOR GRADE	FACTORY		OFFICE & TECHNICAL	
	<u>Current</u>	<u>New</u> March 2, 2008	<u>Current</u>	<u>New</u> March 2, 2008
18	30.37	31.58	30.37	31.58
17	29.54	30.72	29.52	30.70
16	29.18	30.35	28.63	29.78
15	28.79	29.94	27.82	28.93
14	27.77	28.88	27.00	28.08
13	26.56	27.62	26.56	27.62
12	25.35	26.36	25.35	26.36
11	24.54	25.52	24.54	25.52
10	23.71	24.66	23.71	24.66
9	22.90	23.82	22.90	23.82
8	22.07	22.95	22.07	22.95
7	21.24	22.09	21.24	22.09
6	20.30	21.11	20.30	21.11
5	19.38	20.16	19.38	20.16
4	18.45	19.19	18.45	19.19
3	17.52	18.22	17.52	18.22
2	16.61	17.27	16.61	17.27
1	15.68	16.31	15.68	16.31

Note: These ranges are applicable only to employees hired or rehired after June 14, 1993.

ARTICLE VIII – PAY RATES

JOB CLASSIFICATIONS AND RATE RANGES

CLARKSBURG

JOB CODE	GPR		NON GPR	
	<u>Current</u>	<u>New</u> March 2, 2008	<u>Current</u>	<u>New</u> March 2, 2008
RMC493	29.19	30.36	29.19	30.36
RMC483	15.67	16.30	15.67	16.30
RMC473	26.4	27.46	21.18	22.03
RMC463	27.93	29.05	25.35	26.36
RMC453	26.46	27.52	21.24	22.09
RMC443	26.46	27.52	21.24	22.09
RMC423	28.49	29.63	27.76	28.87
RMC413	27.93	29.05	25.35	26.36
RMC403	29.77	30.96	29.77	30.96
RMC383	26.46	27.52	21.24	22.09
RMC363	28.51	29.65	27.81	28.92
RMC353	29.54	30.72	29.54	30.72

GPR Range Note: These ranges are only applicable to those employees eligible for a Guaranteed Personal Rate (GPR) as defined by the agreement.

Non-GPR Range Note: These ranges are applicable only to employees hired or rehired after June 14, 1993.

ARTICLE VIII – PAY RATES
JOB CLASSIFICATIONS AND RATE RANGES

MERIDIAN

JOB CODE	GPR		NON GPR	
	<u>Current</u>	<u>New</u> March 2, 2008	<u>Current</u>	<u>New</u> March 2, 2008
RML493	29.19	30.36	29.19	30.36
RML483	15.67	16.30	15.67	16.30
RML473	26.40	27.46	21.18	22.03
RML463	27.93	29.05	25.35	26.36
RML453	26.46	27.52	21.24	22.09
RML443	26.46	27.52	21.24	22.09
RML423	28.49	29.63	27.76	28.87
RML413	27.93	29.05	25.35	26.36
RML403	29.77	30.96	29.77	30.96
RML383	26.46	27.52	21.24	22.09
RML363	28.51	29.65	27.81	28.92
RML353	29.54	30.72	29.54	30.72

GPR Range Note: These ranges are only applicable to those employees eligible for a Guaranteed Personal Rate (GPR) as defined by the agreement.

Non-GPR Range Note: These ranges are applicable only to employees hired or rehired after June 14, 1993.

COST-OF-LIVING ADJUSTMENT

(1.) In addition to the base rate of pay of each employee, a Cost-of-Living (COL) Adjustment shall be paid to each employee in accordance with the provisions of this section.

(2.)(a) Effective January 3, 2009, the current cumulative Cost-of-Living Adjustment payable on that date (including the amount effective on that date) shall be added to the maximums and minimums of the rate ranges in Article VIII, Section 2.

(b) Effective January 2, 2010, the difference between the current cumulative Cost-of-Living Adjustment, and such previous adjustment as set forth in Subsection 2(a), if any, payable on that date (including the amount effective on that date) shall be added to the maximums and minimums of the rate ranges in Article VIII., Section 2.

(c) Effective January 8, 2011, the difference between the current cumulative Cost-of-Living Adjustment, and such previous adjustment as set forth in Subsection 2(b), if any, payable on that date (including the amount effective on that date) shall be added to the maximums and minimums of the rate ranges in Article VIII., Section 2.

On each of the above dates, the employee's base rate will increase by the amount of COL being received by that employee on that date.

Employees hired after the date upon which the COLA is folded into the base rate shall be eligible for only that COLA which becomes effective after their date of hire.

(3.) The Cost-of-Living Adjustment, if any, shall be determined in accordance with changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers, (CPI-W), (United States City Average-All Items, 1982-1984 = 100), revised by the Bureau of Labor Statistics based on the 1982-1984 Survey of Consumer Expenditures, and published monthly by the Bureau of Labor Statistics, U.S. Department of Labor, and hereinafter referred to as the "Price Index".

(4.) During the period of the Agreement, COL Adjustments shall be made at the following times:

Effective Date of Adjustment	Based Upon Three-Month Average of The Price Indexes For:
Pay Period commencing on:	
July 5, 2008	March 2008, April, May,
October 4, 2008	June, July, August
January 3, 2009	September, October, November
April 4, 2009	Dec. 2008, January 2009, February,
July 4, 2009	March, April, May
October 3, 2009	June, July, August
January 2, 2010	September, October, November
April 3, 2010	Dec. 2009, January 2010, February,
July 3, 2010	March, April, May
October 2, 2010	June, July, August
January 8, 2011	September, October, November

In determining the three-month average of the Indexes for each specified period, the computed average shall be rounded to the nearest 0.1 Index Point.

- (5.) Effective the payroll period commencing July 5, 2008 the Cost-of-Living Adjustment factor shall be determined in accordance with the following table:

Three Month Average BLS Consumer Price Index	COL Adjustment Factor
206.7 and Below*	0
206.8 – 207.0	\$.01 Per Hour
207.1 – 207.3	.02
207.4 – 207.6	.03
207.7 – 207.9	.04
208.0 – 208.2	.05
208.3 – 208.5	.06
208.6 – 208.8	.07
208.9 – 209.1	.08
209.2 – 209.4	.09
209.5 – 209.7	.10

*The January 2008 Index is forecast to be 206.7. Should the actual index differ, an adjustment to the table above will be necessary to reflect the actual index number. And so forth with \$.01 for 0.3 point change in the Average Index for the appropriate date set forth in Paragraph 4 above.

- (6.) The amount of any COL Adjustment in effect at the time shall be included for all hours worked after the effective date of the adjustment and in computing overtime payments, vacation and sick leave payments, pay for unused sick and injury leave, military leave, holiday, jury duty, jury examination and witness payments, and for no other purpose.

(7.) In the event that the Bureau of Labor Statistics (BLS), United States Department of Labor, discontinues publication of the Price Index described in Paragraph (3) above, the Company and the Union shall enter into immediate negotiations to determine the appropriate index to be used. The purpose of these negotiations shall be to insure that the payments to be made under this Article will be as intended by the parties and shall be no less than that which would have occurred had the Price Index been continued unchanged in its present form. In the event the parties are unable to agree within sixty (60) days of the discontinuance of the Price Index, this dispute shall be submitted to final and binding arbitration as provided for in the Agreement. The Cost-of-Living Adjustment, if any, shall be retroactive to the appropriate effective date.

(8.) In the event the Bureau of Labor Statistics does not issue the appropriate Price Indexes on or before the beginning of one of the pay periods referred to in Paragraph (4), any adjustment in the COL Adjustment required by such appropriate Indexes shall be effective at the beginning of the first pay period after receipt of the Indexes.

(9.) No adjustment, retroactive or otherwise, shall be made due to any revision which may later be made in the published figures for the Price Index for any month or months specified in Paragraph (4).

Supplemental COLA

A supplemental cost of living payment of **\$800** will be paid on or before December 19, 2008 to each employee on the active payroll or approved leave of absence of less than one year on December 6, 2008.

On or before December 18, 2009, a supplemental cost of living payment in the amount of **\$800** will be paid to each employee on the active payroll or approved leave of absence of less than one year on December 5, 2009.

On or before December 17, 2010, a supplemental cost of living payment in the amount of **\$800** will be paid to each employee on the active payroll or approved leave of absence of less than one year on December 4, 2010.

The entire Supplemental COLA Payment may be deferred to the Hourly Savings Plan Plus (401K) upon completion of the appropriate form.

**Holidays
Local Lodge 709**

Section 3 – Holidays*

(1) The Company recognizes the following holiday schedule during the period of this Agreement:

2008

Memorial Day	Monday	05/26/08	8
Independence Day	Friday	07/04/08	8
Labor Day	Monday	09/01/08	8
Thanksgiving	Thursday	11/27/08	8
	Friday	11/28/08	8
Christmas Holiday	Wednesday	12/24/08	8
	Thursday	12/25/08	8
	Friday	12/26/08	8
	Monday	12/29/08	8
	Tuesday	12/30/08	8
	Wednesday	12/31/08	<u>8</u>
Total Holiday Hours			88

2009

New Year's Day	Thursday	01/01/09	8
	Friday	01/02/09	8
Memorial Day	Monday	05/25/09	8
Independence Day	Friday	07/03/09	8
Labor Day	Monday	09/07/09	8
Thanksgiving Day	Thursday	11/26/09	8
	Friday	11/27/09	8
Christmas Holiday	Thursday	12/24/09	8
	Friday	12/25/09	8
	Monday	12/28/09	8
	Tuesday	12/29/09	8
	Wednesday	12/30/09	8
	Thursday	12/31/09	<u>8</u>
Total Holiday Hours			104

2010

New Year's Day	Friday	01/01/10	8
Memorial Day	Monday	05/31/10	8
Independence Day	Monday	07/05/10	8
Labor Day	Monday	09/06/10	8
Thanksgiving	Thursday	11/25/10	8
	Friday	11/26/10	8
Christmas Holiday	Thursday	12/23/10	8
	Friday	12/24/10	8
	Monday	12/27/10	8
	Tuesday	12/28/10	8
	Wednesday	12/29/10	8
	Thursday	12/30/10	8
	Friday	12/31/10	<u>8</u>
Total Holiday Hours			104
Total for Contract Period			296

~~* In order to provide the equivalent of 37 holidays or 296 hours of holiday pay, each employee on the active payroll as of January 1, 2006, or on an approved leave of absence of less than one year, or on military leave will have an additional eight (8) hours credited to their vacation balance on January 21, 2006. Any employee who is not scheduled to receive a full week check may receive a payment from their vacation balance to cover the difference between hours worked and a normal weeks pay. Employee requests for payment should be made to the Payroll Accounting Department at least one (1) week in advance.~~

(2) Full pay (eight (8) hours at straight time including shift bonus and odd work week bonus, if any) shall be paid to employees for each of these holidays regardless of the day of the week upon which the holiday falls. In addition, two times the regular rate of the employee shall be paid for hours worked on holidays.

(3) In order to be eligible for holiday pay, an employee must have worked or have been on a vacation or a paid leave (other than paid sick leave) on the last work day before or the first work day after the holiday; except that when the holiday falls on the day before employment or the day after termination, or during an employee's leave, no pay under this Section shall be granted.

(4) Should a recognized holiday fall upon a Sunday, the Monday immediately following such shall be observed as the holiday. Should a recognized holiday fall upon a Saturday, the Friday immediately preceding such Saturday shall be observed as the holiday unless the work schedule of the majority of employees includes Saturdays, in which event the holiday shall be observed on such Saturday. Should a holiday fall upon the sixth or seventh day of the work week of an employee assigned to an odd work week, the preceding or the following day, respectively, shall be considered a holiday for such employee.

**Holidays
Local Lodges 1027 and 2386**

2008

Memorial Day	Monday	05/26/08	10
Independence Day	Thursday	07/03/08	10
Labor Day	Monday	09/01/08	10
Thanksgiving	Thursday	11/27/08	10
Christmas Holiday	Wednesday	12/24/08	10
	Thursday	12/25/08	10
	Monday	12/29/08	10
	Tuesday	12/30/08	10
	Wednesday	12/31/08	<u>10</u>
Total Holiday Hours			90

2009

New Year's Day	Thursday	01/01/09	10
Memorial Day	Monday	05/25/09	10
Independence Day	Thursday	07/02/09	10
Labor Day	Monday	09/07/09	10
Thanksgiving Day	Thursday	11/26/09	10
Christmas Holiday	Thursday	12/24/09	10
	Monday	12/28/09	10
	Tuesday	12/29/09	10
	Wednesday	12/30/09	10
	Thursday	12/31/09	<u>10</u>
Total Holiday Hours			100

2010

Memorial Day	Monday	05/31/10	10
Independence Day	Monday	07/05/10	10
Labor Day	Monday	09/06/10	10
Thanksgiving	Thursday	11/25/10	10
Christmas Holiday	Thursday	12/23/10	10
	Monday	12/27/10	10
	Tuesday	12/28/10	10
	Wednesday	12/29/10	10
	Thursday	12/30/10	<u>10</u>
Total Holiday Hours			90

2011

New Year's Day	Monday	01/03/11	10
Total for Contract Period			290

* In order to provide the equivalent of 37 holidays or 296 hours of holiday pay, each employee on the active payroll as of January 1, 2009, or on an approved leave of absence of less than one year, or on military leave will have an additional six (6) hours credited to their vacation balance on January 18, 2009.

- (2) Full pay (ten (10) hours at straight time including shift bonus and odd work week bonus, if any) shall be paid to employees for each of these holidays regardless of the day of the week upon which the holiday falls. In addition, two times the regular rate of the employee shall be paid for hours worked on holidays.
- (3) In order to be eligible for holiday pay, an employee must have worked or have been on a vacation or a paid leave (other than paid sick leave) on the last work day before or the first work day after the holiday; except that when the holiday falls on the day before employment or the day after termination, or during an employee's leave, no pay under this Section shall be granted.
- (4) Should a recognized holiday fall upon a Sunday, the Monday immediately following such shall be observed as the holiday. Should a recognized holiday fall upon a Saturday, the Friday immediately preceding such Saturday shall be observed as the holiday unless the work schedule of the majority of employees includes Saturdays, in which event the holiday shall be observed on such Saturday. Should a holiday fall upon the sixth or seventh day of the work week of any employee assigned to an odd work week, the preceding or the following day, respectively, shall be considered a holiday for such employee.

LOCKHEED MARTIN AERONAUTICS COMPANY – MARIETTA

BENEFITS PLAN

PARTS B, C AND I

LOCKHEED MARTIN HOURLY BASIC BENEFIT PLAN AMENDMENT AGREEMENT

This Agreement is entered into effective March 2, 2008 between the International Association of Machinists and Aerospace Workers for itself and on behalf of the following District and Local Lodges (hereinafter referred to as the "Union")

The Aeronautical Machinists Local Lodge 709, 1027, & 2386

and Lockheed Martin Aeronautics-Marietta (hereinafter referred to as "Company").

RECITAL

The Company and the Union have negotiated and reached agreement, subject to the conditions set forth below, that the Company will modify and enhance the Lockheed Martin Hourly Basic Benefit Plan (hereinafter referred to as "Plan") as described below.

AGREEMENT

Therefore, subject to the conditions set forth herein, the parties agree as follows:

1. The changes in the Plan as provided herein are subject to the Company's obtaining and retaining all necessary permits and approvals of cognizant state and Federal authorities required to establish and continue the qualification of the Plan for Federal income tax purposes under applicable provisions of the United States Internal Revenue Code and to meet the requirements of the Employee Retirement Income Security Act (ERISA) of 1974, as amended, and regulations thereunder.
2. The Company will increase the quarterly contribution for each employee from **\$55 to \$60**.
3. For employees hired after March 1, 2005, the Company will provide an additional quarterly contribution of ~~\$25.00~~ **\$30.00**.
4. All legally required changes will be incorporated in the final document. A draft copy of the proposed Plan document has been provided to the Union.
5. This Agreement is applicable to the employees of the Company covered by the 2008 Collective Bargaining Agreement between the Company and the Union; however, the applicability of the Plan shall be determined and be governed by the Plan's provisions and need not be limited to the employees of the Company. The Company will take no action in contravention of this Agreement with respect to employees covered by said Collective Bargaining Agreement, except as may be necessary to obtain approval of governmental authorities as referred to in paragraph 1 above.
6. The amendments stated herein or incorporated herein shall become effective March 2, 2008.
7. This Agreement shall be of no effect after its expiration or termination and shall not affect the rights of the Company thereafter to continue, amend, modify, suspend or terminate the

Plan. This Agreement shall remain in effect for the entire period as the 2008 Collective Bargaining Agreement between the Company and the Union and may be opened for modification, amendment, or termination at the same time and under the same conditions as provided in such Collective Bargaining Agreement.

Executed by the authorized representatives of the parties this ____day of _____, 2008.

For the Union:

The Aeronautical Machinists
Local Lodge 709, 1027 & 2386

By:_____

By:_____

For the Company:

Lockheed Martin
AERONAUTICS-MARIETTA

By:_____

By:_____

RETIREMENT PLAN AMENDMENT AGREEMENT

This Agreement is entered into effective March 2, 2008 between the International Association of Machinists and Aerospace Workers for itself and on behalf of the following District and Local Lodges (hereinafter referred to as "Union")

The Aeronautical Machinists Local Lodge 709, 1027, & 2386

and Lockheed Martin Aeronautics-Marietta (hereinafter referred to as "Company").

RECITAL

The Company and the Union have negotiated and reached agreement, subject to the conditions set forth below, that the Company will modify the Retirement Plan for Certain Hourly Employees (hereinafter referred to as "Plan").

AGREEMENT

Therefore, subject to the conditions set forth herein, the parties agree as follows:

1. The changes in the Plan as provided herein are subject to the Company's obtaining and retaining all necessary permits and approvals of cognizant State and Federal authorities required to establish and continue the qualification of the Plan for Federal income tax purposes under applicable provisions of the United States Internal Revenue Code and to meet the requirements of the Employee Retirement Income Security Act (ERISA) of 1974, as amended, and regulations thereunder.
2. All legally required changes will be incorporated in the final document.
3. Except as specifically amended as provided herein the Plan as in effect March 2, 2005 shall continue in full force and effect.
4. This Agreement shall remain in effect for the same period as the 2008 Collective Bargaining Agreement, between the Company and the Union and may be opened for amendment or termination at the same time and under the same conditions as provided in that collective bargaining agreement.
5. For a Member who retires and begins receiving a monthly benefit on or after the first day of the month following ratification of the Collective Bargaining Agreement, the monthly Normal Retirement Benefit shall be determined by multiplying the Member's years of Credited Service by **seventy-seven dollars (\$77.00)**. **This rate shall also apply retroactively to retirements on or after January 1, 2008.**
6. For a Member who retires and begins receiving a monthly benefit on or after the first day of the month following ratification of the Collective Bargaining Agreement under Sections 4.05(A) (2), 4.05 (A) (3) and 6.01(B) of the Plan will receive a benefit of **twenty-nine dollars (\$29.00)** per year of credited service. **This rate shall also apply retroactively to retirements on or after January 1, 2008.** Notwithstanding any provision in the Plan to the contrary, for any Member who retires on or after January 1, 1996, the Credited Service counted for benefit determination under this Supplement A-6, paragraph 4, will also be

counted as Credited Service under Section 6.02 of the Plan (Early Retirement Benefits - 85 point determination only).

7. Install 75% joint and survivor benefit.

Effective March 2, 2008, the plan will be amended to include a 75% joint and survivor benefit.

Executed by the authorized representatives of the parties this ____ day of _____, 2008.

For the Union:

The Aeronautical Machinists
Local Lodge 709, 1027, & 2386

By: _____

By: _____

For the Company:

LOCKHEED MARTIN
AERONAUTICS-MARIETTA

By: _____

By: _____

LOCKHEED MARTIN HOURLY EMPLOYEE SAVINGS PLAN PLUS AMENDMENT AGREEMENT

This Agreement is entered into effective March 2, 2008 between the International Association of Machinists and Aerospace Workers for itself and on behalf of the following District and Local Lodges (hereinafter referred to as "Union"):

The Aeronautical Machinists Local Lodges 709, 1027, & 2386

and Lockheed Martin Aeronautics-Marietta (hereinafter referred to as "Company").

RECITAL

The Company and Union have negotiated and reached an Agreement, subject to the conditions set forth below, that the Company will modify and enhance the Lockheed Martin Hourly Employee Savings Plan Plus (hereinafter referred to as "Plan").

AGREEMENT

Therefore, subject to the conditions set forth herein, the parties agree as follows:

1. The changes in the Plan as provided hereunder are subject to Company's obtaining and retaining all necessary permits and approvals of cognizant state and federal authorities required to establish and continue the qualification of the Plan for Federal income tax purposes under applicable provisions of the United States Internal Revenue code and to meet the requirements of the Employee Retirement Income Security Act of 1974 (ERISA), as amended, and regulations thereunder.

2. The Company will amend the Plan as follows effective on March 2, 2008 or on such other date as provided below, with respect to employees of the Company on such effective date who are covered by the collective bargaining agreement between the Company and the Union:

2.A. Amend Supplement A-4 as follows:

Company matching contributions will be in Cash and will be 50% of the Matched Elective Deferral Amount.

A weekly Elective Deferral Amount subject to Corporation Matching Contributions under Section 4.01 may be specified as follows for eligible employees of Lockheed Martin Aeronautics-Marietta.

Elective Deferral Amount (Dollars)
Subject to
Corporation Matching Contributions

Up to **\$64 weekly** in \$1 dollar increments

B. Supplement A-4:

Effective March 2008 paragraph (2) (b)(iii) has been amended to provide a maximum unmatched Elective Deferral Amount of **\$150** for all eligible employees of Lockheed Martin Aeronautics-Marietta.

Effective March 2, 2008 the Plan will be amended to eliminate the requirement to complete at least six months of service at the Company.

These changes will be effective as soon as administratively feasible after ratification of the agreement.

Executed by the authorized representatives of the parties this ____ day of _____, 2008.

For the Union:

The Aeronautical Machinists
Local Lodge 709, 1027, & 2386

By: _____

By: _____

For the Company:

LOCKHEED MARTIN
AERONAUTICS-MARIETTA

By: _____

By: _____

ARTICLE VII – PAY PROVISIONS
Section 12 – Field Duty,

In response to the Union's proposal on February 21, 2008, the Company makes a counter-proposal as stated herein:

(5) Except as set forth in Paragraph (6) below, an employee required to use his own automobile for travel on such field duty assignment or an occasional travel for authorized Company business shall be reimbursed therefore at the **current allowable mileage rate as defined by the Internal Revenue Service (IRS) not to exceed mileage of the most direct route as shown in the most recent addition of the Rand-McNally Highway Mileage Chart will be allowed** ~~rate of thirty-one cents (31¢) per mile~~ for mileage necessary to the performance of such work. The Company will also provide for such an employee on such occasions personal liability insurance coverage with respect to liability, if any, to other employees who are passengers engaged in such above referred to travel for such purpose, except that such insurance coverage shall apply only after such employee's own personal liability insurance has been first applied, in the amount of fifty-thousand-dollars (\$50,000.00) maximum per person or three hundred-thousand-dollars (\$300,000.00) maximum per accident.

Lockheed Martin Aeronautics Company – Marietta

NON-ECONOMIC PROPOSAL FOR CONCLUSION

PARTS A AND B

SUPPLEMENTS AND LETTERS OF AGREEMENT

FEBRUARY 27, 2008

NON ECONOMIC PROPOSALS

SECTION 1

Section 1 of The Company Non-Economic Proposals provides a summary description of Non-Economic Proposals for Conclusion. Section 2 of The Company Non-Economic Proposals provides language as the Proposal would be incorporated into the Agreement.

This is a complete package proposal for settlement of initial proposals by both Union and Company for non-economic modifications and amendments resulting from the 2008 Contract Negotiations. Except as set forth herein, it is proposed that all other non-economic provisions of Part A and B, Supplements and Letters of Agreement, of the Agreement currently in effect remain unchanged.

PROPOSALS CONCERNING PART “A” ENTITLED, “PROVISIONS APPLICABLE TO THE ENTIRE MULTI-PLANT BARGAINING UNIT.”

PART A

Section 3(A) – Period of Agreement and Procedure for Amending or Replacing Agreement
Nature of Amendments:

Provide for a 36-month Agreement – March 2, 2008 through March 6, 2011.

PROPOSALS CONCERNING PART “B” ENTITLED, “PROVISIONS APPLICABLE TO MARIETTA PLANT REPRESENTED EMPLOYEES ONLY.” INCLUDING SUPPLEMENTS AND LETTERS OF AGREEMENT RELATED THERETO.

PART B

ARTICLE II – Union – Company Relations

Section 1 – Union Stewards and Committeemen

(A) Number of Stewards and Committeemen:

Nature of Amendments:

The parties are agreeable to revise paragraph 2 to allow for electronic notification to Labor Relations upon selection of Shop Steward(s) and/or Committeemen.

Section 6 – Reports and Other Information to be Furnished to the Union

Nature of Amendments:

In response to the Union’s proposal, the Company is agreeable to revise paragraphs A, B, C, D, and F to allow for an electronic version of the referenced information to be provided to the union in compact disk (CD) format.

ARTICLE IV – Seniority

Section 3 – Layoffs

(A) General Layoff:

Nature of Amendments:

A(1) In response to the Union’s proposal, the Company is agreeable to revise paragraph 1 in Sub-Section (A) to allow for a next preference to be the use of the last five (5) digits of the employee number in cases where employees who possess the same seniority date become vulnerable to layoff. Additionally, employee numbers (or prior service considerations) cannot be used for the purpose of displacing into another department or classification.

A (12) – The parties are agreeable to modify the 3rd sentence of paragraph 2 to replace “indefinite period” with “a maximum of ninety (90) months”, and replace gender reference with “they.”

A(13) – The parties are agreeable to develop a new paragraph 13 to include provisions for employees’ who involuntarily lose their security clearance or program access and can no longer perform the available work in the department to be declared surplus and placed in accordance with Article IV, Section 3.

A(14) – Old paragraph 13 language – Number change only.

Section 4 - Recall

(A) Recall:

Nature of Amendments:

In response to the Union’s proposal, the Company is agreeable to revise paragraph to allow for the next preference to be given to employees with the lowest last five (5) digits of their employee number in cases where employees who possess the same seniority date are recalled.

A(11) – In response to the Union’s proposal, the Company is agreeable to revise paragraph 3 to allow employees refusing recall of a temporary duration to have subsequent temporary recall opportunities after a three (3) month period instead of the current six (6) month period.

Section 8 – Loss of Seniority

Nature of Amendments:

The parties are agreeable to revise Sub-Section 3 to remove references to “telegram”, replace reference to “Employment” with “Labor Relations”, and replace gender references with “them” and “their” where appropriate.

Section 9 – Promotion and Upgrading

Sub-Section 2

Nature of Amendments:

The parties are agreeable to modify Sub-section 2 to allow for the use of a standard background resume form which is to be completed in conjunction with the employee’s request for upgrade. The background resume will be evaluated against the established criteria upon submittal of the resume to labor relations.

Sub-Section 2(d)

Nature of Amendments:

In response to the Union’s proposal, the Company is agreeable to revise language to reflect a maximum of 4.5 hours of straight time pay per day for Classification Grievance Committee instead of the current 4.0 hours.

ARTICLE VI – Employee Privileges

Sections 1 and 2 – Vacations and Sick and Injury Leave

Sub-Section A(1) , A(5) and Sub-Section (A)

Nature of Amendments:

A (1) In response to the Union’s proposal, the Company is agreeable to provide the appropriate accrual amount of vacation to employee’s who utilize any combination of paid vacation and holiday pay for the entire month.

Sub-Section A (5) and Sub-Section (A)

Nature of Amendments:

The parties are agreeable to modify Sub-Section A (5) and Sub-Section (A) to ensure pay out of accrued vacation and sick and injury leave balances at the time of termination.

In response to the Union’s proposal, the Company is agreeable to allow employee’s who are laid off or who terminate for the purpose of entering the Armed Forces to have up to twenty (20) hours of vacation and sick and injury leave (not to exceed the number of hours paid out) reinstated by reimbursing the number of hours desired at the employee’s current rate of pay plus any taxes required. This reimbursement must occur within sixty (60) days after returning to the active payroll.

ARTICLE VII – Pay Rates

Section 1 – Wage Rates and Performance Reviews

Paragraph (D) – Pay Rate on Promotion

Nature of Amendments:

The parties are agreeable to modify paragraph D to replace gender references with proper term(s) and to add new paragraph explaining calculation of pay when an employee receives a promotion while in rate retention. Essentially, an employee promoted while in rate retention will be paid ten cents (10¢) per hour above his rate as if he had progressed to the end of the retention period. If the employee is within the rate range of the classification then the promotion rate is ten cents (10¢) above the current rate of the employee whichever is the lower rate.

SUPPLEMENT “F”

LETTERS OF PROCEDURE AND UNDERSTANDING

Letter 24 – Attendance Irregularities – Sick Leave

In response to the Union’s proposal, the Company is agreeable to modify the 1st and 2nd paragraph to allow for employee’s to take paid sick and injury leave in one (1) hour increments up to nine (9) hours in a single day.

Letter 41 – Payment of Union Senior Board Member for Work Performed Regarding Employee benefits

In response to the Union's proposal, the Company is agreeable to modify the 2nd paragraph to allow for payment of one-half of the salary of the Union Senior Board member (up to 4.5 hours at straight time in a single day each week) who is assigned to work with represented employees regarding their benefits.

Letter 50 – Substantial Change Grievance Procedure

The parties are agreeable to modify letter to revise the title of Labor Relations Chair person, allow for meetings to be scheduled quarterly or as otherwise mutually agreed to between the parties, and to reduce the FMCS panel of arbitrators number upon mutual agreement.

New Letter – Firefighter Operations and Scheduling

In response to the Union's proposal, the Company is agreeable to add new letter to the agreement to incorporate to the Memorandum of Understanding on Twenty-Four/Forty-Eight Work Schedule contained in the 2005 Agreement for Conclusion and the Memorandum of Agreement regarding Fire Department Competitive Practices (Attachment 17) dated March 8, 1999, as agreed in the 2008 negotiations.

New Letter – Third party medical review

In response to the Union's proposal, the Company is agreeable to add new letter to the agreement to allow for a third party medical review in cases where there is a difference of opinion between an employee's personal physician and Company Medical department relative to an employee's fitness for duty. Employee's must provide necessary release for medical documentation which will be provided to the independent medical reviewer to conduct the evaluation. The costs for conducting the evaluation will be the responsibility of the Company provided the employee reports for all recommended appointments and follows the recommendations of the independent reviewer. Employee failure to report for scheduled appointments will result in the employee assuming responsibility for associated costs and any subsequent efforts for obtaining independent review will be withdrawn.

New Letter – Maintenance Subcontracting Agreement

In response to the Union's proposal, the Company is agreeable to include in the agreement a Memorandum of Understanding regarding Maintenance Subcontracting which will allow for continuation of the existing understanding through the life of the 2008 collective bargaining agreement.

**SUPPLEMENT “H”
ATTENDANCE STANDARDS – HOURLY EMPLOYEES**

I. Procedures

Section (B) – Attendance

Nature of Amendments:

(3) – The parties are agreeable to modify paragraph 3 to add new sentence which will allow for employee’s who have unsatisfactory attendance (Verbal Warning or greater) to be required to use any accrued vacation or sick leave prior to any unpaid absences if they have unused balances in those accounts.

Section (C) – Attendance Related Discipline

Nature of Amendments:

5(a) – The parties are agreeable to modify paragraph 5(a) to identify absences that do not count when assessing compliance with six (6) month perfect attendance provisions. Additionally, paragraph will be modified to allow for employees who receive a Verbal Warning and subsequently have perfect attendance as defined will again be able to group consecutive days of absence for the same illness, and where employee's who received a Verbal Warning with subsequent perfect attendance as defined will regain eligibility for the excused tardy as defined.

**SUPPLEMENT “I”
PLANT-WIDE OVERTIME AGREEMENT**

Principles of Operation

Distribution

Nature of Amendments:

The parties are agreeable to modify the 1st paragraph of Sub-Section 1 to provide in cases where job continuity is an issue, the spread of hours between the employee offered the work and the employee lowest in hours on the overtime list will not exceed fifty (50) hours or as otherwise mutually agreed to by the Department Manager and the Shop Steward.

GENERAL ITEMS

- 1. The parties are agreeable to establish a Memorandum of Understanding regarding a Tobacco Free Workplace policy throughout the facility.**
2. The parties are agreeable to establish a Memorandum of Understanding regarding participation in a Corporate sponsored Fitness Center Reimbursement Program (CPS 547) which will provide a maximum benefit of \$250 per employee, per calendar year.
3. In response to the Company’s proposal, the Union is agreeable to participate in the Recognition and Incentive Program as described in Aero Code policy AC-3697.

4. The parties are agreeable to establish an employee upgrade process for implementation which will include a jointly developed resume form to be used in conjunction with employee upgrade requests.
5. In response to the Union's proposal, the Company is agreeable to establish a Memorandum of Understanding regarding Leaves Without Pay which will allow for Joint Company/Union Committee review of cases where either party identifies examples of inconsistent application of Article VI, Section 4. The intent of this memorandum is to communicate guidance to management for consistency in application.
6. In response to the Union's proposal, the Company is agreeable to regularly review it's forecasted staffing requirements and where clearance requirements could be identified, allow qualified employees who request to be cleared to apply for a clearance to allow for timely placement as job openings occur, and within the guidelines provided by the DoD which address the process for application to obtain a security clearance.
7. The parties are agreeable to establish a letter of clarification which explains changes made in Supplement H regarding use of unpaid absences until they are issued discipline for unsatisfactory attendance, and clarification of the process for regaining the ability to use unpaid absences and excused tardies when satisfactory attendance is reestablished.

Lockheed Martin Aeronautics Company – Marietta

NON-ECONOMIC PROPOSAL FOR CONCLUSION

PARTS A AND B

SUPPLEMENTS AND LETTERS OF AGREEMENT

February 27, 2008

NON ECONOMIC PROPOSALS

SECTION 2

Section 1 of The Company Non-Economic Proposals provides a summary description of Non-Economic Proposals for Conclusion. Section 2 of The Company Non-Economic Proposals provides language as the Proposal would be incorporated into the Agreement.

This is a complete package proposal for settlement of initial proposals by both Union and Company for non-economic modifications and amendments resulting from the 2008 Contract Negotiations. Except as set forth herein, it is proposed that all other non-economic provisions of Part A and B, Supplements and Letters of Agreement, of the Agreement currently in effect remain unchanged.

PROPOSALS CONCERNING PART “A” ENTITLED, “PROVISIONS APPLICABLE TO THE ENTIRE MULTI-PLANT BARGAINING UNIT.”

PART A

Section 3(A) – Period of Agreement and Procedure for Amending or Replacing Agreement

- (A) This Agreement shall remain in full force and effect from **March 2, 2008**, until and through **March 6, 2011** and thereafter from year to year unless either the IAM&AW or LM AERO - MARIETTA gives notice in writing to the other party to this Agreement during the period from 12:01 a.m., **December 17, 2010**, through midnight **December 31, 2010**, or during a like period in any subsequent year proposing modifications or amendments to this Agreement.

PROPOSALS CONCERNING PART “B” ENTITLED, “PROVISIONS APPLICABLE TO MARIETTA PLANT REPRESENTED EMPLOYEES ONLY.” INCLUDING SUPPLEMENTS AND LETTERS OF AGREEMENT RELATED THERETO.

PART B

ARTICLE II – Union – Company Relations

Section 1 – Union Stewards and Committeemen

(A) Number of Stewards and Committeemen:

(2) In unusual circumstances, particularly as may be presented in departments covering more than one location, the required number and location of Union Stewards and Committeemen may be adjusted by agreement between the parties. At a time mutually agreed upon, the Company shall permit all employees who are Union members to vote on Company property and during working hours once each year for Stewards and once each year for Committeemen. Additionally, when the merger of departments or the addition of a department or a shift makes necessary the election of a Union Steward and/or Committeeman, such election may be held on Company property and during working hours. The voting shall be conducted under rules and regulations agreed to between the Company and the Union. **The Union will provide electronic notification (e-mail or fax) to Labor Relations upon selection of Shop Steward(s) and/or Committeemen.**

Section 6 – Reports and Other Information to be Furnished to the Union

(A) The Union may request the following reports which are to be furnished as soon as possible; such request shall be made only by the President or the Financial Secretary of the Union. The Union assumes full responsibility for maintaining confidentiality of information contained in these reports or any associated reports provided upon request, and agrees not to disseminate to unauthorized person(s) or agencies. **Reports referenced in Sub-Sections A, B, C, D and F of this section will be provided to the Union in compact disk (CD) format:**

ARTICLE IV – Seniority

Section 3 – Layoffs

(A) General Layoff:

- (1) An employee who has acquired seniority rights pursuant to the provisions of Section 2 of this Article shall not be laid off under the general layoff provisions of this Sub-Section (A) unless all employees in his occupation who have not acquired seniority rights pursuant to the provisions of Section 2 of this Article have been laid off. In a department where a surplus in an occupation develops and employees in such department and occupation who have acquired seniority rights and possess the same seniority date become vulnerable to layoff, such employee(s) possessing prior service will be given preference (where prior service information is available) in the following order; Marietta Hires, Lockheed Martin Aeronautics Hires, Lockheed Martin Corporation Hires and Others. Employees will be considered in these groups and the employee with the earliest original hire date will be considered more senior. **The next preference will be given to employees with the lowest last five (5) digits in their employee number.** Employees will be considered in these groups and the employee with the earliest original hire date will be considered more senior. **Employee numbers (or prior service considerations) cannot be used for the purpose of displacing into another department or classification.**

(A) Sub-Section 12

- (12) An employee scheduled for downgrade within the occupation (unless the downgrade results from inability to perform the higher grade work) or scheduled for downgrade in lieu of layoff, may at the time such downgrade is offered, elect to take layoff in its place.

Provided, however, that the recall rights of an employee who takes voluntary layoff shall be suspended from the classification from which laid off ~~for an indefinite period~~ **for a maximum of ninety (90) months** or until the employee notifies Labor Relations in writing that ~~he wishes~~ **they wish** to be returned to the recall list.

(A) Sub-Section 13

- (13) **In the event an employee involuntarily loses their security clearance or program access and can no longer perform the work that is available in the department, the employee will be declared surplus and placed in accordance with provisions of this Article and Section.**

(A) Sub-Section 14

- (14) The word "occupation" includes all grades and Lead within an occupation, for example: Motor Rewinder is an occupation and includes Motor Rewinder Lead, Motor Rewinder A and Motor Rewinder B.

The word "classification" designates an occupation and in addition a specific grade of that occupation, as for example: Motor Rewinder A. Where there is only one grade in an occupation, such grade is assumed to be the A grade unless otherwise designated, for example: General Machinist. Classifications in the same labor grade are considered "lateral classifications".

Downgrading within an occupation refers to a movement from one grade of the occupation to a lower grade of the same occupation, as for example: Motor Rewinder A to Motor Rewinder B.

A downgrade in lieu of layoff refers to a movement from one classification to a lower-rated classification in a different occupation, for example: General Machinist to Machinist-Mill/Machine Tools Set up.

Section 4 - Recall

(B) Recall:

Employees shall be recalled from the recall list into the classification in which the opening exists in order of seniority, where ability, skill and efficiency are substantially equal. Upon recall to a classification of employees who become eligible for recall and who possess the same seniority date, such employee(s) possessing prior service will be given preference (where prior service information is available) in the following order; Marietta Hires, Lockheed Martin Aeronautics Hires, Lockheed Martin Corporation Hires and Others. **The next preference will be given to employees with the lowest last five (5) digits in their employee number.** Employees will be considered in these groups and the employee with the earliest original hire date will be considered more senior. The recall list shall include:

A Sub-Section 11

An employee on layoff status may refuse recall to a job of temporary duration without losing his place on the recall list or his right to be considered for the next permanent opening for which he is eligible to be recalled. Employees refusing recall of temporary duration may be excluded from consideration for subsequent temporary recall for the following ~~six (6)~~ **three (3)** month period. A job of temporary duration, for the purpose of this paragraph, is defined as a job which, in the opinion of the Company at the time the offer is made, is of an anticipated duration of ninety (90) days or less. It is understood that the Company will use its best judgment in making such a determination, but will in no event be liable for errors in judgment in so determining.

Section 8 – Loss of Seniority

Sub-Section 3

- (3) If, after a layoff, the employee is notified to report for work, by certified mail, ~~or telegram~~, addressed to ~~him~~ **them** at ~~his~~ **their** address on record at time of layoff (or to the last subsequent address delivered by certified mail, ~~telegram~~ or in person to the ~~Employment~~ **Labor Relations** Office of the plant on the form designated for that purpose), and fails within one (1) week after notification or such additional time as the Company may grant to report for work.

Section 9 – Promotion and Upgrading

Sub-Section 2

- (2) Each employee may file upgrade requests for promotion to as many as five (5) higher rated classifications, excluding trainee classifications. Laid off employees will be considered at Labor Grade 4 for purposes of administering this Agreement. Upgrade requests, which may be filed either in writing on forms provided by the Company or electronically, will allow for the employee to document his previous job experience, education, training, and other qualifications. Requests shall be filed with the Company as provided herein at least fifteen (15) calendar days prior to the date such promotion or upgrading is made. A standard employee background resume **form**, jointly developed by the parties, shall be completed in conjunction with the employee's request for upgrade. This form will be used to ~~augment available records or used in lieu of personnel records that are unavailable to the parties.~~ After application, the candidate's ~~records~~ **resume** will be evaluated against the established criteria for placement into the classification. The Union's Senior Negotiating Committee and a committee of a like number of Company Representatives will meet as often as necessary to consider all employee requests for promotion. Once an initial qualified list has been established for a particular occupation, the parties will not be required to establish a new list until the list of available candidates has been exhausted or for a period of 30 days if there are promotion requests for employees who are more senior than employees on the existing list. Employee applications will be reviewed in seniority order for placement on the qualified list. The Committee, at each meeting, will review only the number of upgrade requests necessary to maintain a sufficient number of qualified employees

to fill openings anticipated before its' next meeting. If, after review, the applicant is found to be qualified, he will be added to a list of other qualified employees for future placement and the initial upgrade request for that classification will be removed from the upgrade system. If the parties agree that the employee does not meet the established criteria for placement, the employee will be notified in writing and informed as to what part of the criteria he did not meet. If an employee is found not to meet the criteria for a classification, his upgrade request will be removed from the upgrade request system and he will not be eligible to exercise provisions established in Article III nor reapply for that classification for six months and then only if he has made a substantial change in his qualifications through additional documented education, training or job experience.

Sub-Section 2(d)

- (d) The Union's Classification Grievance Committee and the Company will review, discuss and provide input into criteria for placement into existing jobs that are currently in place.

When new jobs are placed in the bargaining unit, the Union's Classification Grievance Committee and the Company will discuss criteria for placement into the new job.

The Company will not increase or reduce the criteria for any job without discussion with the Union's Classification Grievance Committee and allowing appropriate time for their input regarding the proposed changes.

Any reasonable time spent by the Union members of the Classification Grievance Committee in performance of these functions will be paid for one half by the Union and one half by the Company to a maximum of ~~four (4)~~ **four and one-half (4.5)** straight time hours per day.

ARTICLE VI – Employee Privileges

Sections 1 – Vacations

Sub-Section A(1)

- (1) An employee's vacation begins to accrue on the first day of hire. Vacations will be accrued at the monthly rate shown below for any calendar month or partial calendar month worked by the employee (the employee must have been actively at work for at least one (1) hour during the month to qualify for accrual. **Employees' utilizing paid vacation (or any combination of vacation and holiday pay) for the entire month will be considered to have met this requirement**). Employees' vacation balances will be available for use immediately upon being credited with the preceding months vacation accrual no later than the first workday of the month following the month of accrual.
-

Sub-Section A(5) and Sub-Section (A)

- (5) an employee who is laid off, retires, terminates or enters the Armed forces pursuant to Article IV, Section 6, of this agreement ~~may~~ **will be paid** their accrued vacation hours ~~upon written request of the employee~~ **at the time of termination. Within the first sixty (60) days after** ~~Upon~~ **returning to the active payroll, an employee who is laid off or who terminates for the purpose of entering the Armed Forces may have up to twenty (20) hours of vacation (not to exceed the number of hours paid out) reinstated by reimbursing the number of hours desired at the employee's current rate of pay plus any taxes required.** The accrued vacation balance of a deceased employee will be paid to the employee's estate.

Section 2 – Sick and Injury Leave

Sub-Section A

~~(A), Paragraph 7 (3) – After termination for any reason;~~

Sub-Section B

- (B) Accrued hours of sick and injury leave shall be paid to an employee who terminates, is terminated or dies. Laid off employees ~~and those who are placed on Leave of Absence may~~ **will** be paid their accrued sick and injury leave hours

~~upon written request from the employee~~ **at the time of termination. Employees placed on Leave of Absence may be paid their accrued sick and injury leave hours upon written request from the employee.** Time lost, not to exceed six (6) months, due to occupational injury or occupational illness shall be counted for the purpose of accruing sick and injury leave benefits. **Within the first sixty (60) days after ~~Upon~~ returning to the active payroll, an employee who is laid off or who terminates for the purpose of entering the Armed Forces may have up to twenty (20) hours of sick and injury leave (not to exceed the number of hours paid out) reinstated by reimbursing the number of hours desired at the employee's current rate of pay plus any taxes required.**

Article VII – Pay Rates

Section 1 – Wage Rates and Performance Reviews

Paragraph D

An employee promoted will be paid **at the greater** of either the minimum of the classification to which promoted, or ten cents (10¢) per hour above ~~his~~ **their current rate (unless the employee is currently in rate retention)** ~~prior to promotion, whichever is greater,~~ and ~~his~~ **their** automatic wage increase will proceed from that rate.

1. ~~However,~~ If an employee's promotion is effective on the date of an automatic wage increase, his base rate will be established as follows:

If ~~his~~ the employee's base rate is below the maximum of the rate range for ~~his~~ their classification prior to promotion, ~~his~~ their base rate will be increased by the amount of the automatic wage increase to which ~~he is~~ they are entitled and such increased base rate will be ~~his~~ their base rate just prior to promotion.

2. If ~~his~~ the employee's base rate is at the maximum of the rate range for ~~his~~ their classification prior to promotion, ~~his~~ their base rate will be increased by ten cents (10¢) or the amount necessary to bring ~~his~~ their rate to the minimum of the classification to which promoted, whichever is greater, or by an amount less than ten cents (10¢) if that will bring ~~his~~ their rate to the maximum of the classification to which promoted.

3. If the employee is currently in rate retention on the effective date of the promotion, the employee will be paid ten cents (10¢) per hour above the maximum rate of the classification to which regressing or (10¢) above the current rate of the employee whichever is the lower rate.

SUPPLEMENT "F"
LETTERS OF PROCEDURE AND UNDERSTANDING

Letter 24 – Attendance Irregularities – Sick Leave

Mr. ~~B. W. Myrick~~, **Jeff Goen**, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia 30060-2899

Dear Mr. ~~Myrick~~:**Goen**:

This will confirm the agreement reached during the ~~1999~~ **2008** Negotiations concerning the use of sick leave pay and attendance irregularities.

Paid sick and injury leave may be taken in either a one (1), two (2), three (3), four (4), five (5), six (6), seven (7) ~~or~~, eight (8), **or nine (9)** hour increment. Any partial or full day absence for which an employee receives sick leave pay shall not be counted as an attendance irregularity. A partial day sick leave must be requested prior to the start of the leave; however, an employee who is not present at the start of the employee's assigned shift may request within the first two (2) hours of the start of the shift and shall be granted a partial or full day sick leave. In the event an employee requests a partial day sick leave and takes more time than originally requested, the employee will be charged with an irregularity.

(1971 Letter Revised and Rewritten 1989, 1993, ~~and~~ 1999, **and 2008** Negotiations)

Sincerely,

LOCKHEED MARTIN AERONAUTICAL SYSTEMS

~~s/Thomas A. Coffey~~-s/**Shan Cooper**
Vice President - Human Resources

TAG:pb
SC:res

**Letter 41 – Payment of Union Senior Board Member for Work Performed Regarding
Employee benefits**

41

September 15, 1986
Revised 2008 Negotiations

Mr. Reeves Bowen, Jr., President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 Clay Street
Marietta, Georgia 30062

Dear Mr. Bowen:

This is to confirm the understanding reached regarding pay for the Union Senior Board member assigned to work with bargaining unit employees regarding employee benefits.

The Company will pay one-half the salary of the Union Senior Board member up to a maximum of ~~four (4) hours~~ **four and one-half (4.5) hours** so assigned on the one day each week that such work is accomplished.

(1986 Letter Revised 2008 Negotiations)

Very truly yours,

LOCKHEED-GEORGIA COMPANY

s/J. R. Akins, Director
Labor Relations & Plant Personnel

JRA:mld

Letter 50 – Substantial Change Grievance Procedure

50

January 25, 1993

REVISED ~~1999~~ 2008 NEGOTIATIONS

Mr. ~~J. C. Wall~~ **Jeff Goen**, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists
and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia 30060

Subject: Processing of Substantial Change Grievances

Dear Mr. ~~Wall~~: **Goen**:

Set forth below is the new procedure for processing substantial change grievances.

When a substantial change grievance is filed, without negotiations or any attempt to settle, the Department Head shall promptly sign and date the grievance. Within five (5) working days after receipt of the grievance by the Department Manager, the Department Manager shall convene a meeting attended by the Department Manager, the Steward, the appropriate Human Resources Representative and one member of the Union's Classification Grievance Committee in order to develop an appropriate job duty resume which shall set forth those duties which have changed since the ratification date of the current contract. If after such a review the parties cannot agree, the parties shall develop separate job duty resumes.

After the appropriate job duty resume(s) has been developed, the grievance shall be submitted by the Union directly from Step 1 to Step 3. If between the time the joint job duty resume (or job duty resumes) is submitted to Step 3 and the time the grievance is heard by the Substantial Change Review Committee the Union is of the opinion that an additional change has occurred since the initial meeting to develop the joint job duty resume, the appropriate Department Manager, Steward, Human Resources Representative and Classification Grievance Committee member shall reconvene in order to develop an addendum to the initial joint job duty resume (or job duty resumes). If after such a review the parties cannot agree, the parties shall develop separate job duty resume addendums.

A Substantial Change Grievance Review Committee shall be established in order to review all substantial change grievances. The representatives of the Union shall be the Union's Classification Grievance Committee. The representatives of the Company shall consist of a like number, all such representatives being members of the Company's Negotiating Committee. The Company's committee shall be chaired by the **Senior Manager** ~~Director~~ of Labor Relations **or designee**. The Substantial Change Grievance Review Committee shall convene quarterly **or as otherwise mutually agreed to between the parties**, to review all substantial change grievances at Step III.

The Company will pay for one-half of the time of Union members of the Union Classification Grievance Committee up to a maximum of four (4) hours on days during the regular work week when they meet with the Company on Company-Union business for the purpose of hearing substantial change grievances.

The decisions of the Substantial Change Grievance Committee shall be considered as final if the majority of the Union representatives and a majority of the Company representatives concur.

If the Substantial Change Grievance Committee decides to grant the substantial change grievance, the Company shall provide to the Union's Classification Grievance Committee a draft of the new job description for discussion between the Committees; thereafter, the Company shall furnish the Union with the new job description and shall submit for its approval the functional line placement and the rate established for such job in accordance with Article VIII, Section 1.

If the Company and the Union Committees do not agree, then the party seeking arbitration must deliver to the other party written notice of such intent to proceed to arbitration within five (5) working days after the Substantial Change Grievance Committee has rendered its decision.

Within one month after ratification of the contract, the parties shall request the Federal Mediation and Conciliation Service to submit a list of fifteen (15) persons, **unless otherwise mutually agreed**, from which the arbitrator shall be chosen. The Union and the Company shall alternatively strike one (1) name from such panel (the right to strike the first name having been determined by lot) until only one (1) name remains and that person shall be the arbitrator.

Such arbitrator shall be assigned to all substantial change grievances to be arbitrated. However, either party may request during the month of February each year that a new arbitrator be selected in accordance with the above provision. Within one month of notification of the death/incapacity of an arbitrator, a new arbitrator shall be selected in accordance with the above procedure.

In the event an arbitrator rules that a substantial change has occurred and a new job is written whose rate is challenged by the Union and referred to arbitration, the parties shall use the same arbitrator who heard the initial substantial change case for purposes of determining the rate.

With the exception of the selection of the arbitrator, all other provisions of Article III, Section 5 shall be applicable.

Sincerely,

Lockheed Martin Aeronautics Company - Marietta
~~LOCKHEED MARTIN AERONAUTICAL SYSTEMS~~
~~COMPANY-GEORGIA~~

~~s/T.E. Heiserman, Director~~
~~Employee & Union Relations Division~~
s/Shan Cooper
Vice President – Human Resources

~~THE:smm~~
SC:res

New Letter – Firefighter Operations and Scheduling

March 1, 2008

Mr. Jeff Goen, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia 30060-2899

- 1) This memorandum is entered into agreement between Lockheed Martin Aero–Marietta, hereinafter referred to as Management, and IAM Local Lodge 709, hereinafter referred to as the Union.
- 2) The purpose of this Memorandum is to provide for alternative shift schedules for employees assigned to the Fire Department.
- 3) Schedule
 - A) There will be three shifts - 1, 2 and 3, ~~with three sub groups—A, B, and C~~ consisting of Twenty-four on/ Forty-eight off work schedules.

This work schedule will be a series of twenty-four hours on, followed by forty-eight hours off shifts, ~~repeating the cycle for six shifts. On the seventh shift, Firefighters will be given an unpaid “Kelly day” on Saturday for all shifts. yielding a five day off period. A typical shift schedule is attached:~~
 - B) Shifts will be for a continuous Twenty-four (24) hour period beginning at 6:00 am. An odd shift differential of \$.20 per hour will be paid for all hours worked.
 - C) The Twenty-four hour shift will be composed of twelve hours of “Duty time” and twelve hours of “Down time”. Firefighters will not be called to duty during down time except for emergency response. During down time, Firefighters will have at least five continuous hours for sleep. Facilities will be made available for a sleep area. Sleep periods will be arranged to insure that two Firefighters are available for Flight Line Patrol twenty-four hours a day, seven days a week. Flight Line Patrol will be assigned on a rotational basis.
- 4) Holidays

The holiday schedule included in Article VI, Section 3 of the Collective Bargaining Agreement will be used for Fire Department employees. Firefighters who work on scheduled Holidays will be paid an additional eight hours pay if they work. Firefighters who are scheduled off on Scheduled Holidays will be paid Holiday pay if they work the scheduled day preceding or following the Holiday.
- 5) Overtime Premiums and Distribution
 - A) Firefighters will be paid Time and one half for any hours they work on a scheduled off day.
 - B) Firefighters will be paid double time for the first twelve hours they work on a shift that begins on a Holiday.

C) ~~Where an overtime requirement is known more than one (1) full shift in advance, the overtime will be offered to Firefighters on their Kelly Day first.~~ Overtime requirements identified less than one (1) full shift in advance or due to replacement of an absent Firefighter, will be offered in the following manner **in order of lowest amount of charged hours on the overtime list first**: available hours on shift 1 will be offered to shift 3 Firefighters, available hours on shift 3 will be offered to shift 2 Firefighters and available hours on shift ~~1~~ **2** will be offered to shift ~~3~~ **1** Firefighters. If there are not available employees that volunteer, Firefighters from the alternate shift will be offered overtime before Firefighters are drafted.

D) Not less than the minimum in-week manning level shall be scheduled to work a Saturday Kelly Day.

6) Jury Duty and Short Term Military Leave

Firefighters called to Jury service will be excused for such hours as are required for that service including reasonable travel time to and from the court. Firefighters will be expected to complete the remaining portions of their shifts.

Full weeks of short term military service will be compensated at forty hours per week up to the annual limits specified in the Agreement. In cases where the Firefighter has weekend military obligations, he/she will not be required to complete the remainder of their shift.

7) Vacation, Sick & Injury Leave & Time Off

A) The vacation pay and time off provisions of the Agreement shall be applicable. A Firefighter who takes eight (8) or more hours of vacation pay or sick pay for any day off will be excused for the entire day and the unpaid hours will not be an attendance discrepancy.

B) Firefighters will be allowed to take off negotiated holidays without receiving an attendance irregularity subject to manning requirements and/or replacement availability.

C) Firefighters will receive an additional twelve (12) hours of sick and injury leave each year.

For purposes of administering Supplement "H", ATTENDANCE STANDARDS - HOURLY EMPLOYEES will be applied

Absences must be reported in accordance with provisions established in Supplement H. However, Firefighters will report their absence two (2) hours prior to the start of the first shift of absence unless extenuating circumstances prevent such notice.

When reporting absence, if an employee anticipates that the absence will be for three shifts or less, the day of contemplated return should be specified. Thereafter, it will not be necessary to report the absence unless the employee cannot return to work on the day specified. If the expected absence is for more than three (3) days, the employee must call to report the continuing absence each three (3) days. Any unreported absence without a reasonable explanation for failure to notify the Company will be an infraction of Supplement H and treated as a failure to follow instructions.

8) Staffing, Implementation and Term

- A) **Firefighters hired on or after March 1, 2005 will be placed in the non-GPR Labor Grade 11 rate structure.** ~~All non-GPR Firefighters currently in Labor Grade 8 will be placed in the non-GPR Labor Grade 11 rate structure. Rates will be adjusted in-grade to the current position in range.~~
- B) To staff the shifts and balance seniority, the most senior Firefighter will be placed on shift 1, the second most senior on shift 2, the third most senior on shift 3, the fourth most senior on shift 1 and so on until the shifts are filled. ~~To staff sub-groups A, B, and C, preference will be given in seniority order.~~
- C) **Firefighters who are hired and begin work on or after April 19, 1999 will not be eligible for placement into positions in the general plant except in the application of Article IV, Section 10, paragraph 3a (re: Physically limited employees). General plant employees will not be surplused into or placed on openings in the Fire Department.**
- D) Fire Department Dispatch will be performed by Firefighters, Fire Department Supervision, or from available employees outside the Department without regard to classification.
- E) Fire watch duties may be assigned to any employee, including employees outside the Fire Department.
- F) Fire Department Bargaining Unit employees will accept administrative responsibilities assigned by Management so that supervisory positions can be reduced.
- G) All Fire Department training will be accomplished on the employee's scheduled shift. Fire Department employees will be required to demonstrate proficiency by passing National Fire Protection Standards Testing including physical fitness testing. Any Firefighter with seniority prior to the date of ratification (March 8, 1999) who fails to pass the National Fire Protection Standards Testing, including physical fitness testing, shall be placed elsewhere in the bargaining unit in accordance with his contractual rights, seniority permitting.

Additionally, Firefighters with health conditions that preclude them from performing the work, will be provided accommodation for physical fitness training under the direction of the Medical department in order to requalify them for placement into the Firefighter classification.

Firefighters that meet the plan requirements may also be considered for Special Early Retirement under the negotiated retirement plan.

- H) **Qualified outside Firefighters will be hired on a part-time basis in the event of an emergency, training, and during periods where employee(s) are on a leave of absence of not less than thirty (30) days. Part-time employees will not be allowed to gain seniority.**
- € I) This agreement shall be implemented on October 1, 2005 or as soon as systems and procedures can be modified to support the schedule. For purposes of administering this

agreement, Management will meet and discuss any issue the Union may bring forward in an effort to improve the operating efficiency of this work schedule. This meeting will take place before or on the one year anniversary of implementation date. It is understood that changes will be considered which do not adversely affect the cost of providing fire protection services or interfere with the required level of fire protection services at this site.

- Ⓓ J) Any dispute over the specific provisions of this Memorandum of Understanding shall be submitted to review and arbitration in accordance with the following:

When a dispute under this Memorandum of Understanding cannot be resolved by the parties, the dispute shall be submitted to a permanent third party arbitrator for resolution.

The arbitrator shall be bound by the terms of this Memorandum of Understanding and shall have no power to add to, subtract from, or change its terms.

This procedure is limited to disputes involving the specific terms of this Memorandum of Understanding and does not authorize arbitration of any other disputes.

Very truly yours,

LOCKHEED MARTIN AERONAUTICS COMPANY - MARIETTA

s/Shan Cooper
Vice President - Human Resources

SC: res

New Letter – Third party medical review

March 1, 2008

Mr. Jeff Goen, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia 30060-2899

Dear Mr. Goen:

This will confirm the agreement reached in the 2008 Negotiations regarding the process for review of Medical Limitations placed by the Company's Medical Department when the employee's personal physician is not in agreement with the Medical Department's determination.

Where the Medical Department's decision is not in agreement with the Employee's Personal Physician recommendation, an independent third party review will be established. For non-occupational illness or injury, the parties will come together to mutually agree to an independent Physician or Medical Group who will then be contacted to perform the review. Occupational illness and injury will be conducted in compliance with the guidelines of the State Board of Workers Compensation.

The employee must agree to provide the necessary release for Medical Documentation. The necessary medical information will then be provided to the independent medical reviewer and an appointment will be made by LM Aero Medical in order to conduct the evaluation. The costs for the evaluation will be the responsibility of the Company provided the employee reports for all recommended appointments and follows the recommendations of the independent reviewer. In cases where an appointment is scheduled on behalf of the employee and he/she fails to report, they will be responsible for associated costs and any subsequent efforts for obtaining independent review will be withdrawn.

Very truly yours,

LOCKHEED MARTIN AERONAUTICS COMPANY - MARIETTA

s/Shan Cooper
Vice President - Human Resources

SC: res

New Letter – Maintenance Subcontracting Agreement

March 1, 2008

Mr. Jeff Goen, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia 30060-2899

Dear. Mr. Goen:

During the course of the negotiations you expressed a strong desire and interest to maintain the Maintenance personnel levels at the September 2003 level, as agreed in the Memorandum of Understanding regarding Maintenance Subcontracting.

We discussed the uncertainty of our major programs as they are currently going through the government budget process. You understand that a reduction in our current population because of lesser needs and program requirements would cause that agreed upon number to reduce in a near proportionate manner.

It is our intention to maintain that agreed upon number of employees referred to in the Maintenance subcontracting Memorandum of Understanding, through the life of this collective bargaining agreement, if the total Bargaining Unit is not reduced.

Shan Cooper
Vice President, Human Resources

**SUPPLEMENT “H”
ATTENDANCE STANDARDS – HOURLY EMPLOYEES**

PURPOSE

To improve attendance, establish reasonable standards of employee attendance, provide a uniform means to enforce those standards and provide recognition for regular attendance.

- A. Regular attendance by each employee is essential to the operation of the Company's business and key to the financial well being of the individual employee.
- B. This agreement sets forth the standard to be used by the parties' in monitoring attendance and taking appropriate action.

I. PROCEDURE

A. Commendation

Outstanding attendance or significantly improved attendance records should normally be given special recognition. Special emphasis should be placed upon proper recognition and commendation of employees with exceptional attendance records. For example:

- a. One year – Commendation, form 5910, signed and issued by 1st level manager.
- b. Two years – Commendation signed and issued by 2nd level manager.
- c. Three or more years – Commendation signed and issued by 3rd level manager.

In evaluating attendance records to determine if an employee should receive a commendation for attendance, the following criteria should be used:

- a. Perfect Attendance: No full or partial-day absence in any 12 consecutive – month period while on the active payroll. Do not count absences where the employee utilizes accrued vacation or sick leave, approved Family Medical Leave, Military Duty, Union Business, or Jury Duty.
 - b. Outstanding Attendance: No chargeable attendance irregularity in any 12 consecutive - month period while on the active payroll. However, for purposes of issuing a commendation for outstanding attendance, a department leave will be considered a chargeable attendance irregularity and will disqualify the employee.
3. In the absence of a department manager, division manager, or branch head, the designated delegate should issue the commendation at the appropriate staff meeting.

B. Attendance

1. Definitions:

- a. Absence – A full day's absence (excluding vacation and holiday – when not scheduled to work).
- b. Tardy – A part-day absence at the start of the shift.
- c. Short-time – A part-day absence after reporting for work.

2. An employee's attendance will be considered unacceptable if the employee has five (5) or more chargeable attendance irregularities in any continuous six (6) month period of active work.

3. Paid sick and injury leave time shall not be counted as an attendance irregularity. **Employees' who have unsatisfactory attendance (Verbal Warning or greater) are required to use any accrued vacation or sick leave prior to any unpaid absences if they have unused balances in those accounts.**

4. Any absence from work caused by a reason deemed excusable under the terms of the Family Medical Leave Act shall not be considered an attendance irregularity. In the event the Family and Medical Leave Act is modified, the terms that are in effect on the date of ratification of this agreement will be continued for the remainder of the term of this contract.

5. For so long as an employee does not currently have a disciplinary action on their record for unsatisfactory attendance, consecutive days of absence caused by the same illness will be considered as a single occurrence. Grouping of consecutive days of absence will not be allowed for employees who have current disciplinary action on their record for unsatisfactory attendance.

6. For so long as an employee does not currently have a disciplinary action on their record for unsatisfactory attendance, the employee will be allowed one (1) tardy per month which must be one hour or less in duration. This tardy will not be counted as a chargeable attendance irregularity for the purpose of disciplinary action. No more than three (3) tardies shall be allowed in any six (6) month period. Additional tardies will be considered an attendance irregularity.

7. All absences must be reported, preferably in advance, but in any event within two hours of the start of the first shift of absence, to the designated absence report number. When reporting absence, if an employee anticipates that the absence will be for three days or less, the day of contemplated return should be specified. Thereafter, it will not be necessary to report the absence unless the employee cannot return to work on the day specified. If the expected absence is for more than three (3) days, the employee must call to report the continuing absence each three (3) days. Any unreported absence without a reasonable explanation for failure to notify the Company will be an infraction of this Attendance policy and treated as a failure to follow instructions.

C. Attendance Related Discipline

1. It is the intent of this policy to encourage regular attendance and to be corrective rather than punitive. It is recognized however, that if employees do not comply with this agreement, successively severe disciplinary penalties leading to termination are the appropriate course.
2. Progressive disciplinary action for unsatisfactory attendance will be imposed in the following sequence.
 - a. Verbal Warning – An employee whose attendance is unacceptable will be issued a Verbal Warning. At this step, and at each subsequent step of the process, the employee's Shop Steward will be notified in advance that this is occurring and will be encouraged to attend the meeting and counsel the employee on the importance of good attendance.
 - b. Employee Performance Notice - An Employee Performance Notice will be issued to an employee who has been verbally warned about his/her attendance and who has had a subsequent period of unacceptable attendance. At each step of the process, only those infractions since the last step of formal discipline will be considered.
 - c. Employee Performance Notice Plus Suspension. An employee who has a third period of unacceptable attendance will be assessed an Employee Performance Notice and suspension without pay for the remainder of the current day and the following day.
 - d. Termination - An employee who is not responsive to the above outlined disciplinary sequence, and who has another period of unacceptable attendance, will be discharged. Before the final decision is made regarding termination, the employee's Business Representative or the Local Union President, Division Manager, a Division Manager or higher level Manager from another area, and the Company's Director of Labor Relations or his/her designee will convene to consider any mitigating circumstances which would weigh in the favor of the employee. After that consideration, a final decision will be made.
3. Disciplinary action for unsatisfactory attendance should be taken on a progression basis. It starts with a verbal warning and progresses to stronger measures if the problem continues to exist (based on the irregularities since the date of any prior discipline for attendance). Should the time span on the active payroll between the prior discipline and the current discipline exceed 12 months, the previous discipline will be repeated, and should the time span on the active payroll exceed 18 months, the discipline to be currently issued will revert to the step taken prior to the last previously administered discipline. However, in no instance shall the discipline currently being administered revert to less than the discipline normally administered for a first offense. The attendance record should be reviewed with your Human Resources representative prior to issuing discipline for unsatisfactory attendance.

4. At each step of the process, Union Representatives and members of the Human Resources branch of the Company are available to counsel employees.
5. Attendance Related Discipline may be mitigated based on a serious demonstration of attendance improvement as follows:
 - a. If, after assessment of a disciplinary penalty, an employee maintains perfect attendance for a period of six (6) months, while on the active payroll ~~i.e., no absences, tardiness, or early departures except those caused by Military Duty, Union Business, Jury Duty, full week scheduled paid time off approved Family Medical Leave or Holidays~~ **(do not count absences where the employee utilizes accrued vacation or sick leave, approved Family Medical Leave, Military Duty, Union Business, or Jury Duty)**, the penalty will be canceled insofar as issuance of subsequent disciplinary actions, (i.e., the disciplinary action remains on the record but is not considered in the event of subsequent unsatisfactory attendance). **If the discipline that is cancelled is a Verbal Warning, the employee's attendance will then be considered satisfactory and therefore, consecutive days of absence caused by the same illness will be considered as a single occurrence. Additionally, if the discipline that is cancelled is a Verbal Warning, the employee's attendance will then be considered satisfactory and therefore, the employee will be allowed one (1) tardy per month which must be one hour or less in duration. This tardy will not be counted as a chargeable attendance irregularity for the purpose of disciplinary action. No more than three (3) tardies shall be allowed in any six (6) month period. Additional tardies will be considered attendance irregularities.**
 - b. If, after assessment of a disciplinary penalty, an employee does not receive subsequent attendance related discipline for a period of twelve (12) months while on the active payroll the penalty will be reduced one step for purposes of assessing future attendance related discipline.
 - c. If, after assessment of a disciplinary penalty, an employee does not receive subsequent attendance related discipline for a period of twenty-four (24) months while on the active payroll his/her attendance will be considered acceptable and all attendance-related discipline will be removed upon employee request.

D. Responsibility and Authority

Responsibility for good attendance rests with each individual employee. Responsibility for maintaining attendance standards rests with each organization manager. It is the responsibility of the Union to encourage high standards of employee attendance and counsel with employees concerning the importance of regular attendance.

SUPPLEMENT "I"

PLANT-WIDE OVERTIME AGREEMENT

Reference

"Overtime will be divided as equally as practicable among affected employees." The phrase, "affected employees," means those employees who are assigned the work during the regular work day and work week. Thus, the work to be performed on an overtime basis would normally be assigned to the same employees who do that same work on a straight time basis.

Applicability

The provisions of this policy are separately applicable to each department/supervisory group in the plant.

Note: This policy supersedes all prior written and oral agreements regarding the distribution and administration of overtime within each department of the plant. Furthermore, the policy cannot be deviated from nor amended without prior review and approval of the representatives of the Company-Union Negotiating Committees.

General

To ensure that overtime is distributed in a consistent manner and in accordance with the Company-Union Agreement, the administration and application of this overtime agreement shall be by joint participation of the Manager and Shop Steward. Employees of the same classification within a department/supervisory group shall constitute an overtime group.

Principles of Operation

Affectability

1. Each Manager/designee shall establish and maintain by classification and/or supervisory group, an overtime list/roster which shall initially be established by seniority and consist of affected employees assigned to the overtime group. These lists will be given to the Shop Steward or his designee to be checked for accuracy. Errors found must be corrected immediately so that the appropriate employee may be asked to work. A list shall be posted to bulletin boards within the department with a master list retained in the department office. All lists are subject to review by the Shop Steward or his designee.
2. Any employee who desires not to be contacted for voluntary overtime can advise the Company. Thereafter, the employee will not be contacted to work overtime unless the entire work group has been offered the opportunity or they are the only employee capable of doing the job.
3. Overtime should be offered as soon as the Company is aware of the need to work. Generally, weekend overtime should be offered as early in the week as possible. When an employee has been offered and accepted overtime and then is absent from

work on the day prior to the overtime assignment, (except for scheduled vacation) the employee will be replaced and will not be eligible for the offered weekend work. The employee will be charged as if the weekend work had been refused.

Recording

1. There will be one overtime list for each classification by department/supervisory group/shift which will show the hours charged for the date needed and the cumulative total year-to-date. This list will include in-week, weekend and holiday overtime charges.
2. Charges shall be made on an hours-paid basis rather than actual hours worked. For example, an employee working eight (8) hours at time and one-half will be charged with twelve (12); an employee working eight (8) hours at double time will be charged sixteen (16).
3. A refusal to work will be charged in the manner as if an employee worked the hours asked.
4. Employees who are absent on days that overtime is offered will be charged with available payable hours. Employees who accept overtime hours and then do not work will be charged with two times the available payable hours.
5. New employees entering an overtime group will be charged with the then current average overtime hours for that group.
6. Employees returning from a prolonged leave of absence shall be charged in the same manner as new employees.
7. Employees who are required to attend military training when overtime is being worked and are asked to work overtime and refuse will be charged with the hours refused.
8. Employees released for paid union business will be responsible for notifying the Company of their location so they can be notified regarding available overtime.

Loans

1. An employee assigned to a department on a loan basis will be treated as a new employee for purposes of overtime distribution and recording.
2. When an employee returns to their regular classification and department from being on loan to another department, the hours worked while on loan will be charged to their total in their regular overtime group.
3. When an employee is loaned for the purpose of overtime, it shall be by the lowest accumulative overtime hours. They will be affected for overtime only in that area in which they are loaned. Employees cannot be loaned for the purpose of placing them in preferred positions with respect to overtime.

Distribution

1. The employee with the lowest amount of charged hours on the overtime list will be offered overtime first.

In cases where job continuity is an issue, the spread of hours between the employee offered the work and the employee lowest in hours on the overtime list will not exceed fifty (50) hours **or as otherwise mutually agreed to by the Department Manager and the Shop Steward.** Favoritism to an employee in the application of this agreement will not be tolerated.

It shall not be considered a violation of this provision if the reason the range of distribution is exceeded is a result of an employee's failure to report for scheduled overtime.

Hours charged for consecutive days worked will not be considered to have violated the provisions of this agreement where such assignment creates a difference in the amount of overtime differentiation.

2. If, during a Friday/Saturday shift, it is determined that overtime will have to be worked on the following day where none had been scheduled, the employees working overtime will be considered first before calling in other employees from the department.
3. If after all employees in the classification in an overtime group are scheduled or have been given an opportunity to work, additional employees are needed, employees in the same classification within the department on the same shift shall be asked first. Thereafter, employees in the same classification in the department on other shifts shall be asked. If a sufficient number of employees are still not available, employees in the department in the same Job Functional Line will be asked in order of low work hours.
4. An employee temporarily transferred to salaried status will not be entitled to participate in hourly overtime on the weekend of the temporary transfer to salary, during the temporary assignment to salaried status, or on the weekend of the return to the Bargaining Unit. He shall be charged all overtime that he could have worked while hourly had he not accepted the salaried assignment.
5. At the end of each calendar year, all overtime lists will be "zeroed out", i.e., take the employee with the lowest amount of hours and make them zero and subtract their total hours from each person in the overtime group. These new totals would be effective in January of the following year.
6. In situations where overtime has not been scheduled and it becomes necessary to call employees in, a record of the call-in effort will be made. If available, the Shop Steward or Committeeman or their designee in the area will be asked to witness the call-in. Any employee working as a result of call-in will be charged the hours worked. Any employee who cannot be reached or refuses the call-in overtime work will not be charged.
7. The Supervisor must furnish the Shop Steward a list of the employees who accept or reject the opportunity for weekend and holiday overtime prior to the overtime being worked. A reasonable effort will also be made to apply this provision to in-week overtime.

Any overtime equalization disparity agreed to between the parties will be remedied by the following methods:

- a. If the Supervisor is notified by the Shop Steward in writing before the overtime is worked that his selections are not the affected employees and he refuses to correct his mistake, the affected employees will be made whole by monetary settlement.
 - b. If the Supervisor is not notified by the Shop Steward in writing before the overtime is worked that his selections are not the affected employees, the affected employee will be offered the next available overtime. If the Company fails to offer the employee the next overtime opportunity, the employee will be made whole by monetary settlement.
8. Overtime questions/answers reviewed and agreed to by the parties shall be a part of this agreement and applied for proper handling as issues arise.

The parties are agreeable to modify 1st paragraph of Sub-Section 1 to provide for adjustment of fifty (50) hour imbalance in the amount of overtime between affected employees with mutual agreement between the respective Department Manager and Shop Steward.

**MEMORANDUM OF UNDERSTANDING
REGARDING
TOBACCO FREE WORKPLACE**

1. **This memorandum is entered into agreement between Lockheed Martin Aero – Marietta and IAM Local Lodge 709 as a result of the 2008 contract negotiations.**
2. **This memorandum is designed to improve the health and quality of life for employees, help contain medical cost escalation, and reduce absenteeism.**
3. **Employees will not be permitted at any time to smoke, chew, sell or otherwise use tobacco while on company owned or leased property.**
4. **Tobacco products include, but are not limited to, cigarettes, cigars, cigarillos, pipes, chewing tobacco, snuff, or any similar product.**
5. **Violations of this memorandum will be addressed in the same manner as other policy violations. A four-step progressive discipline process, up to and including termination, will be utilized.**
6. **Implementation of this memorandum will take effect six (6) months subsequent to ratification of the 2008 collective bargaining agreement.**
7. **All tobacco cessation programs currently in place by Company shall be maintained for two (2) years from ratification of contract.**

**Memorandum of Understanding
Regarding
Fitness Center Reimbursement Program**

The LM HealthWorks Fitness Reimbursement Program is now available to employees represented by IAM Local Lodge 709 in accordance with Corporate Policy No. 547. The program provides up to \$250 per calendar year for employees' expenses associated with membership in eligible fitness centers, including annual membership and initiation fees.

Eligible fitness centers

An eligible fitness center is one that has cardiovascular equipment, muscular conditioning equipment and aerobic conditioning training programs. Examples include the YMCA, Bally, World Gym, 24 Hour Fitness, LA Fitness, and Curves and fitness centers on Lockheed Martin premises. Examples of clubs and activities that are not eligible fitness centers are aquatic centers, racquetball clubs, golf clubs, ski resorts, in-home personal trainers and recreational sports. The company will not reimburse expenses for personal fitness equipment. The program administrator will determine whether expenses submitted for reimbursement are eligible under this policy.

The program administrator will review the request and determine whether the expenses are reimbursable. If they are, the program administrator will authorize Payroll to make payment directly to the employee. If the expenses are not reimbursable, the program administrator will notify the employee in writing, including the reason for the denial.

Should either party desire to terminate participation in the Fitness Center Reimbursement Program it may do so with 30-days notice to the other party.

Employee Recognition Program

We acknowledge the value of giving special recognition awards for exceptional and/or significant improved performance to teams as well as individual employees where the Company identifies an individual employee or group of employees who have made significant contribution(s) to the Company, a special recognition or spot award may be utilized for recognizing the employee(s). This contribution may be demonstrated in a single one-time event or over a period of sustained high performance.

The issuance of Special Recognition or Spot Awards will be in accord with Aero Code policy AC-3697.

Reference Company proposal – Article IV, Section 9 (Promotion and Upgrading)

Employee Upgrade Process

1. Employee calls HR Voice System (1-866-371-1323) to input upgrade request (**Current Process**).
2. Employee inputs up to 5 requests for upgrade (**Current Process**).
3. Propose HR Voice System modification to include the following message:
 - To be considered for this job you must have a resume on file in Labor Relations. Resume forms can be found on the labor relations web-site @ (http://people.lmaero.lmco.com/human-resources/hrjobs/hrjobs_files/page0009.html) or by contacting labor relations at 494-9730. Candidates failing to provide a resume within 15 days will be considered not qualified for the position.
4. Labor Relations retrieves a list of candidates from the Layoff, Recall & Regression System (LRRS) (**Current Process**).
5. Labor Relations prints the candidate's history sheet from LRRS (**Current Process**).
6. Labor Relations compiles available employee resumes to match employees on the upgrade list.
7. Joint Company and Union Committees conduct a review of candidate's history sheet and available resumes for determining qualifications; "Qualified or Not Qualified" (**Current Process**).
8. Evaluation results placed in LRRS for determining placement on openings in accordance with Article IV, Section 9 (**Current Process**).
9. No Change to current employee appeal process or dispute resolution process as described in collective bargaining agreement.

Resume Submittal Process

- Employees may submit resumes, (a) electronically, (b) by facsimile, or (c) in person to labor relations
- Labor Relations representative receives resume and documents on the form the date received, individual receiving resume, and method of receipt
- Employee resume retained in labor relations for Joint Committee review purposes.
- Upon review, resume will be retrieved from file and reproduced for placement in review package (original returned to file).
- Where resume updates are provided, receive in same manner as above, and replace obsolete version (Obsolete version destroyed)

Received In Labor Relations:

Electronic: __ Fax: __ Walk-In __

Date: _____

By: _____

EMPLOYEE BACKGROUND RESUME

TO: HOURLY PERSONNEL REQUIREMENTS DEPT: R031 ZONE: 0530 EXT.: 4-9730 FAX: 4-4360

LOC: B-95, 1st Floor, Column L-22 (Adjacent to Employment Office) Submit Electronically to: sharon.mccullough@lmco.com or teresa.ross@lmco.com

FROM: _____

CURRENT JOB CODE & TITLE (CODES AND TITLES ARE LISTED IN THE CURRENT COMPANY/UNION AGREEMENT BOOK):

PLEASE LIST CURRENT/PREVIOUS JOBS AND DUTIES WHICH SHOULD BE CONSIDERED BY THE COMPANY AND UNION COMMITTEES FOR EVALUATION OF THE EMPLOYEE'S QUALIFICATIONS AGAINST THE ESTABLISHED CRITERIA FOR PLACEMENT INTO THE CLASSIFICATION. EMPLOYERS MAY BE CONTACTED FOR VERIFICATION/CLARIFICATION.

*COMPANY: _____ FROM: _____ TO: _____

ADDRESS: _____

POSITION/TITLE: _____ NAME OF SUPERVISOR: _____

BRIEFLY DESCRIBE YOUR RESPONSIBILITIES:

*COMPANY: _____ FROM: _____ TO: _____

ADDRESS: _____

POSITION/TITLE: _____ NAME OF SUPERVISOR: _____

BRIEFLY DESCRIBE YOUR RESPONSIBILITIES:

*COMPANY: _____ FROM: _____ TO: _____

ADDRESS: _____

POSITION/TITLE: _____ NAME OF SUPERVISOR: _____

BRIEFLY DESCRIBE YOUR RESPONSIBILITIES:

*COMPANY: _____ FROM: _____ TO: _____

ADDRESS: _____

POSITION/TITLE: _____ NAME OF SUPERVISOR: _____

BRIEFLY DESCRIBE YOUR RESPONSIBILITIES:

*COMPANY: _____ FROM: _____ TO: _____

ADDRESS: _____

POSITION/TITLE: _____ NAME OF SUPERVISOR: _____

BRIEFLY DESCRIBE YOUR RESPONSIBILITIES:

*COMPANY: _____ FROM: _____ TO: _____

ADDRESS: _____

POSITION/TITLE: _____ NAME OF SUPERVISOR: _____

BRIEFLY DESCRIBE YOUR RESPONSIBILITIES:

EDUCATION/TRAINING

PLEASE PROVIDE A COPY OF ANY LISTED DEGREES / CERTIFICATES / DIPLOMAS / LICENSES.

LIST COLLEGE OR UNIVERSITY, MILITARY SCHOOL, TECHNICAL/TRADE/NIGHT SCHOOL, APPRENTICESHIPS

School (Include City & State)	From (Mo./Yr)	Units Completed (Sem)	Units Completed (Qtr)	Major or Concentration	GPA Grade/ Scale	Degree	Date Graduated

ADDITIONAL KNOWLEDGE, SKILL OR ABILITY:

LIST ANY OTHER EXPERIENCE, EDUCATION AND/OR TRAINING NOT LISTED ABOVE WHICH SHOULD BE CONSIDERED IN THE DETERMINATION OF QUALIFICATIONS FOR THE REQUESTED PROMOTION.

Mr. Jeff Goen, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia 30060-2899

March 2, 2008

Dear Mr. Goen:

This will confirm the discussion held during the 2008 Labor Negotiations in which both parties stated the desire to administer the Provisions of Article VI, Section 4 – Leaves without Pay in a consistent and reasonable manner. To achieve this end it was agreed that during the term of the 2008 Agreement, should either party identify examples of inconsistent application, a meeting of the Joint Company/Union Committee will be convened to review the case. The determination of the joint committees including points considered and findings of fact will be communicated to the affected Management for action. The intent of this memorandum is to communicate guidance to management for consistency in application and does not alter responsibility for administering the negotiated process for Leaves of Absence without Pay.

Shan Cooper
Vice President, Human Resources

SC:res

Mr. Jeff Goen, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia 30060-2899

March 2, 2008

Dear Mr. Goen:

This will confirm the understanding reached during the 2008 Contract Negotiations wherein the parties discussed the need to request and obtain security clearances on a timely basis sufficient to meet requirements for staffing job opening's where clearances are necessary. To meet this need, and give appropriate consideration to the more senior employees who may want to be considered for these jobs, it was agreed that the company would regularly review it's forecasted requirements and where clearance requirements could be identified, allow qualified employees who request to be cleared to apply for a clearance to allow for timely placement as job openings occur. It is understood that the granting of security clearances is made at the discretion of the Department of Defense (DoD) and any such forecasting or planning activity conducted by the Company must be done within the guidelines provided by the DoD which address the process for application to obtain a security clearance.

Shan Cooper
Vice President – Human Resources

SC:res

Mr. Jeff Goen, President
Aeronautical Machinists Local Lodge 709
International Association of Machinists and Aerospace Workers
1032 South Marietta Parkway
Marietta, Georgia 30060-2899

This is to confirm the understanding reached during the 2008 Negotiations regarding the application of the Attendance Standards as defined in Supplement H of the Company/Union agreement.

We recognize the change in the 2008 Agreement with regard to the new Supplement H Attendance Standards. In order to provide employees with the opportunity to understand these changes and make appropriate changes in their attendance, employees will continue to be allowed to request unpaid absences until they are issued their next step of discipline for unsatisfactory attendance.

Employees who receive discipline after ratification of the 2008 Collective Bargaining Agreement will not be allowed to utilize any unpaid absence if they have a balance of either accrued vacation or a balance of accrued sick leave.

In order to recognize efforts to improve attendance, the employee will be able to regain the benefit of requesting unpaid absence without regard to whether the employee has a paid vacation or sick leave balance by demonstrating a consistent pattern of improved attendance sufficient for being considered to have satisfactory attendance (no attendance discipline of record).

This will only be effective for the beginning of the 2008 Company/Union agreement. Once an employee has been issued disciplinary action no other deviations will be made. Any questions regarding the application of the new 2008 Attendance Standards will be addressed by the Joint Company/Union Negotiating Committee.

Shan Cooper
Vice President, Human Resources

SC:res

CLASSIFICATION COMMITTEE
AGREEMENT FOR CONCLUSION

1. Add "2008" to Supplement "F" - Letters of Procedure and Understanding to Letters 44 and 45 on pages 182, 247, 248, and 249 of the Collective Bargaining Agreement.
2. Reflect Manufacturing Experimental Tech/Research Mechanic (509-3) as LG 18 on Factory Chart #1.
3. Reflect Aircraft Modification Mechanic (622-3, LG-13) on Factory Chart #1, replacing old name of Assembler/Repairer/Reworker Product Support (622-3, LG-13).
4. Reflect the combination of Machinist - General (450-3, LG-18) and Machinist - Mill/Machine Tools Set-Up (523-3, LG-16) to a Machinist-General/Set-up, (450-3, LG-18) on Factory Chart #2.
5. Reflect the combination of Machinist-Engine and Turret Lathe-CNC (441-3, LG 17), Machinist - CNC Mill (525-3, LG-17), Digitizing/Nesting System Operator (670-3, LG-16), and Machine Tool Programmer (722-3, LG-18) to a Machinist/Programmer (525-3, LG-18) on Factory Chart #2 and T & O Chart #1.
6. Reflect Grinder Tool Cutter (422-3) as LG-18 on Factory Chart #3.
7. Reflect Industrial Waste Treatment Plant Operator (604-3) as LG 17 on Factory Chart #7.
8. Reflect combination of Power Plant Mechanic (Code 493-3, LG-11), Propeller Service Mechanic (Code 503-3, LG-12) and Power Plant Test Mechanic (Code 488-3, LG-12) to Power Plant/Propeller Service Test Mechanic (Code 503-3, LG-12) on Factory Chart #1 with retreat rights to Assembly Worker - Structures Senior (Code 606-3).
9. Add a reference of Chart #6 to Sheet Metal Operator (526-3, LG-8) on Factory Chart #2.
10. Reflect Technical & Office Transportation Equipment Dispatcher (875-3) as LG 13 in the Collective Bargaining Agreement.
11. Add Technical & Office Manufacturing Resource Planner (812-3), LG 17 to Collective Bargaining Agreement.
12. Add Technical & Office Manufacturing Resource Planner Trainee (813-3), LG 14 to Collective Bargaining Agreement.
13. Add Material Estimator/Scheduler (734-3), LG 12 to Technical & Office Job Classifications section of the Collective Bargaining Agreement.
14. Reflect all 2005 negotiated job classification changes on the functional line charts.
15. Add Fabrication Mechanic (426-3), LG-14 to Factory Chart #6.
16. Reflect deletion of the listed Unpopulated Jobs with No Recalls from the Collective Bargaining Agreement. (See attached listing)
17. Add letter concerning the Classification(s) deletion/reactivation guidelines to the 2008 Agreement for Conclusion.

18. Reflect the job combination of Engineering Instrument Certification Lab Technician 402-3, (LG 18) and Industrial Instrument/Electronic Test Equipment Technician 586-3, LG 18 in the Collective Bargaining Agreement and on the functional line charts.
19. Update all job descriptions and functional line charts to reflect job classification changes negotiated in the 2008 Agreement.
20. Reflect the job combination of the Inspector-Experimental 618-3, LG 17 and Inspector-Machined Parts/Fabrication 635-3, LG 18 in the Collective Bargaining Agreement and on the functional line charts.
21. Revise the job description of Electrical Developmental Mechanic 395-3, LG 17 to more accurately reflect current duties.
22. Revise the job description of Inspector-Structures/Paint 435-3, LG 17 to more accurately reflect current duties.
23. Establish two new "B" classifications, Industrial Instrument Technician 586-4, LG 12 and Inspector-Precision Gauge and Instrument 630-4, LG 12.
24. Revise the Truck Driver General 550-3 (LG 13) job description to remove the "endorsement X (combination tank and hazardous materials)" requirement.
 - The Company agrees to reimburse employees' for the cost of endorsement "X" (combination tank and hazardous materials) when required by the Company while in the Truck Driver General (550-3) and the Fuel Storage – Transport Operator (594-3) classifications and upon receipt of appropriate documentation of expense.
25. Aircraft Electrical Checkout Mechanic (399-3) job description to reflect modified language and labor grade change to labor grade seventeen (17).
26. Hydraulic-Plumbing-Controls Checkout Mechanic (429-3) labor grade changed to reflect labor grade seventeen (17).

UNPOPULATED JOBS WITH NO RECALLS

FACTORY

353-3	Printed Wiring Board Assembler	LG 8
354-3	Printed Wiring Board Processor	LG 10
451-3	Main Frame Rework Mechanic A	LG 12
534-3	Spinning Lathe Operator	LG 14
608-3	Microcircuit Fabricator	LG 9

TECHNICAL AND OFFICE

713-3	Numerical Control Computer Systems Attendant	LG 10
721-3	Data Conversion Specialist	LG 14
729-3	Machine Tool Programming Technician	LG 14
775-3	Price Estimator	LG 12
885-3	Automated Wiring Data Systems Clerk	LG 7

DRAFT

LOCKHEED MARTIN AERONAUTICS COMPANY - MARIETTA

Marietta, Georgia

FACTORY JOB DESCRIPTION

ELECTRICAL DEVELOPMENT MECHANIC

Code: 395-3, LG: 17

Occupational Summary

This occupation requires the layout, parts fabrication, assembly and installation of electrical and electronics systems for the purpose of proving engineering design on new production development and/or production mockup aircraft and for the experimental building from ship's loft and preliminary design information the electrical, radio and radar systems and components of prototype aircraft. Screens engineering circuit diagrams and installation drawings, prepares wire harness master and sketches for building wire formboards and fabricating wire harnesses, determines needs for and directs the preparation of visual aids and performs necessary liaison work with other mock-up and production personnel as directed. Creates wire routing documents and termination aids. Inputs mock-up information into wire management systems.

Work Performed

Develops experimentally or from engineering design information the layout, parts fabrication, assembly and installation operations for incorporating major revisions to, or for new aircraft electrical and electronics systems, to create the physical design and/or the point where sufficient information is gathered so that the work may be delegated to production bench, fabrication, assembly and/or install- on ation personnel or to subcontractors. Works from function and general configuration, engineering design data as provided by preliminary design drawings, ship's loft, sketches, and oral engineering information. Works closely with authorized liaison personnel and suggests verbally or by sketches, design changes for engineering approval when part, system or assembly cannot be made or installed as designed, or does not seem to meet functional demands, or where such changes will simplify fabrication, assembly, installation or maintenance of system.

Improvises, makes, or works without tooling in fabricating, assembling, installing, and operating electrical and electronics systems and components. Develops information required to build necessary tooling and shop aids.

Determines need for visual assembly and installation aids and coordinates and directs work of personnel preparing such aids, wiring diagrams, and sketches. Operates computerized graphic equipment to make preliminary and final layouts and in the preparation of assembly and installation visual aids and sketches. Creates three-dimensional drawings in a CADAM, CATIA or other LM Aero automated drawing environment. Review completed visual aids for clarity and accuracy, checking to see that location of wiring shown is clearly defined or referenced to station, butt-line, center line, or water line of aircraft. Checks to see that wires and terminals are properly identified and flagged and that flags do not obscure other necessary information.

Determines or physically projects or lays out from ship's loft the coordination points required for building of tooling or parts to insure subsequent mating of fabricated or installed parts and assemblies and/or to determine or prevent interferences with other systems, structures, or installations. Performs all necessary operations to prove the functioning of ship's electrical and electronics systems and components. May check out radio and radar as required. Performs all work necessary to gather data needed for the completion of complex technical illustrations.

Lays out, fabricates and assembles structural parts required.

Makes and proves wire form boards from own developed ship mockup.

Instructs production personnel in the initial installation and/or operation of the developed system or its components.

Performs satisfactorily any function of the Electrical and Electronics Mechanic, and the Electrical Checkout Mechanic, as required.

May work with mechanics in other fields of specialization when so assigned.

Typical Materials, Tools and Equipment Used:

Materials worked on: Ferrous and non-ferrous metals, non-metallic materials.

Materials worked with: Aircraft materials, electrical and electronic parts, assemblies and accessories.

Tools used: Mechanic's and aircraft electrician's hand tools, precision measuring devices.

Equipment used: All types of electronic and electrical test equipment, wire fabrication machines, sheet metal and hand forming equipment, portable drills and riveting equipment, computers, and Computer Aided Design Tools, etc.

Knowledge and Ability Required

To apply a complete knowledge of fabrication, assembly, installation and function of aircraft electrical and electronics systems. To read and interpret all types of engineering drawing and shop sketches. To work from incomplete design information and fill in detail from practical experience, typical construction, and aircraft practice. To work to tolerances as required for the type of work described herein.

Fundamental knowledge of development practices pertinent to aircraft installations and of the theory underlying the development and functions of electrical-electronic systems. Supply missing or incomplete detail information from practical experience and best shop practice. Visualize need for review and direct preparation of visual aids. Interpret complex engineering wiring diagrams, structures and installation drawings, and blueprints. Knows how design information results in a finished part or assembly.

To read, interpret, and project ship's loft in obtaining required ship's reference and coordination points. To make neat sketches and wiring diagrams to express design and design change ideas. To use shop mathematics, including trigonometry.

Extensive knowledge and capability in basic computer skills with comprehensive knowledge of Microsoft Office applications.

Good communication skills with the ability to rapidly adapt and relay vital information accurately to team members using verbal and written means.

Physical requirements include standing for long periods of time, kneeling, stooping, climbing ladders and steps to access the aircraft or facilities, the ability to carry tools and equipment to work locations, and manual dexterity sufficient enough to manipulate tools, parts, and associated materials required for job functions.

Job description re-written in 2008 negotiations.

Coordinated by: Requirements Planning

Reviewed: February 21, 2008

LOCKHEED MARTIN AERONAUTICS COMPANY - MARIETTA

Marietta, Georgia
FACTORY JOB DESCRIPTION

AIRCRAFT ELECTRICAL CHECKOUT MECHANIC

Code: 399-3, ~~LG-15~~ LG:17

Occupational Summary

This occupation requires the operational checkout and trouble-shooting of complete aircraft electrical systems and related electronic units. This is done while electrical power is on to the aircraft. Makes continuity checks of electrical and electronic wiring systems installed in production and modification aircraft using electrical/ electronic testing equipment and performs necessary rework to correct defects prior to operational checkout of complete systems.

Work Performed

Performs the complete installation, adjustment and operational checkout of entire electrical systems. Trouble-shoots, locates, diagnoses and corrects any cause of malfunctioning, such as transposed wires, open circuits, shorts, grounds, defective accessories, etc. Sets and/or adjusts thermocouples, electrical and electronic gauges, selsyns, limit switches, 1553 data bus systems, etc.

Performs aircraft built in test procedures, using the on board diagnostic ground maintenance system for electrical and electronic systems, which includes radar, defensive systems, and aircraft radios. Corrects all system caution and advisory faults during checkout procedures.

Installs/loads software using portable maintenance aids (PMA's). Uses computer based equipment such as bus analyzers to check, analyze and troubleshoot electrical systems and related electronic units. Also, uses Time Domain Reflectors (TDR's) and network testers to check and repair 1553 data bus systems. Uses laptop computers as Portable Analysis Unit's (PAU's) to set up measurements.

Works from wiring charts and diagrams, production, check and pre-release blueprints, D.A.T.s, photographs or other authorized documents. Uses Interface Control Documents (ICD's) to ensure systems are working properly and to provide data for bus analyzers.

Improvises electrical checkout aids as required. Use bus analyzers and various other computer-based equipment to analyze and troubleshoot aircraft electrical systems.

Helps Electrical and Electronics Development Mechanic when so assigned and performs any function of the Electrical and Electronics Mechanic as required.

Sets up and operates electrical/electronic testing equipment to detect and identify continuity errors and defective components in electrical and electronic circuits after ship installation. Works in accordance with specific machine operating instructions.

Locates defective circuits, as identified by machine, on aircraft by referring to electrical plug and wiring diagrams. Determines causes of errors using conventional manual continuity methods and equipment in accordance with functional test continuity checking documents with ship's power off.

Corrects defective wiring circuits by reworking electrical wiring installations, resoldering, and replacing defective components, as necessary. Makes power distribution and wire insulation checks and perform any function of the Assembly Worker - Structures and Electrical Wiring Fabricator classifications, as required.

Performs pick-up and rework wherein the operations are essentially the same as required for the work described above.

Typical Materials, Tools and Equipment Used

Materials worked on: Ferrous and non-ferrous metals; non-metallic materials.

Materials worked with: Aircraft materials, wire, plastic insulation materials, solder, nuts, bolts, electrical and mechanical accessories, etc.

Tools used: Hand tools, measuring devices.

Equipment used: All types of electrical/electronic test equipment; portable drills, laptop computers, theodolites, Portable Analysis Units (PAU's), Portable Maintenance Aids (PMA), 1553 Data Bus System, Bus Analyzers, Digital Audio Playback Unit (DAPU) Sartech Scanner, Emergency Locator Tester (ELT).

Knowledge and Ability Required

To apply a complete knowledge of aircraft electrical systems, electrical and electronic wiring systems and installations and continuity checking methods and equipment in an assigned model. To apply a knowledge of aircraft structures and final assembly practices and procedures. To read and interpret wiring charts and diagrams, functional test procedures, installation blueprints, or other authorized documents, which are not fully detailed and where missing information must be supplied by worker from knowledge of aircraft system and best shop practice. To use shop mathematics, including algebra and geometry.

To work to tolerances as required for the type of work described herein. To make repairs from authorized repair manuals. To read and interpret process manuals, standard manuals, and maintenance manuals. To work with others to correct problems with equipment, software and systems.

Job description re-written in 2008 negotiations.

Coordinated by: Requirements Planning

Reviewed: February 21, 2008

DRAFT

LOCKHEED MARTIN AERONAUTICS COMPANY - MARIETTA
Marietta, Georgia
FACTORY JOB DESCRIPTION
COMBINED JOBS / DESCRIPTIONS

INSPECTOR-STRUCTURES/PAINT*

Code: 435-3 LG: 17

The following job classifications were combined into the above noted job classification during the 1989 Company-Union Contract Negotiations:

Classification	Code	Labor Grade
Insp-Int Wing Tank	435-3	16
Insp-Assy/Struc	620-3	14
Insp-Final Paint & Trim	638-3	13

*Touch up and blending paint and trim inspection at Flight Line will be performed by Insp-Flight

Effective March 2, 2008

Uses computers in the performance of duties including, but not limited to, documentation of approval of acceptable items and disposition of unacceptable items.

Effective April 28, 1990

May use defined processes, monitor process control and capability data to assure process remains in control. May, through independent measurement, assure data integrity.

Effective June 14, 1993

Reviewed and reissued by Company with no change in job description

April 29, 2002

COMBINED JOB - 1989 NEGOTIATIONS - 435-3
LOCKHEED MARTIN AERONAUTICS COMPANY - MARIETTA
Marietta, Georgia

FACTORY JOB DESCRIPTION

INSPECTOR - INTEGRAL WING TANKS

Code: 435-3

Occupational Summary

Inspects the sealing operations performed on new or completely stripped, modified and resealed integral wing tanks in tank seal building, including all related structural and functional installations contained for conformance to applicable designs and specifications and rejects and dispositions unacceptable items.

Work Performed

Performs complete shakedown inspection of integral wing tanks and related structural installations and modification for conformance to applicable designs and specifications. Inspects the tank and installations for such factors as completeness, workmanship, freedom from foreign matter, and sealability. Inspects the sealing of integral wing tanks during the applications of various types of sealing compounds for workmanship and conformance to specifications. Checks sealed areas for proper heat curing of sealer coats.

Inspects related functional installations contained such as wing liquidometers, fuel pumps, filler wells, wire bundles and plumbing lines for proper operation, alignment, clearance, continuity, and workmanship. Inspects the final fuel check of wing tanks after witnessing fluid soak checks and pressure tests, using various leak detector devices. Signs off and certifies production built integral wing tanks and related structural and functional installations for installation on aircraft. Decals all tank accesses.

Must have current Inspection certifications as required by Company policy and Quality Control Manual.

Performs such incidental duties as inspecting structural and functional installations made prior, during or subsequent to sealing of integral wing tanks for the incorporation of latest design changes, tank seal process specification changes, and/or alterations. Submits periodic samplings of sealing compounds for laboratory checks, and be responsible for the use of only those materials that have been certified by the laboratory as conforming to specifications.

Knowledge and Ability Required

Knowledge of the integral wing tank sealing process, including new materials used in this process. Knowledge of inspection practice and procedure, Company, customer, and F.A.A. regulations pertinent to the inspection certification and sign-off of integral wing tanks and related structural and functional installations.

Ability to interpret complex blueprints and process specifications, use various testing, measuring, and inspection instruments and devices and use shop mathematics. Ability to determine source of leaks in integral wing tanks and to determine the adequacy of sealing compounds by their physical properties.

Wage Compensation
January 1, 1966

COMBINED JOB - 1989 NEGOTIATIONS - 435-3
LOCKHEED MARTIN AERONAUTICS COMPANY - MARIETTA
Marietta, Georgia

FACTORY JOB DESCRIPTION

INSPECTOR - ASSEMBLY/STRUCTURES

Code: 620-3

Occupational Summary

This occupation requires the inspection of structural assemblies, sub-assemblies, bench assemblies, functional installations, and components for workmanship and conformance with requirements; the final assembly and mating of airplane structural components; installations of functional units and systems; shakedown and operational checkout of the completed airplane and component assemblies from production and prior to flight line. Rejects unacceptable items and prepares documentation for their disposition.

Work Performed

Inspects for alignment, attachments, workmanship, completeness, and conformance to installation drawings, engineering, inspection and other specifications or requirements the final assembly and mating of airplane structural components such as outer to inner wing, power plant to wing, fore to aft fuselage sections and empennage to fuselage, and the attachment and rigging of items such as elevators, flaps, ailerons, and stabilizers.

Inspects for alignment, continuity, workmanship and conformance to the required specifications, the final hookup and installation of functional units of the airplane such as electrical, rigging, power plant, armament, plumbing and hydraulic systems, including operational tests and checkouts.

Conducts a full compartment by compartment shakedown of a completed airplane for completeness and accuracy of installations; alignment, freedom of movement, clearances, tension, throw limits and torque of functional systems; completeness, workmanship, attachment, and conformance to specifications of required interior, cabin, power plant, and exterior accessories, identifications, and other attachments.

Inspects and approves the final operational checkout of the completed airplane under simulated flight conditions prior to transfer to flight line including check for adherence to latest design changes, customer requirements and C.A.A. regulations.

Inspects jig loading and mating, framing, skinning, riveting, and out-of-jig shakedown of structural assemblies, sub-assemblies, and bench assemblies for workmanship and conformance with requirements. Inspects such assemblies as fuselage and center sections, outer and inner wings, and any attached structural installations for alignment, contour, material, finish and shortages; checks rivets, bolts, screws, and fasteners for cracks, edge distance, and size.

Inspects functional installations such as electrical, hydraulic, plumbing and rigging units and components for workmanship, clearance, tension, coding, finish, alignment, routing, location, and conformance with other similar requirements. Inspects and approves bonding and pressure testing operations. Inspects spot-welded parts and assemblies for workmanship, correct assembly, contour, cracks, faults, edge distance, and spots in radii.

Inspects the airplane and assembled components for the incorporation of latest design changes and alterations described herein.

Stamps or otherwise approves acceptable items; rejects unacceptable items; prepares documentation for disposition of unacceptable items.

Typical Materials, Tools, and Equipment Used

Materials worked on: Aircraft structural assemblies, bench assemblies, functional installations and components, functional units and systems.

Materials worked with: None

Tools used: Flashlight, magnifying mirrors, miscellaneous hand tools and precision measuring instruments such as calipers, micrometers, drill gauges, protractors, and wire diameter gauges.

Equipment used: Work stands, ladders, transits, head sets and microphones.

Knowledge and Ability Required

Knowledge of airplane structures, functional systems, parts, assemblies, installation methods, inspection procedures; company, engineering, customer, and C.A.A. regulations; materials, processes, and production methods. To apply a knowledge of inspection practice and procedure, customer and company requirements pertinent to the inspection of assemblies and installations described herein. To apply a working knowledge of structural assemblies, sub-assemblies, detail assemblies, functional installations, and components; materials and processes; production methods and standards. Ability to read and interpret detail assembly and installation blueprints; to use required testing, measuring, and inspection instruments and devices; and to use shop mathematics.

Wage Compensation
January 1, 1978

COMBINED JOB - 1989 NEGOTIATIONS - 435-3

LOCKHEED MARTIN AERONAUTICS COMPANY - MARIETTA

Marietta, Georgia

FACTORY JOB DESCRIPTION

INSPECTOR - FINAL PAINT AND TRIM

Code: 638-3

Occupational Summary

Inspects final washing, priming, painting, and internal trimming operations performed on completed production and modification aircraft to assure that such operations are accomplished in conformance with applicable engineering prints, disposition data, and process specifications.

Work Performed

Inspects aircraft during and after washing, stripping and cleaning operations to assure that proper chemicals and processes are used. Inspects external aircraft insignias, decals and markings for proper location, material and application methods, in accordance with applicable process specifications and engineering prints.

Inspects aircraft during and after priming and final painting operations to assure that paint shades, masking techniques, color breaks, and application procedures are in conformance with engineering prints and applicable process specifications. Makes temperature and humidity checks in paint areas, as required.

Inspects installation of final interior trimming such as sound insulation blankets, batts, hard-liners, and fiberglass panels to assure that assembly and installation has been performed per applicable specifications. Checks for proper fasteners, neatness of installation, chafing, proper fit and fair, and proper materials.

Inspects plastic parts, insulation liners, batts, and other trimming materials fabricated in trim area to ensure compliance with applicable engineering prints or dispositions. Stamps, signs or otherwise approves acceptable items; and rejects unacceptable items preparing documentation for disposition of same.

Knowledge and Ability Required

Knowledge of aircraft painting, finishing and trimming methods and standards and materials used; inspection practices and procedures; and customer and company requirements pertinent to the inspection of operations described herein. Ability to use shop mathematics and precision measuring instruments.

Wage Compensation

June 10, 1967

LOCKHEED MARTIN AERONAUTICS COMPANY - MARIETTA

Marietta, Georgia
FACTORY JOB DESCRIPTION

TRUCK DRIVER - GENERAL

Code: 550-3, LG: 13

Occupational Summary

This occupation covers driving tractor and semi-trailer rigs, heavy stake and closed-body type trucks and various types of trucks to transport cargoes such as aircraft assemblies, engines, mock-ups, machinery and equipment, parts and bulk items on highways between local Company plant facilities and other Company plants and warehouses, vendor plants, railway, truck and air freight terminals and warehouses located outside the local plant area, municipal refuse disposal areas and other facilities in the local plant area and to haul refuse and scrap materials between plant site and facilities in the greater metropolitan area.

Work Performed

Drives tractor and semi-trailer rigs, dump, heavy stake and closed body type trucks between various facilities on plant site, the local plant area to transport aircraft, aircraft assemblies, power plants, mock-ups, machinery and equipment, dollies and similar type cargoes requiring more caution, skillful maneuvering, judgment, and continuous observation to maintain proper vertical and horizontal clearances and to avoid contact with trees, buildings underpasses, bridges and vehicles.

Makes pick-ups and deliveries between various Company docks/sites, vendor and other Company plants, railway, truck and air freight terminals, warehouses and depots in and outside the local plant area. Drives tractors and semi-trailer, dump and other type trucks to haul refuse, scrap and surplus materials to municipal refuse disposal facilities in the greater metropolitan area.

Directs and assists in loading and unloading to prevent loss or damage to insure full space utilization and proper balancing to avoid load shifting. Checks loading and unloading equipment, methods and facilities for adequacy and safety. Hooks up air hoses and safety chains, fifth wheel and performs other related operations. Checks tire pressure and condition, operation of lights, brakes and windshield wipers, gasoline, water and oil supplies. Performs emergency roadside repairs such as changing tires and replacing light bulbs and fuses.

Drives with approved over-width loads and cooperates with highway patrol escorts. Reports in to dispatcher to receive re-routing and pick-up instructions and to make trip reports. Reports accident and mechanical defects in equipment. Makes overnight hauls as required. Reconciles item descriptions, part numbers, and quantities of pick-ups and deliveries made against shipping lists and pick-up or delivery orders. Completes and signs manifests, shipping and purchase orders, and log books.

Typical Materials, Tools, and Equipment Used

Materials worked on: None

Materials worked with: All types of parts, materials, supplies, assemblies, tooling, machinery, completed airplanes and equipment.

Tools used: Hand tools such as wrenches, tire changing irons, jacks, hammers, screwdrivers, flashlights.

Equipment used: Tractor and semi-trailer rigs, heavy stake and closed-body type trucks, panel, pick-ups, vans and dump trucks. Unloading, protective and securing equipment such as dollies, loading planks, fire extinguishers, flares, quilts, tarpaulins, ropes and chains.

Knowledge and Ability Required

To apply a knowledge of routes, clearances, and locations in the local plant area, the Atlanta Metropolitan Area, in the State of Georgia and other states as required. To know and observe heavy truck driving practices and procedures including traffic laws and regulations, weight limits, and clearance regulations. To apply proper methods of loading and securing cargoes. To possess a Georgia State chauffeur's license secure and maintain required licenses.

Job description re-written in 2008 negotiations

DRAFT

PROPOSED FACTORY JOB DESCRIPTION

INDUSTRIAL INSTRUMENT/ ELECTRONIC TEST TECHNICIAN "B"

Code: 586-4, LG: 12

Work Performed

Maintains industrial instruments used as furnace controls by installing new charts, batteries, and refilling ink containers. Makes minor functional checks on equipment.

Disassembles, repairs, reassembles, calibrates, and checks out less complex industrial instruments such as indicating temperature and pressure gauges, manometers, rotometers, processing timers, and air conditions control instruments. Replaces broken wires, lubricates parts, and replaces batteries in ohmmeters and other circuit measuring equipment.

Operates testing equipment under direction of engineers to check the frequency, direction and intensity of factory noise, temperature and lighting.

Performs trouble-shooting operations as required on equipment described herein.

Helps the "A" grade Technician as required.

Typical Materials, Tools And Equipment Used

Materials worked on: Ferrous and non-ferrous metals and their alloys; non-metallic materials.

Materials worked with: Lubricants, glue, lacquers, wax, acids, and silver solder, etc.

Tools used: Instrument workers' hand tools; portable drills, hand torches, soldering irons, etc.

Equipment used: Drill presses, power hold saws, circular saws, pedestal grinders, punching machines, sanders; testing equipment such as voltmeters, ammeters, speed indicators, sound level meters, light meters, potentiometers, vacuum pumps, dead weight testers, meter analyzers, etc.

Knowledge And Ability Required

To maintain and repair industrial instruments as described herein. To set up and operate power tools listed above. To use instrument workers' hand tools. To manually pull, push or lift over 25 lbs.

To apply a knowledge of industrial instrumentation and mechanical shop practice and procedure. To read and interpret wiring diagrams, blueprints, manufacturers' manuals and specifications. To use arithmetic including decimals and fractions. Ability to interpret various manufacturers' software for controlling instrumentation.

Job description written in 2008 negotiations

DRAFT

PROPOSED FACTORY JOB DESCRIPTION

PHYSICAL/DIMENSIONAL INSTRUMENT TECHNICIAN "B"

Code: 630-4, LG: 12

Work Performed

Maintains physical/dimensional instruments used as indicating gages. Makes minor functional checks on equipment.

Disassembles, repairs, reassembles, calibrates, and checks out less complex physical/dimensional instruments such as gage blocks, ring gages, comparators, and coordinate measuring machines
Performs trouble-shooting operations as required on equipment described herein.

Helps the "A" grade Technician as required.

Typical Materials, Tools And Equipment Used

Materials worked on: Ferrous and non-ferrous metals and their alloys; non-metallic materials.

Materials worked with: Lubricants, glue, lacquers, wax, acids, and silver solder, etc.

Tools used: Instrument workers' hand tools; portable drills, hand torches, soldering irons, etc.

Equipment used: Drill presses, power hold saws, circular saws, pedestal grinders, punching machines, sanders; testing equipment such as interferometer lasers, standard measuring machine, laser micrometer, and height gages.

Knowledge And Ability Required

To maintain and repair physical/dimensional instruments as described herein. To set up and operate power tools listed above. To use instrument workers' hand tools. To manually pull, push or lift over 25 lbs.

To apply a knowledge of physical/dimensional instrumentation and physical/dimensional shop practice and procedure. To read and interpret, blueprints, manufacturers' manuals and specifications. To use arithmetic including decimals and fractions. Ability to interpret various manufacturers' software for controlling instrumentation.

Job description written in 2008 negotiations

2008 Contract Negotiations

SUBJECT: DELETION OF JOB CLASSIFICATIONS

This will confirm the understanding reached by the joint Company/Union Classification Committee concerning classification(s) deletion/reactivation guidelines subject to concurrence of 2008 contract negotiations with the Company and the Union.

These classifications have been selected on the basis they are not populated, do not have a recall list, or are not part of a combination job (new classification), and are not expected to be used in the future.

It is agreed that any and all work/equipment/machinery/process called-out or referenced in any of these jobs is and will continue to be exclusively bargaining unit work which, when if performed, will be performed only by an “**employee**” (as defined in Part B, Article I, Section 1 (B) of the Company-Union Agreement). This also applies to future performance of any work not called-out or referenced which is the same, accomplishes the same or is similar to that which any “**employee**” (as defined above) performed in the past while holding one or more of the above referenced classifications.

Furthermore, it is agreed that in the future any deleted classification(s), if needed, shall be returned with concurrence of the Union President, the Negotiating Committee, and the Classification Committee to the original Labor Grade structure, using its original language, Labor Grade, Job Code, Classification, Title and Date. The aforementioned shall apply to the functional line charts.

Employees who have valid upgrade requests on file with the Company will be informed when their request is removed as a result of the deletion.

Employees who were on recall or would have developed recall to such deleted classification will be recalled or placed on recall at the time of reactivation if the employee would have retained contractual recall to the classification had it not been deleted.