

IAM DISTRICT 725
Local Lodge 964

CONTRACT `12

**HIGHLIGHTS OF A CONTRACT OFFER FROM
GOODRICH, AEROSTRUCTURES TO DISTRICT 725**

CONTRACT RATIFICATION VOTE

Sunday, February 19, 2012

Marriott Hotel

Corner of 5th and Market

3400 Market St. Riverside, CA

Hotline (951) 354-2343

9:00 a.m. to 12:00 noon

Bring your identification

Contained herein are highlights of the Company's offer. The full committee strongly recommends a NO vote on this proposal. As elected negotiators, our sole purpose throughout negotiations has been to negotiate a contract that maintains protections for our members and their families.

We thank you for your patience and support during these negotiations and encourage every member to participate in this important vote.

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS DISTRICT LODGE 725

Ray Rivera/Ray Moffatt
Aerospace Coordinators

Al Rosales
Business Representative

NEGOTIATING COMMITTEE

Jim Cifu

Roberto E. Caballero

Bruce Morman

John Cockman

Bill Wood

Jose Ledesma

SUMMARY OF NEW IAM/AW AGREEMENT RIVERSIDE

The following is a summary of the wage, benefits, and language revisions as a result of the collective bargaining processes between the IAM and Goodrich, Aerostructures.

IAM and Goodrich, Aerostructures mutually agreed to make the term of the contract 3 years (2/13/2012 – 2/15/2015).

Wage Summary

All bargaining unit employees will get increases through three General Wage Increases and cost-of-living adjustments over the next three years of the agreement.

- The Company has agreed to pay a 2 ¼% General Wage Increase for 2012.
- The Company has agreed to pay a 2 ¼% General Wage Increase for 2013.
- The Company has agreed to pay a 2 ¼% General Wage Increase for 2014

Effective February 27, 2012, the amount of cost-of-living (COLA) float that an employee was receiving on 2/12/12 (maximum \$1.12), will be folded into the base rate.

| 2/27/12 | | | 02/11/13 | | 02/10/14 | |
|---------|---------|---------|----------|---------|----------|---------|
| LG | Min | Max | Min | Max | Min | Max |
| 1 | \$12.70 | \$33.25 | \$12.70 | \$34.00 | \$12.70 | \$34.76 |
| 2 | \$11.33 | \$31.38 | \$11.33 | \$32.09 | \$11.33 | \$32.81 |
| 3 | \$10.70 | \$26.51 | \$10.70 | \$27.11 | \$10.70 | \$27.72 |

Pension

Monthly pension benefit was raised from \$64 to \$71 for current employees. This applies to past and future credited service for those who retire on or after January 1, 2012.

Medical

There will be no change to current medical plan rates for the remainder of 2012.

Effective Jan 1, 2013 and each year for the life of the contract, Goodrich will pay 90% of the cost for the Goodrich Health Plan. In no year will the monthly employee cost increase by more than \$5 for Participant only, \$10 for Participant plus spouse and Participant plus child(ren), or \$15 for Participant plus family.

Effective Jan 1, 2013 and each year for the life of the contract, Goodrich will pay 85% of the cost for the Goodrich Health Plus and Kaiser. In no year will the monthly employee cost increase by more than \$10 for Participant only, \$20 for Participant plus spouse and Participant plus child(ren), or \$30 for Participant plus family.

Effective Jan 1, 2013 and each year for the life of the contract, Goodrich will pay 85% of the cost for PacifiCare 80. In no year will the monthly employee cost increase by more than \$20 for Participant only, \$40 for Participant plus spouse and Participant plus child(ren), or \$60 for Participant plus family.

Effective Jan 1, 2013 and each year for the life of the contract, Goodrich will pay 80% of the cost for the PacifiCare 100. In no year will the monthly employee cost increase by more than \$25 for Participant only, \$50 for Participant plus spouse and Participant plus child(ren), or \$80 for Participant plus family.

**Monthly Medical Cost Example
(based on 2012 Premium Cost)**

| | Part Only | Part + Spouse | Part + Child | Part + Family |
|-------------------------|------------------|----------------------|---------------------|----------------------|
| Health Plan Wage (BCBS) | \$39.77 | \$83.05 | \$77.21 | \$119.52 |
| Health Plus Wage (BCBS) | \$95.60 | \$200.45 | \$188.18 | \$288.77 |
| PacifiCare 100 | \$132.70 | \$270.79 | \$250.90 | \$385.98 |
| PacifiCare 80 | \$80.17 | \$173.96 | \$151.24 | \$241.12 |
| Kaiser Southern CA | \$70.70 | \$147.13 | \$126.23 | \$202.79 |

DENTAL

There will be no change to current dental plan rates for the remainder of 2012.

**Employee Monthly Contributions
Effective January 1, 2012**

| Coverage | Safeguard | PacifiCare | Delta Dental |
|-------------------|------------------|-------------------|---------------------|
| - Employee Only | 0 | 0 | \$21 |
| - EE & Spouse | 0 | 0 | \$41 |
| - EE & Child(ren) | 0 | 0 | \$41 |
| - Family | 0 | 0 | \$61 |

For Delta Dental each plan year thereafter, the contributions will increase by \$1/\$2/\$3, if there are any increases in the Delta premium for that plan year. If there are no increases, then the rates will remain at the prior year's level.

Eligible Dependents (Medical, Dental & Vision Plans): Covered dependents include the employee's spouse, eligible domestic partner, children up to age 26.

Language Changes

- Section 22.07 Transfers will now be honored by Value Stream versus department.
- The Union was successful in maintaining current language in the contract that protects our membership

Job Study

As a result of Job Study Labor Grades were reduced from 10 to 3. Employees who were previously red-circled will not be negatively impacted by this new structure

Upgrades

- Assembler upgraded to new LG2
- AFP Operator upgraded to new LG1
- Chemical Stores Attendant upgraded to new LG2

Combinations

- Mechanic Transportation Equipment combined with Maintenance Mechanic at new LG1
- Heavy Equipment Operator combined with Maintenance Mechanic to new LG 1
- Portable Tool & Equipment Repair Mechanic combined with Maintenance Mechanic at new LG1
- General Machinist & Tooling Builder combined to Tooling Specialist at new LG1

All employees who are upgraded are eligible for a AWI in 26 weeks. Those who have been combined into a higher labor grade will receive increases as outlined in MOU #3 with an effective date of 2/27/12

New Labor Grade Structure And Base Rate Ranges

| Current Labor Grades | New Labor Grade | Effective 2/27/12 |
|----------------------|-----------------|--------------------------|
| 1 | 1 | LG 1 = \$12.70- \$33.25 |
| 2 | 1 | |
| 3 | 2 | |
| 4 | 2 | |
| 5 | 2 | LG 2 = \$11.33 - \$31.38 |
| 6 | 2 | |
| 7 | 3 | |
| 8 | 3 | |
| 9 | 3 | |
| 10 | 3 | LG 3 = \$10.70 - \$26.51 |

Holidays

The Company recognizes the following 37 holidays during the term of this Agreement:

2012 Holidays:

| | |
|------------------------|------------------------------|
| Memorial Day | Monday, May 28, 2012 |
| Independence Day | Wednesday, July 4, 2012 |
| Labor Day | Monday, September 3, 2012 |
| Thanksgiving Day | Thursday, November 22, 2012 |
| Day after Thanksgiving | Friday, November 23, 2012 |
| Christmas Holiday | Monday, December 24, 2012 |
| Christmas Holiday | Tuesday, December 25, 2012 |
| Christmas Holiday | Wednesday, December 26, 2012 |
| Christmas Holiday | Thursday, December 27, 2012 |
| Christmas Holiday | Friday, December 28, 2012 |
| Christmas Holiday | Monday, December 31, 2012 |

2013 Holidays:

| | |
|------------------------|------------------------------|
| New Years Day | Tuesday, January 1, 2013 |
| Memorial Day | Monday, May 27, 2013 |
| Independence Day | Thursday, July 4, 2013 |
| Labor Day | Monday, September 2, 2013 |
| Thanksgiving Day | Thursday, November 28, 2013 |
| Day after Thanksgiving | Friday, November 29, 2013 |
| Christmas Holiday | Tuesday, December 24, 2013 |
| Christmas Holiday | Wednesday, December 25, 2013 |
| Christmas Holiday | Thursday, December 26, 2013 |
| Christmas Holiday | Friday, December 27, 2013 |
| Christmas Holiday | Monday, December 30, 2013 |
| Christmas Holiday | Tuesday, December 31, 2013 |

2014 Holidays:

| | |
|------------------------|------------------------------|
| New Years Day | Wednesday, January 1, 2014 |
| Memorial Day | Monday, May 26, 2014 |
| Independence Day | Friday, July 4, 2014 |
| Labor Day | Monday, September 1, 2014 |
| Thanksgiving Day | Thursday, November 27, 2014 |
| Day after Thanksgiving | Friday, November 28, 2014 |
| Christmas Holiday | Wednesday, December 24, 2014 |
| Christmas Holiday | Thursday, December 25, 2014 |
| Christmas Holiday | Friday, December 26, 2014 |
| Christmas Holiday | Monday, December 29, 2014 |
| Christmas Holiday | Tuesday, December 30, 2014 |
| Christmas Holiday | Wednesday, December 31, 2014 |

2015 Holidays:

| | |
|-------------------|---------------------------|
| New Years Day | Thursday, January 1, 2015 |
| New Years Holiday | Friday, January 2, 2015 |