

Company's Last, Best & Final Offer

Wages (7.05)

Year 1: **GWl of 1.5%**

Year 2: **GWl of 1.75%**

Year 3: **GWl of 2.0%**

Rejects the Union's proposal to increase the minimum and maximum of the pay ranges. Company agrees to increase the maximum of pay ranges with GWl (current practice).

Rejects the Union's proposal in 7.05 (A), including a Decatur-specific increase and regional equity adjustment

Automatic Wage Increases (7.06)

Rejects the Union's proposal; maintain current contract language (\$0.25 every 12 weeks)

Cost of Living Adjustment/Supplements (7.04, 7.08, 7.09)

The Company rejects the Union's proposal on 7.04; Company proposes to delete 7.04 and Section 7.08 in its entirety, to eliminate the quarterly cost-of-living adjustments

Accepts the Union's proposal to increase the annual supplement to **\$1,200** and to pay the supplement on or before October 31 each year, contingent on elimination of the quarterly COLA

Agrees to allow employees to defer all or part of their annual COLA supplemental to their 401(k) Plan without Company match

Crane Operator Premium (7.12)

Rejects the Union's proposal; maintain current contract language

Shift Premium (8.05)

Rejects the Union's proposal and offers the following:

2nd shift = maintain at \$0.75/hr

3rd shift = increase to **\$1.50/hr**, contingent on acceptance of modifying 3rd shift to eight (8) hours, as set forth in prior Company proposals

Travel Bonus (9.04 C)

Rejects the Union's proposal and proposes to maintain the current bonus of \$4.00 per hour

Travel Stipend (9.05 H)

Accepts the Union's proposal to increase the stipend to **\$1,200**

Employee Selection for Travel (9.06)

Company rejects the Union's proposal to include two tiers (critical skills and all others); offers modification to highlighted language to be added at end of 9.06 (C)(1, 3, and 4)

1. Volunteers: By classification in seniority order. The Company may bypass any volunteer if he or she is a lead, possesses critical skills, certifications, or qualifications, and/or is needed at the home work location during the travel dates in order to meet business requirements. In the event a volunteer is bypassed, the employee shall maintain his or her position for the next travel opportunity and the Company will rotate opportunities with employees similarly situated. **Commencing January 1, 2019**, if a volunteer is bypassed for travel (excluding critical skills), the Company will pay a lump-sum of **\$500.00** to that employee for each occasion the volunteer is bypassed for the aforementioned reasons.

Work at Other Sites (9.08)

Rejects the Union's proposal to add language regarding Decatur APTs or APSTs

Retirement Plan (Article 13)

Hold to transition Pension Plan:

13.04(A)(6) – Pension transition

13.07 – Bridging year of service for active grandfathered NES employees

401(k) Savings and Retirement Plan (Article 14)

Holds to add 401(k) Plan enhancements (Roth, Auto-enrollment for new hires, voluntary auto-escalation)

Offers modified proposal to increase ERSC contribution to **\$900** per quarter

Accepts Union proposal to language changes in 14.05(E)

Health & Welfare Benefits (Article 12)

Life Insurance

- Withdraws proposal to replace Group Universal Life (GUL) with Term Life
- Increase value of basic life insurance from \$36,000 to \$40,000
- Increase value of Accidental Death/Dismemberment from \$36,000 to \$40,000

Voluntary Benefits

- Reject Union's proposal to add voluntary benefits through AFLAC
- Offers ULA voluntary benefit package

Medical Premiums

Plan	Employee Contribution	EE cap per paycheck <i>Employee Only</i>	EE cap per paycheck <i>Employee + Spouse or Child(ren)</i>	EE cap per paycheck <i>Employee + Family</i>
EPO	22%	No EE cap	No EE cap	No EE cap
PPO	20%	\$120	\$240	\$360
HRA	10%	\$70	\$140	\$200

Additionally, for the EPO plan only, the Company contribution to the total premium cost will be capped at \$800 EE, \$1,600 EE +SP, \$1,600 EE + Child, \$2,400 Family per month. Employees will be responsible for any additional premium cost that exceeds the cap, even if it exceeds 22% of the total premium.

Retiree Medical

The Company offers to modify Article 12.16 as follows:

12.16 Retiree Medical Plans

The Company will continue for the term of this Agreement to offer three retiree PPO medical plans (Atlas-Cape/VAFB, Delta-Decatur, and Delta-Cape/VAFB). The Company may, but is not required to, offer the active employee medical plan to retirees. Effective January 1, 2019, the Company will modify the Space Systems and San Diego retiree medical plans to add two (2) additional plan levels of Employee + Spouse and Employee + Child(ren), in addition to the current options of Employee Only and Employee + Family. The Company contribution for the new plan level will be capped at \$687.50 per month.

Ratification Bonus

The Company offers a one-time Ratification Bonus of **\$6,000** per employee contingent on ratification of this Agreement prior to May 7, 2018

This offer includes the incorporation of all TAs reached during these negotiations, all outstanding language changes as last proposed by the Company, and nullification of the Decatur SSA on Reassignment of Employees.