

COORDINATED ECONOMIC PROPOSALS

PARTICULAR DEMAND	ADDITION OR IMPROVEMENT																																																																								
<u>(1) Pension Plan</u>	<ul style="list-style-type: none"> • Increase to \$105.00 per month per <i>1st year</i>, \$106.00 <i>2nd year</i>, \$107.00 <i>3rd year</i>, \$108.00 <i>4th year</i>, per year of Corporate service (past and future) and retroactive to January 1, 2014 with no reduction for early retirement. • Increase H-CAP contributions to \$500.00 per quarter. • Increase bridged retirement amount to \$33.00 retroactive to January 1, 2014. • Add Pop-Up language as in the current CBA in Fort Worth retroactive to January 1, 2014. • <i>Modify continuous service to credited service for 85 points.</i> 																																																																								
HSP 401(K)	<ul style="list-style-type: none"> • Modify the 401K to be allowed to follow the current maximum federal government allowances and increase employees matched contribution up to \$80.00 and increase company match to 50%. 																																																																								
Basic Benefit Plan	<ul style="list-style-type: none"> • Basic Benefit Plan – Increase \$75.00 a quarter. For employees hired after 3/1/05 the basic benefit increased to \$125.00 per quarter. 																																																																								
Article VI Section 3	<ul style="list-style-type: none"> • The Company recognizes the following holiday schedule during the period of this Agreement <p style="margin-left: 20px;">:</p> <p style="margin-left: 20px;"><u>2014</u></p> <table border="1" style="margin-left: 20px; width: 100%;"> <tbody> <tr><td>Memorial Day</td><td>Monday</td><td>May</td><td>26</td></tr> <tr><td>Independence Day</td><td>Friday</td><td>July</td><td>04</td></tr> <tr><td>Labor Day</td><td>Monday</td><td>Sept</td><td>01</td></tr> <tr><td>Thanksgiving</td><td>Thursday</td><td>Nov</td><td>27</td></tr> <tr><td></td><td>Friday</td><td>Nov</td><td>28</td></tr> <tr><td>Christmas Holiday</td><td>Wednesday</td><td>Dec</td><td>24</td></tr> <tr><td></td><td>Thursday</td><td>Dec</td><td>25</td></tr> <tr><td></td><td>Friday</td><td>Dec</td><td>26</td></tr> <tr><td></td><td>Monday</td><td>Dec</td><td>29</td></tr> <tr><td></td><td>Tuesday</td><td>Dec</td><td>30</td></tr> <tr><td></td><td>Wednesday</td><td>Dec</td><td>31</td></tr> </tbody> </table> <p style="margin-left: 20px;"><u>Total Holiday Hours</u> <u>88</u></p> <p style="margin-left: 20px;"><u>2015</u></p> <table border="1" style="margin-left: 20px; width: 100%;"> <tbody> <tr><td>New Year's</td><td>Thursday</td><td>Jan</td><td>01</td></tr> <tr><td>MLK Day</td><td></td><td></td><td></td></tr> <tr><td>Memorial Day</td><td>Monday</td><td>May</td><td>25</td></tr> <tr><td>Independence Day</td><td>Monday</td><td>July</td><td>06</td></tr> <tr><td>Labor Day</td><td>Monday</td><td>Sept</td><td>07</td></tr> <tr><td>Thanksgiving</td><td>Thursday</td><td>Nov</td><td>26</td></tr> <tr><td></td><td>Friday</td><td>Nov</td><td>27</td></tr> </tbody> </table>	Memorial Day	Monday	May	26	Independence Day	Friday	July	04	Labor Day	Monday	Sept	01	Thanksgiving	Thursday	Nov	27		Friday	Nov	28	Christmas Holiday	Wednesday	Dec	24		Thursday	Dec	25		Friday	Dec	26		Monday	Dec	29		Tuesday	Dec	30		Wednesday	Dec	31	New Year's	Thursday	Jan	01	MLK Day				Memorial Day	Monday	May	25	Independence Day	Monday	July	06	Labor Day	Monday	Sept	07	Thanksgiving	Thursday	Nov	26		Friday	Nov	27
Memorial Day	Monday	May	26																																																																						
Independence Day	Friday	July	04																																																																						
Labor Day	Monday	Sept	01																																																																						
Thanksgiving	Thursday	Nov	27																																																																						
	Friday	Nov	28																																																																						
Christmas Holiday	Wednesday	Dec	24																																																																						
	Thursday	Dec	25																																																																						
	Friday	Dec	26																																																																						
	Monday	Dec	29																																																																						
	Tuesday	Dec	30																																																																						
	Wednesday	Dec	31																																																																						
New Year's	Thursday	Jan	01																																																																						
MLK Day																																																																									
Memorial Day	Monday	May	25																																																																						
Independence Day	Monday	July	06																																																																						
Labor Day	Monday	Sept	07																																																																						
Thanksgiving	Thursday	Nov	26																																																																						
	Friday	Nov	27																																																																						

COORDINATED ECONOMIC PROPOSALS

	Christmas Holiday	Wednesday	Dec	23	
		Thursday	Dec	24	
		Friday	Dec	25	
		Monday	Dec	28	
		Tuesday	Dec	29	
		Wednesday	Dec	30	
		Thursday	Dec	31	
	Total Holiday Hours				104
	2016				
	New Year	Friday	Jan	01	
	MLK Day				
	Memorial Day	Monday	May	30	
	Independence Day	Monday	July	04	
	Labor Day	Monday	Sept	05	
	Thanksgiving	Thursday	Nov	24	
		Friday	Nov	25	
	Christmas Holiday	Friday	Dec	23	
		Monday	Dec	26	
		Tuesday	Dec	27	
		Wednesday	Dec	28	
		Thursday	Dec	29	
		Friday	Dec	30	
	Total Holiday Hours				96
2017					
New Year	Monday	Jan	02		
<i>Memorial Day</i>	<i>Monday</i>	<i>May</i>	<i>29</i>		
<i>Independence Day</i>	<i>Monday</i>	<i>July</i>	<i>03</i>		
<i>Independence</i>	<i>Tuesday</i>	<i>July</i>	<i>04</i>		
<i>Labor Day</i>	<i>Monday</i>	<i>Sept</i>	<i>04</i>		
<i>Thanksgiving Day</i>	<i>Thursday</i>	<i>Nov</i>	<i>23</i>		
<i>Day After Thanksgiving Day</i>	<i>Friday</i>	<i>Nov</i>	<i>24</i>		
<i>Christmas Holiday</i>	<i>Friday</i>	<i>Dec</i>	<i>22</i>		
<i>Christmas Holiday</i>	<i>Monday</i>	<i>Dec</i>	<i>25</i>		
<i>Christmas Holiday</i>	<i>Tuesday</i>	<i>Dec</i>	<i>26</i>		
<i>Christmas Holiday</i>	<i>Wednesday</i>	<i>Dec</i>	<i>27</i>		
<i>Christmas Holiday</i>	<i>Thursday</i>	<i>Dec</i>	<i>28</i>		
<i>Christmas Holiday</i>	<i>Friday</i>	<i>Dec</i>	<i>29</i>		
Total Holiday Hours				104	
2018					
<i>New Year's</i>	<i>Monday</i>	<i>Jan</i>	<i>01</i>		
Article VI (New Section)	<ul style="list-style-type: none"> Bereavement Leave – 3 days <i>unpaid</i> for immediate family. Same definition for immediate family (Parent/Spouse/SameSexPartner/Lockheed Registered 				

COORDINATED ECONOMIC PROPOSALS

	Dependents).
<u>(4) Medical & Healthcare Coverage</u>	<ul style="list-style-type: none"> • Maintain all current medical providers. Add Site specific HMO choices. • <i>Maintain current percentages for employees share of the medical premiums.</i> • Maintain current calendar year deductibles & out of pocket maximums. In addition to Lockheed Martin healthy actions contributions the company will contribute to the employee's Health Fund \$500.00 for employee; \$1,000.00 for employee+1; \$1,500.00 for employee+2 or more upon ratification and each year on January 1 for the duration of the agreement. • MERMP lifetime max increase to \$35,000; single \$360, family \$720 for all retirees, current and future. Maintain existing minimum retiree contribution. • Medicare supplement company contribution to be raised to \$360 and \$720 for all retirees current and future. Maintain existing minimum retiree contribution. • Short Term Disability - \$375.00 per week benefit up to 27 weeks unless provided by State SDI. • Life and AD&D – Increase to \$40,000.00
Retirement Benefits	<ul style="list-style-type: none"> • Early Retiree Medical Coverage – Increase company contribution to \$6100.00 annually for single coverage and \$12,200.00 for family coverage. • After declining or cancelling coverage, you will be able to re-enroll during an annual enrollment period. You may be able to re- enroll if a qualified status change or special enrollment rule applies – subject to all plan eligibility and enrollment requirements. To do so, you must contact the Lockheed Martin Employee Service Center.
Article VII Section 1	<ul style="list-style-type: none"> • ARP's schedule to increase to \$0.50 every three (3) months to max rate.
Page 92, Article VII, Section 14, Sub-section F See New language	<p style="text-align: center;">FIELD DUTY</p> <ul style="list-style-type: none"> • An employee assigned to field duty shall receive a per diem for meals and incidental expenses at the rate approved by the U.S. Government. Lodging and air transportation shall be reimbursed for necessary, actual and reasonable business expenses while on field duty assignment. The company reserves the right to amend, modify, or otherwise

COORDINATED ECONOMIC PROPOSALS

	<p><i>change the provision of this section if the U.S. government policy changes.</i></p>
<p><u>(5) General Wage Increases</u> Article VIII and Article VIII</p>	<ul style="list-style-type: none"> • <i>Effective 3/8/14, 4% GWI; Effective 3/7/15, 4% GWI; Effective 3/5/16, 4% GWI; Effective 3/4/17, 5% GWI for all sites.</i> • All GWI's are to be applied to the minimums and maximums of labor grades and in grade positions of all employees. • Increase the annual COLA supplements to <i>\$1,000.00</i>.
<p>Page 16, Article I, Section 17, Machinists Non-Partisan League</p>	<ul style="list-style-type: none"> • The Company will deduct from the employee's wages and turn over to the Treasurer of the Machinists Non-Partisan Political League (MNPL) contributions by any employee, who desires to make such contributions to said MNPL and who individually and voluntarily authorizes the Company in writing, on an authorization form mutually agreed to between the Company and the Union, to make such deductions. All funds so deducted shall be forwarded monthly to the Treasurer of the MNPL as soon as reasonably possible after the end of each month in which deductions are made, accompanied by a record stating the name of employee, social security number, and amount contributed and so deducted, <ol style="list-style-type: none"> (1) Such deductions shall be made in accordance with instructions on said authorization cards which have been delivered by the Union to the Payroll Department of the Company. (2) Such deductions shall be made each week from the employee's pay check for that week while an employee, as defined in Article I, Section I, of said Agreement. This section 17 shall be terminated in the event cognizant administrative authority determines that the cost of implementing the withholding procedure for the MNPL program must be borne by the Union unless the Union agrees to bear such cost.

COORDINATED ECONOMIC PROPOSALS

Article III, Section 4

- Article I Section 2 -Contract Termination date *3/4/18*
- Period of agreement December 1, *2017* through midnight December 31, *2017*.

PROPOSALS TO AMEND SUMMARY PLAN DESCRIPTIONS

Modify paragraph on page 16

After declining or cancelling coverage, you will ~~not~~ be able to ~~re~~-enroll during an annual enrollment period. You may be able to ~~re~~-enroll if a qualified status change or special enrollment rule applies – subject to all plan eligibility and enrollment requirements. To do so, you must contact the Lockheed Martin Employee Service Center.

Employee Privileges

Article VI Section 1 (Vacations)
Change six consecutive months to 36 months

Supplement F, New Letter, Acquisition of New Business

The Company and Union recognize that in order for Lockheed Martin to complete as a world class aircraft manufacturer, the Site must strategically leverage existing resources while eliminating inefficiencies which may exist in the current Site structure. Additionally, in order to sustain Site competitiveness and attract potential future investment opportunities for ensuring business viability and continuity, the parties are committed to joint collaboration in new business ventures.

In order to facilitate this joint collaboration, upon mutual agreement, the parties *may mutually* agree to enter into “position to win” discussions when a new business venture is identified by the Company. These discussions could include wage and benefit economic targets and operational modifications that would need to be achieved in order to submit to a proposal for new business. The parties *may mutually* agree to open the collective bargaining agreement subject to a new program award for the purpose of integrating the new program work into the existing contractual provisions of the CBA, provided the membership votes and ratifies any modified operational agreements previously agreed to and to enact the agreed upon wage and benefit agreements achieved in the position to win discussions.