

# **Summary of 4-Year Contract Between** IAM Districts 751 and W24 & The Boeing Company

# UNION RECOMMENDS ACCEPTANCE

# YOUR NEGOTIATING TEAM RECOMMENDS: ACCEPT

It's been 16 years that our Members have waited for the opportunity to bargain the full contract at expiration. On March 8, 2024, IAM District 751 and W24 passed a comprehensive proposal to the company, and our journey officially began. Today, we offer a summary and a recommendation of the proposed agreement.

This contract proposal represents never before seen improvements in wages, job security, retirement, health care, overtime language, progression, and quality and safety. The proposal summarized on these pages represents a snapshot of the priorities of our Members. It represents the principles of what our Union Brothers and Sisters were willing to fight for, now and in the future.

We are the lifeblood of this company. Never forget that there is no Boeing without the IAM. We unanimously recommend you vote to accept this proposal. If approved, the proposed four-year contract would be in effect upon ratification through September 7, 2028. Highlights of the offer include:

### WAGE INCREASES

- General wage increases of 25% over the life of the contract
- Increased minimum rates by 22.7% to 42.3%, depending on labor grade
- Multiple dassifications will be bumped up to higher labor grades

### JOB SECURITY

- We secured the next commercial airplane program here in the Puget Sound and Portland
- Continuing a firm commitment of the 737MAX, 767 Tanker, and the 777X
- Maintaining LOU2 Facilities Maintenance Headcount

#### RETIREMENT

- Added the Machinists Retirement Savings Plan (MRSP) with \$2.00 per hour paid, per member, up to 80 hours per pay period, for an annual contribution of \$4160 on 2080 hours
- Maintained the 401(k) match (75% up to 8%) and the SCRC company contribution of 4%
- Added a post 65 Medicare Advantage Plan

- Reduced mandatory OT allowing members more freedom on the weekdays and weekends WORK-LIFE BALANCE
  - Negotiated a floating holiday for members to use at their discretion
  - · Added paid parental leave

### PROGRESSION

- Only one set of progession steps in a career
- Prior steps already achieved will be combined

 Union members and Union leaders gained a voice in the safety and quality of the production system QUALITY AND SAFETY

# HEALTH CARE AND INSURANCE

- Lowered the health care cost share cap for all medical plans to 15%
- Added new long-term disability plan and increased benefits for our short-term disability plan
- Negotiatied new Primary Care+ program which offers members many health care services, free of charge

# RATIFICATION BONUS:

This is a summary of the key points of the proposed contract with more details on the following pages and a letter from negotiators. Additional information will be available online at www.iam751.org or Ourfutureourfight2024.com.



Brothers and Sisters.

After 16 years, we finally got back to the bargaining table to fight for what you deserve and bargain the full agreement. In that time, the world has changed, and so have we. You sent us here to stand strong for your priorities, and we are proud to have done so. The marches, the solidarity, the strength you've shown on the floor have fueled us every step of the way.

This contract isn't just words on paper; it's a testament to your collective voice. Every demand, every priority that we brought to the table, carried the weight of your strength. The company knew we were only the conduit for your priorities.

Negotiations are a give and take, and although there was no way to achieve success on every single item, we can honestly say that this proposal is the best contract we've negotiated in our history.

This offer includes substantial raises, including 25% GWIs over the life of the agreement, job security, and a future for us all. We secured the next commercial airplane program if launched during the life of the agreement, for our members in Puget Sound and Portland. Healthcare cost share is lowered, and retirement security is enhanced by adding an additional employer paid benefit. Members will now have only one set of progression steps in a career, and vacation will be available for use as you earn it. We were able to secure upgrades for certain job codes and improved overtime limits, and we now have a seat at the table regarding the safety and quality of the production system.

Financially, the company finds itself in a tough position due to many self-inflicted missteps. It is IAM members who will bring this company back on track. As has been said many times, there is no Boeing without the IAM. Ultimately, we love this company and couldn't be more proud of the jobs we do or the products we build. What we do defines who we are - these crafts are our livelihoods. When a plane leaves the factory, it's our reputation on the line. This proposal helps keep our legacy alive.

That is why your Union Bargaining Committee is recommending accepting this proposal.

We heard our members loud and clear in every email, rally, and conversation. Members stood tall with confidence. Finally, in a position of great leverage, we used every ounce of power we could to go after everything you said was important. We did not get everything we wanted, but you all can be proud of your Strength, Solidarity, and Unity because you have achieved the best contract we have ever had. An agreement that sets the bar for everyone else in the industry to strive for. We know that you all were ready to strike - ready to sacrifice for each other. We are so proud of you. Thank you for sending the message that we needed to give us the leverage to achieve this win.

Take these next few days and look over every change in this proposal prior to your vote on September 12th. Whatever you decide, know that your Union stands with you. We are prepared to fight if needed, but we believe this proposal will benefit all our Members and Our Future.

This vote is now in your hands, as it should be

In Unity, Your Union Negotiating Team

Jon Holden IAM District 751 President/DBR Brandon Bryant W24 President/DBR

		ECONOMICS			
General Wage Increases (GWI) of 25% over 4 years	September 13, 2024 11%	September 12, 2025 4%	September 11, 2026 4%	September 10, 2027 6%	
Ratification Bonus	\$3,000 for members (see langage below) payable within 30 days of ratification.				
Cost-of-Living (COLA) Adjustment	Continue current quar base wages.	terly COLA formula for	life of the contract with	annual fold-in to	

Members will receive four General Wage Increases over the life of the contract as follows:

- Effective 2025 11%
   Effective 2027 4%
- Effective 2026 4% Effective 2028 - 6%

### Ratification Bonus

The Company agrees to pay a ratification bonus of \$3,000 to employees who are covered by the Collective Bargaining Agreement and on (a) the active payroll on the effective date of this Agreement (including a leave of absence 90 days or less) or (b) approved military leave of absence pursuant to Section 6.6(b) of the CBA on the effective date of this extension, even if such military leave of absence is longer than 90 days. Bonus to be paid within 30 days of ratification

# Cost-of-Living Adjustment (COLA)

The quarterly cost-of-living adjustments (COLA) formula remains unchanged with the quarterly adjustments for life of the extension. Accumulated COLA will be rolled into base rates each September.

# Shift Differential Improvements -Article 6

- Second shift differential increases from \$0.75 to \$1.25 per hour.
- Third shift differential increases from \$0.10 to \$0.30 per hour.

### Duration - Article 24

Four-year agreement that takes effect on September 7, 2024 and shall remain in full force and effect until midnight at the close of September 7, 2028.

# Minimum/Maximum Increases

New Wage Card						
Effective September 13, 2024						
Labor Grade	Minimum Rate	Maximum Rate				
11	\$37.00	\$57.43				
10	\$35.00	\$55.97				
9	\$33.00	\$54.67				
8	\$31.00	\$53.28				
7	\$27.00	\$51.85				
6	\$26.00	\$50.48				
5	\$25.00	\$49.04				
4	\$24.00	\$47.72				
3	\$23.00	\$46.39				
2	\$22.00	\$44.98				
1	\$21.00	\$43.58				
A	\$20.00	\$26.32				
COLA adjustments will now also apply to minimum rates						

Minimum rates will increase by 22.7% to 42.3% depending on the labor grade and COLAs will be applied.

Including the increases to the minimum rates, and adding in step progression, the entire unit will see roughly a 31.7% increase over the life of the agreement.

### CLASSIFICATIONS IMPROVEMENTS

# Upgraded Jobs Aviation Maintenance Technician - New MOA

Job codes 97109, 92309, and C2709 moving to labor grade 10.

# Upgraded Job Plumber Maintenance - New MOA

Job code 81108 Plumber will move to labor grade 9.

#### HVAC - New MOA

Job code 69209 is rewritten to more accurately reflect the statement of work and is being upgraded to a labor grade 10.

# Staffing for Materials Coordinator - New MOA

New job code for 63005 for Materials Coordinator.

### New Job for Strategic Support Rework Mechanic - New MOA

Job code 33606 Strategic Support Rework Mechanic, new grade 6 Job Description for the SST group. This will result in many upgrades.

### New Job for Helper Manufacturing A - New MOA

New in-line grade 3 job code for C3203 for the C3201 Manufacturing Helper to upgrade those performing higher graded duties.

### Occupational Health Nurse Rate Structure Revision - New LOU

Wages increases for the nurses holding job code 06711 above the grade 11 max rate to meet industry standards.

# AOG Assignments - LOU 8

- Moved AOG premium from \$2.00 to \$3.00 per hour.
- Achieved lead pay of \$2.00 per hour at home location or on travel assignment. Secured pay for hours from place of residence to final destination, from report to transportation to arrival back at the lodging location, and from lodging location back to place of residence.
- · Report to work after travel moved from 12-hours to 16-hours.
- 92309 AOG job moved to 92310

# **New Pay Additives**

- Security Clearance Pay Additives will be \$2.00 per hour for Secret, \$3.00 for Top Secret/Program Clearance/Yankee
   White, and \$4.00 for SSBI/SCI/Polygraph/Special Access
- Prime Power Pay additive will be \$0.75 per hour
- Tankline Pay Additive will be \$0.75 per hour



# **JOB SECURITY**

### Future Work Placement - LOU 45

Secured the next commercial airplane program here in the Puget Sound and Portland

- If the company launches a new commercial airplane program during the agreement, the company commits to build the new airplane model here.
- All final assembly, wing fabrication and assembly, major components, fabrication, and delivery operations will be IAM work.

# Flightlines - New MOA

Solidifies and protects the Flightline statement of work from labor grade erosion.

# Additive Manufacturing - New MOA

Created opportunity to study the additive manufacturing statement of work to determine proper job classification.

### Al Systems - New LOU

Secures that the company will provide the Union plans to introduce AI, technology briefings, training, and that AI won't be used as justification for revision of grade level.

 No one will be laid off or downgraded as a result of AI implementation in the production and maintenance environment.

# Material Delivery and Inventory Process - LOU 37

Eliminated any chance that additional MMO work could be outsourced to a third-party logistics company.

### Work Placement - LOU 42

Maintained current protections of the 737MAX models in Renton in the Puget Sound and Portland.

- The Company is also planning and preparing to produce the 737MAX on an additional production line in Everett.
- Retained current subcontracting offloading language protections.

# 777X Work Placement - LOU 43

Retained 777x work placement in Everett.

# Facilities Maintenance Subcontracting

- LOU 2

Added requirement to maintain the current facilities maintenance headcount.

- Protected facilities maintenance work that is not already a type and character from being subcontracted or outsourced.
- Protected equipment services work from being subcontracted or outsourced.

### **WORK-LIFE BALANCE**

# Floater Holiday - Article 7

A floating holiday added every January 1, that can be used any day of the year with five-day approval from management.

### Vacation Accrual - Article 8

Every member will be able to use their vacation as they accrue it, and not have to wait until their annivsersary date to have some time off. Carry over vacation remains the same. Therefore, newly hired employees will have vacation to use in their first year.

### Paid Parental Leave - New LOU

The company will provide a Paid Parental Leave benefit starting on January 1, 2025 of up to 12 weeks for births, adoptions, surrogacy, or foster placements.

 Eligibility, use, and other terms and conditions will be governed by PRO-6929 and the Leaves of Absence Policy Handbook.

# **HEALTH/DENTAL/VISION**

### Lowered Health Care Costs

- Beginning January 1, 2025, the health care cost share cap for medical plans is reduced from 16% to 15%.
- This will lower the cost of coverage by roughly 9.3% in 2025 across all health care plans and tiers.

# New Health Care Plan Costs

Plan and Coverage Tiers	Current Monthly Contribution (16% Cost Share Cap)	January 1, 2025 Monthly Contribution (15% Cost Share Cap)
Traditional Medical Plan		1000
Employee Only	\$51.32	\$46.53
Employee + Spouse	\$102.64	\$93.06
Employee + Child(ren)	\$102.64	\$93.06
Employee + Spouse + Child(ren)	\$153.96	\$139.59
Selections WA		
Employee Only	\$89.82	\$81.44
Employee + Spouse	\$179.64	\$162.88
Employee + Child(ren)	\$179.64	\$162.88
Employee + Spouse + Child(ren)	\$269.46	\$244.32
Selections Plus OR	· ·	
Employee Only	\$89.82	\$81.44
Employee + Spouse	\$179.64	\$162.88
Employee + Child(ren)	\$179.64	\$162.88
Employee + Spouse + Child(ren)	\$269.46	\$244.32
Kaiser WA		
Employee Only	\$89.82	\$81.44
Employee + Spouse	\$179.64	\$162.88
Employee + Child(ren)	\$179.64	\$162.88
Employee + Spouse + Child(ren)	\$269.46	\$244.32
Kaiser OR		
Employee Only	\$51.32	\$46.53
Employee + Spouse	\$102.64	\$93.06
Employee + Child(ren)	\$102.64	\$93.06
Employee + Spouse + Child(ren)	\$153.96	\$139.59
Kaiser CA	700.00000	
Employee Only	\$51.32	\$46.53
Employee + Spouse	\$102.64	\$93.06
Employee + Child(ren)	\$102.64	\$93.06
Employee + Spouse + Child(ren)	\$153.96	\$139.59

### **Health Plans**

- Increased life insurance benefit from \$32,000 to \$50,000.
- Added dental implant benefit that was in LOU 44 to Attachment A. This allows all of our Members to have access to this coverage. The surgical procedure will not be subject to the dental out-of-pocket maximum.
- Reduced annual prescription drug out-of-pocket maximum. Effective January 1, 2025, the maximum will be \$6,800 per individual (reduced from \$7,050); and \$12,700 per family of two or more (reduced from \$13,200). Effective January 1, 2026, the cost will drop even more – to \$4,000 per individual and \$8,000 per family of two or more.

# Company Couples

 If both you and your spouse work for Boeing, for the first time, you'll be able to cover one under the other's medical plan, rather than having to maintain separate coverage. An active employee may also cover a spouse who has retired from Boeing.

# Primary Care+ Program - New LOU

- Negotiated agreement to provide free health care services for eligible Members enrolled in Traditional, Selections, or Selections Plus health care plans through the new Primary Care+ program, with currently eight locations in the Puget Sound and one in Portland.
- The following services will be provided at zero cost to Members (services vary by location): Primary Care, Preventive Care, Mental Health, Health Coaching, Physical Therapy, in-clinic labs and blood draws, and Chiropractic Services.
- Find out more by visiting <a href="https://verawholehealth.com">https://crossoverhealth.com</a>.

# Employees with Injuries or Illnesses - Article 16.10(d)

Protects a member from infractions who while at work must leave to seek medical attention.



### OVERTIME

# Section 6.10(b) of CBA - LOU 16

Strengthened overtimes rules.

- Language secured in PSAR Agreement codified in the contract
- Members can work three consecutive weekends before management can exclude them.
- Members can work 160 overtime hours in a budget quarter before management can exclude them.
- Members can't be designated for weekend overtime when they have previously scheduled vacation, bereavement leave, or military leave on a Monday following the weekend.
- For weekend overtime, members can not be required to begin earlier than their normal shift start time.

### Overtime - LOU 11

- Employees can not be forced to work two consecutive weekends whether designated or voluntary.
- Quarterly limit for overtime reduced to 112 hours in any budget quarter (PSAR).
- Members can't be required to work more than two overtime hours on weekdays.

### Overtime - LOU 16

- The company will provide notification of designated weekend overtime no later than the first rest break on Thursday.
- The company will provide notification of designated weekday overtime no later than the first rest break for post shift overtime.
- The company will provide notification of designated weekday overtime no later than the last rest break for overtime to be worked the following day.

### PROGRESSION

### Negotiated one set of progressions in a career

- · 1500 members will ZOOM to max on day one.
- Nearly 2,000 members will combine steps earned in lower labor grades, bringing them closer to max pay.
- Members no longer need to hold back from upgrades waiting for their sixth year. Members can do it at any time and not lose any progression steps.

### RETIREMENT SECURITY

# Machinists Retirement Savings Plan (MRSP) - LOU 48

Employees will have a new defined contribution retirement plan.

- Employees will have a new retirement plan, the Machinists Retirement Savings Plan (MRSP), with company contributions.
- Effective the first pay period beginning on or after January 1, 2025, the company will contribute \$2.00 per hour, per Member, up to 80 hours per pay period, for an annual contribution of \$4,160 per year on 2,080 hours).
- The company will contribute on your behalf throughout the life of the agreement.
- https://www.machinistsrsp.com

# Boeing 401(k) Plan - Article 9

- Maintained the Special Company Retirement Contribution (SCRC) at 4% of eligible pay.
- Maintained the company matching contribution of 75% up to 8% of employee contributions.

# **GRIEVANCE AND ARBITRATION**

# Grievance Procedure and Arbitration - Article 19

Created new Arbitration Panel Selection System from a permanent panel to an individualized panel for each case.

- This change allows the Arbitrator to be a more independent arbitrator for the process.
- New method will ensure a new panel of seven arbitrators to select from each time.

Secured suspension pending language ensuring anyone suspended pending an investigation is paid for all regular hours while suspended, unless suspended pending an investigation for threat of violence, actual violence, or sabotage, in which case they will not miss more than two weeks pay while suspended. If not disciplined the employee will be paid regular pay for all time suspended.

### Retirement Plan - Article 10

The Boeing Company Employee Retirement Plan (BCERP) remains frozen.

- A Lump Sum Payment Option will be available effective January 1, 2025, allowing employees the option to elect to receive their entire BCERP benefit in the form of a voluntary lump sum.
- This decision may not be right for everyone. The Union encourages you to meet with a financial planner before making this very important decision.

# Annuity Option - New LOU

Effective January I, 2025, the company will pay the 1% fee charged by the third-party annuity provider for bargaining unit members retiring under the term of this Agreement to annuitize assets from their Boeing 401(k) Plan.

 You can annuitize up to 50% of your Boeing 401(k) account through the annuity provider, which is Hueler Income.

### Retiree Medical

- Preserved current retiree medical benefits for our members. We continue to be one of the last groups at Boeing to maintain this benefit.
- Beginning January 1, 2026, employees retiring under this agreement will have the option to join the Medicare plan available to eligible retirees in the Puget Sound region. The current plan is the Aetna Medicare Advantage ESA/PPO.

# BEREAVEMENT LEAVE

# Additional Family Members Added to Bereavement Leave

Aunts, uncles, brothers-in-laws, and sisters-in-law.



# **SAFETY AND QUALITY**

# Joint Union/Boeing Council and Employee Representation on the Board of Directors - LOU 40

Expands the Unions engagement at all levels of the company including the following:

- Board of Directors Aerospace Safety Engagement
- Opportunity for the DBR's to meet annually with the Board of Directors Aerospace Safety Standing Committee Chair to discuss safety related issues

#### Senior Executive Labor-Management Committee

 Meet Semiannually with Boeing Leadership (CEO, BCA CEO, VP Product Development, VP Airplane Programs, VP Mfg and Safety, VP Quality, VP Gov Operations, VP Labor Relations

#### Joint Council

 Meet monthly to discuss QMS Advisory board, Inspection Management Board, Production Rates, Training, Quality, Safety, Productivity, Schedule and Cost, Product Development and many other issues impacting the membership

### WORKFORCE

### Workforce Administration - Article 22

Strengthened workforce language

- When filling a job opening, the company will first select employees identified through the Category E location change ERT System.
- Members promoted to temporary supervisor positions will not issue or participate in any meeting where corrective action is taking place.
- For temporary layoffs of not more than 14 calendar days, the company will first seek volunteers.
- The company shall first exhaust eligible Category E location change ERTs prior to making a lateral transfer.
- Following any company directed location change, (or lateral reclassifications) employees are considered immediately releasable for Category C or Category E ERTs.
- Members newly hired on or after September 13, 2024, will be considered releasable for ERT after being in their position for 18 months. Once this initial 18-month period has passed, they are considered releaseable after 12 months.

# Change to Article 8.4(c)(1) - New LOU

Members must call in to report an absence prior to their shift start time.

# Seniority - Article 14

Members newly hired on or after September 13, 2024 will be on probation for 60 calendar days, which can be extended up to another 30 calendar days, with notification and Union concurrence.

Members promoted to management on or after September 13, 2024 may continue to accumulate up to 3 years (reduced from 5) of seniority.

### Team Leader - LOU 36

- Team leaders are not allowed to take attendance other than for purposes of making detailed work allocations.
- Repetitive temporary team leader assignments shall not be used to fill a permanent opening.

# **JOINT PROGRAMS**

### Health and Safety - Article 16

Safety Shoe Reimbursement improvement

 Annual reimbursement for safety shoes increased to \$150.00, up from \$75.00.

#### SHEAR process improvements

- Any SHEAR not resolved in 30 days will have required Health and Safety Institute Site Committee assistance until closure.
- Agreement to promote the SHEAR process to IAM members, their managers, and union leadership.
- Any SHEAR not resolved in 180 days will be elevated for help needed.
- Added contractual requirement: SHEAR will only be closed by the initiator, or by HSI Site Admin agreement.
- IAM/Boeing Joint Programs will maintain and make available SHEAR training.

#### Safety Focal improvements

- New requirement for all organizations to have a safety focal program and allow time to perform their assigned duties.
- Safety focals shall be provided relevant foundational and area specific training.

# Apprenticeship - Article 17/New LOU/ (AEDs) - New MOA New MOA Joint Programs will engage with

Apprenticeship Program improvements

- New requirement for a minimum of 125 apprentices by the end of 2025
- All starting rates for apprenticeships will start at over \$39.00 an hour.

#### New apprentices will keep their current level of pay or the entry level apprenticeship pay, whichever is greater.

Jobs in Labor Grade 6 and 7 will be evaluated for potential addition into the apprenticeship program.

# Expenditure of Funds Article 16 and Article 20 - LOU 18

Increased contractual funding for Joint Programs.

Clearly defined list of services provided by Vocational Rehabilitation Counselors.

### Education Assistance - LOU 25

Maintained both the Joint Programs Education Assistance and Learning Together Programs.

# ERT Steering Committee Job Review

### New MOA

Requirement to review IAM jobs for potential placement into the ERT system.

# Automated External Defibrillators (AEDs) – New MOA

Joint Programs will engage with Boeing Security/Fire and other local organizations to:

- Explore where AEDs can enhance our safe work environment.
- Study issues including locations for AEDs, maintenance of equipment, and a required audit process.

### MACHINISTS INSTITUTE

### Machinists Institute - LOU 49

Newly established partnering on training pilot program with services provided by Machinist Institute.

- This training may include ERT courses, safety training courses, mentoring, peer-to-peer training, and apprenticeship-related supplemental instruction.
- It also may be accomplished through training creation, curriculum development, videos, delivery instruction, and proctoring.

Quarterly meetings will be held between the Company, Union, Machinist Institute Leaders, and Joint Programs Executive Directors to review the needs, scope, and potential work placement of the Machinists Institute.

The company will continue the mentoring program focused on training and knowledge transfer.

Mentors will be employed by the Machinists Institute and utilized to support production, quality, and fabrication organizations.

Voting Location for W24 Members, 2379 NE 178th Ave #16, Portland, OR 97230

September 12, 2024, 6:30 AM to 5 PM

