



# Summary of Last, Best and Final Offer from Cadence Aerospace/Giddens Operations to IAM District 751

## Your vote is your voice!

Your negotiating team has worked for months pushing to get Cadence to address your issues. It has been a slow process, but substantial progress has been made. On Feb. 2, the Company presented its Last, Best and Final offer to present to the membership for a vote; a tentative agreement was **NOT REACHED**.

This offer does make some improvements in pay and paid time off, and provides for a lump sum payment. **For those reasons, we recommend that our members vote to ACCEPT** and as always, we recommend members vote to authorize a STRIKE to ensure the committee has options should a majority of members reject the offer.

Highlights of the offer include the following:

### WAGE INCREASES AND COMPENSATION

- Minimum rates for Bracket Cell increased to \$12.50; Deburr increased to \$12.50; Inspector increased to \$16.00 and Receiving Clerk increased to \$13.00
- **Upon ratification, each employee with more than 1 year gets \$.75/hr increase to base rate of pay.**
- **Upon ratification, employees with less than 1 year will receive \$.35/hr increase to their base rate of pay. (See inside for important information about this pay increase!)**
- 2.5% increase on the first anniversary of ratification (2/5/17 if ratified on 2/5/16)
- 2.5% increase on the second anniversary of ratification (2/5/18 if ratified on 2/5/16)
- 2nd Shift differential locked in at \$.75/hr
- 3rd shift differential is \$1.00/hr if the Company ever implements this shift
- Cell Coordinator differential increased to \$.85/hr
- Anyone assigned to the Lead position after date of ratification will receive a \$1.50/hr differential. (See inside for more important information regarding Lead differential.)

### LUMP SUM PAYMENT

- A one-time lump sum bonus of \$425 within 30 days of ratification.

### PTO

Accrual bands increased up to 200 hours (See inside for more information.)

### 401(k)

- Retroactive match of your 401(k) contributions to January 4, 2016 within 30 days of ratification.

### MEDICAL COVERAGE

- Monthly member premium share for all classifications capped for life of CBA.

### GRIEVANCE & ARBITRATION PROCEDURES

- No longer an “at will” employee. Management must show just cause for any disciplinary action. Grievance and arbitration procedure gives employees a fair and equitable system to resolve disputes.

Remember, only members of the IAM get to vote; non-members and Union Representatives don't vote on your contract. Only members get this opportunity. If you have not filled out a membership application, contact one of your negotiating committee members and ask for one. We will also have them available at the contract vote at the Everett IAM Union Hall on Friday, February 5, 2016 starting at 5:00 am.

Your negotiating committee, working on your behalf, feels this is the best package which could be negotiated **short of a strike**. It shows improvements in many areas identified by you, our members. Study the proposal and discuss it with your family prior to the vote. While the negotiating committee makes a recommendation, ultimately **it is up to each member to decide** if the proposal adequately addresses the issues of the group. We will continue working on your behalf and welcome your input and feedback throughout the life of the Agreement.

Thanks again for your support,  
IAM Negotiating Team

View a copy of the complete contract language  
at [www.voteyesiam.com/cadence](http://www.voteyesiam.com/cadence)

**This is your Union, and it works best when we are all involved!**

# Economic Issues

## Wage Increases And Compensation:

- Minimum rates for Bracket Cell increased to \$12.50; Deburr increased to \$12.50; Inspector increased to \$16.00 and Receiving Clerk increased to \$13.00
- Upon ratification, each employee with more than 1 year gets \$.75/hr increase to base rate of pay.
- Upon ratification, employees with less than 1 year will receive \$.35/hr increase to their base rate of pay. See examples below

Rate	Hire Date	Ratification Wage Increase	Wage w/Ratification Increase	Additional Wage Increase to New Minimum	New wage after ratification
\$12.00	02/16/2015	\$0.35	\$12.35	\$0.15	\$12.50
\$12.00	10/19/2015	\$0.35	\$12.35	\$0.15	\$12.50
\$12.00	07/06/2015	\$0.35	\$12.35	\$0.15	\$12.50
\$12.00	03/30/2015	\$0.35	\$12.35	\$0.15	\$12.50
\$12.00	08/31/2015	\$0.35	\$12.35	\$0.15	\$12.50
\$12.00	07/20/2015	\$0.35	\$12.35	\$0.15	\$12.50
\$12.00	02/09/2015	\$0.35	\$12.35	\$0.15	\$12.50
\$12.00	07/13/2015	\$0.35	\$12.35	\$0.15	\$12.50
\$12.30	05/22/2013	\$0.75	\$13.05		\$13.05
\$12.00	10/20/2014	\$0.75	\$12.75		\$12.75
\$12.00	06/01/2015	\$0.35	\$12.35	\$0.15	\$12.50
\$12.00	04/08/2014	\$0.75	\$12.75		\$12.75
\$12.00	05/05/2014	\$0.75	\$12.75		\$12.75
\$12.00	04/27/2015	\$0.35	\$12.35	\$0.15	\$12.50
\$12.00	09/22/2014	\$0.75	\$12.75		\$12.75
\$12.00	10/26/2015	\$0.35	\$12.35		\$12.35
\$12.00	10/26/2015	\$0.35	\$12.35		\$12.35

- 2.5% increase on the first anniversary of ratification (2/5/17 if ratified on 2/5/16)
- 2.5% increase on the second anniversary of ratification (2/5/18 if ratified on 2/5/16)
- 2nd Shift differential locked in at \$.75/hr
- 3rd Shift differential is \$1.00/hr if the Company ever implements this shift
- Cell Coordinator differential increased to \$.85/hr
- Anyone assigned to the Lead position after date of ratification will receive a \$1.50/hr differential. *Your Union tried to get the Company to commit to their current practice of letting anyone who was a Lead PRIOR to ratification keep whatever differential they were being paid since it had already been folded into their base wage. Instead, the Company countered with language that allows them to reduce the Lead's base wage "by no more than \$1.00" if they leave the Lead position and stay in the same department.*

## Economic Issues (cont.)

### **Lump Sum Bonus:**

A one-time lump sum bonus of \$425 within 30 days of ratification.

**Contract language** addressing wages concerning temporary assignments, promotions and demotions.

### **Overtime:**

Overtime shall be paid at 1.5 times the regular rate of pay for every hour worked in excess of 40 hours during a pay week.

*Holiday pay counts towards the computation of overtime.*

Will try to meet overtime needs on a voluntary basis.

Management has to give a 48-hour notice of need to work overtime on scheduled days of rest unless there is an emergent situation or when required to preserve life, material or equipment.

### **Shift Start Times:**

1st shift starts between 4:00 AM and 9:00 AM; 2nd shift starts between 1:30 PM and 6:30 PM; 3rd shift (if Company implements this shift) will start between 10:00 PM and 1:30 AM.

### **Rest Periods:**

Company will comply with all applicable regulations concerning lunch and rest breaks. Employees will receive a minimum of 8 hours' rest before starting their next shift, unless you volunteer for less.

### **Education Assistance:**

You will be included in the Company's Education Assistance program for the life of the Agreement. (see Company handbook for more specifics on this important benefit.)

### **Report Time:**

If you report to work per instructions and are then sent home, you will be compensated for the hours worked or 3 hours at your working rate of pay, *whichever is greater*. (Report time does not apply in case of emergency shutdown arising out of any condition beyond the Company's control (i.e., inclement weather). If you leave work of your own volition, you only get paid for the actual hours worked.

## Economic Issues (cont.)

### Stand-by:

An employee is on “stand-by duty” when the Company schedules and assigns an employee to remain available to respond to any means of communication (i.e., pagers, cell phones, etc.) for consultation purposes or when required to immediately report for duty upon request outside your assigned shift. Employees on stand-by duty will be paid \$2.00/hr for each hour you are required to be on stand-by. If you are on stand-by and are called in to work during your assigned stand-by hours, you will receive a minimum of 2 hours pay at your working rate of pay. (See CBA for more information on this benefit).

### Jury Duty:

After furnishing a copy of your summons to management (before you have to go to court), and you are selected as a juror, you *will be paid* for your time missed at your straight-time base rate of pay for a maximum of 2 weeks (not to exceed your regularly assigned hours of work per day and subject to an 80 hour maximum). You can also keep any juror fees you receive.

### Probationary Period:

Probationary period is 60 days. You were previously “at-will” employees and could be terminated for *any* reason or at any time.

## Upholding the Contract

### Grievance and Arbitration:

Established grievance and arbitration procedure so employees have a fair and equitable system to resolve workplace issues and contract violations. Time limits established on how long the Company can use verbal or written notices.

### Just Cause:

You are no longer an “at will” employee. Management must show just cause for any disciplinary action of any kind.

### Union Stewards:

One Union Steward for each production shift in operation at Plants 1 and 2. For any production shift over 100 employees, one additional Union Steward is allowed.

### Bulletin Boards:

Two Union bulletin boards (one in each Plant) placed in areas conveniently accessible to you.

# Benefits

## Medical:

Company will continue to offer same medical benefit plans that are offered to the Company's unrepresented employees pursuant to Plan documents. **However**, during the life of the Agreement, your share of any premium payment increases **will be limited** to the percentages listed below:

BRONZE PLAN	COMPANY PAID	EMPLOYEE PAID
Employee Only	97.56%	2.44%
Employee and Spouse	96.68%	3.32%
Employee and Child(ren)	97.43%	2.57%
Employee and Family	95.94%	4.06%

SILVER PLAN	COMPANY PAID	EMPLOYEE PAID
Employee Only	93.05%	6.95%
Employee and Spouse	92.00%	8.00%
Employee and Child(ren)	92.20%	7.80%
Employee and Family	87.49%	12.51%

GOLD PLAN	COMPANY PAID	EMPLOYEE PAID
Employee Only	79.98%	20.02%
Employee and Spouse	79.08%	20.92%
Employee and Child(ren)	79.25%	20.75%
Employee and Family	75.20%	24.80%

## Dental and Vision:

During the life of this Agreement, the Company and represented employees will share responsibility for premium payments as listed below:

PLAN	COMPANY PAID	EMPLOYEE PAID
Employee Only	79.69%	20.31%
Employee and Spouse	79.29%	20.71%
Employee and Child(ren)	79.96%	20.04%
Employee and Family	79.12%	20.88%

## Life Insurance, Accidental Death and Dismemberment and Short-Term Disability plans:

You will receive these benefits at no cost to you. The Company pays the costs of these plans:

- Short Term Disability for non-work related disability: After 7 days of disability, 60% of wages up to 26 weeks.
- Life Insurance and AD&D Benefit: One times your annual wages up to a maximum of \$50,000.

## Benefits (cont.)

### Flexible Spending Account:

Company will continue to offer an FSA

### 401(k)

Retroactive match of your 401(k) contributions to January 4, 2016 within 30 days of ratification.

## Leave and Paid Time Off

### Paid Time Off (PTO)

• Employee hire date and each anniversary date thereafter is the reference point for “Years of Service” in the Accrual Chart.

<i>Year(s) of Service</i>	<i>Credit Per Pay Period</i>	<i>Annualized</i>
0 - 2	3.08 hours	80 hours
3 - 7	4.62 hours	120 hours
8 - 12	6.15 hours	160 hours
13+	7.69 hours	200 hours

For instance:

\*The employees with hire dates from 10/14/2002 through 9/3/1991, (12 employees) will have an additional 40 hours PTO added to their “bank” immediately upon ratification.

\*Employees who have 2014 hire dates will get an additional 40 hours of PTO on their anniversary date in 2017.

\*Employees, who are grandfathered into the pre-January 2014 PTO accrual rates, will continue to accrue at those grandfathered rates until the first pay period after their 13th Company service date. At that time, they will move to the above accrual schedule.

- Upon ratification, your previously banked PTO balance will be your beginning PTO balance.
- PTO can be used in half-hour increments.
- You may bank up to 1.25 times your annual accrual rate to carry over into the next year.
- If you terminate from the Company for any reason, all earned PTO on the date of termination will be paid out if employed for more than one year from date of hire.
- Use of PTO during any plan shutdown will be at your discretion.

### Leaves of Absence:

- Company will comply with the provisions of all applicable federal, state and local leave regulations.
- Personal leaves of absence may be granted (without pay).

### Bereavement Leave:

3 days bereavement leave without pay will be granted. (PTO may be used at the employee’s discretion.) See CBA for description of immediate family members.

## Leave and Paid Time Off (cont.)

### Holidays:

Non-weekend shift employees will receive 9 paid holidays a year. Weekend shift employees will receive 6 paid holidays a year. (Company will post a list of observed holidays annually, no later than November 1st of each year). **Unworked holidays:** 8 hours pay (weekend shift employees will receive 12 hours pay) at working rate of pay. You must work both the day before and the day after the holiday unless covered by pre-approved PTO. **Holidays** count towards the computation of overtime. (See CBA for more information regarding Holidays.)

## Miscellaneous

### Union Security

All employees of the Company subject to the terms of the Agreement, shall, as a condition of employment, become and remain members in good standing of the Union. This requirement shall take effect thirty-one (31) days following the beginning of employment in a position covered by this Agreement. The only obligation imposed by this Section shall be the payment of regular or periodic dues or representation fees.

### Past Practices

The Company will continue “round-up” and “wash-up” practices as well as the current attendance policy.

### Health and Safety

A Safety and Health Committee will be organized and operated in accordance with State requirements. This committee will meet on a monthly basis at a minimum and will allow for participation from employees working all shifts and will be responsible for resolving safety concerns. Committee members’ participation shall be considered paid work time (during normal work hours).

### Safety Devices

The Company will furnish required personal protective equipment for all employees. The Company will provide coveralls for check out and occasional day-use on dirty assignments at no cost to you. The Company will maintain emergency first aid stations/service and eye wash stations throughout both Plants.

### Outsourcing

The Company will not outsource any work performed by the bargaining unit employees unless employees in the affected job classification do not have the requisite skills, abilities or for reasons related to department or equipment capacity. When outsourcing or subcontracting work, no employees in the affected job classification will be laidoff or removed from their job classification due to outsourcing.

### Technology Changes

Technological changes which affect jobs in the bargaining unit will not be used as a basis for changing such jobs from bargaining unit status to a non-bargaining unit status. The Company will provide training for employees who will be expected to operate the new technology.

# VOTING THE PROPOSAL

**WHEN:** *Friday, February 5, 2016*

**TIME:** *5:00 a.m. to 7 p.m.*


**WHERE:** *IAM Everett Union Hall, 8729 Airport Road*

## 1 What is on the Ballots

There are two separate ballots:

- One to accept or reject the contract.
- One to authorize a strike

**Cadence / Giddens  
Strike Vote - Feb. 5, 2016**




**I VOTE TO STRIKE**

Yes.....

No.....

Failure to obtain a two-thirds (2/3) YES in this section of the ballot will result in the acceptance & ratification of the Company's last and final offer.



**Cadence / Giddens  
CONTRACT VOTE  
February 5, 2016**

I ACCEPT the Contract....

I REJECT the Contract....

**BALLOT 1:**  
Do you wish to accept or reject the contract offer?  
*Vote for one.*

**BALLOT 2:**

**IMPORTANT:** The IAM Constitution requires two-thirds YES vote on this ballot to strike. Without two-thirds, even if a majority of the members reject the contract - the contract will be accepted by default.

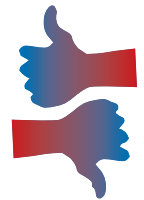
**NOTE: You must have filled out a membership application to vote on the offer!**

## 2 How Are the Ballots Counted?

Members who volunteer to count the ballots will tabulate them and validate the numbers.

## 3 What Do the Results Mean?

- ✓ If a majority of voting members vote to **ACCEPT** the contract, negotiations end and the contract is signed.
- ✓ If a majority of voting members vote to **REJECT** the contract, but **LESS THAN TWO-THIRDS VOTE TO STRIKE**, the contract is automatically accepted by default. The Union cannot call a strike.
- ✓ If a majority of voting members vote to **REJECT** the contract, and **MORE THAN TWO-THIRDS VOTE TO STRIKE**, a strike can be called.



**Again, ONLY MEMBERS can vote on this proposal so if you want your voice heard, fill out a membership application at the meetings.**