

TENTATIVE AGREEMENT

LETTER OF UNDERSTANDING NO. 26

SUBJECT: ADMINISTRATION OF JOINT PROGRAMS

A. IAM/Boeing Joint Programs National Governing Board. The Union and the Company agree to establish the IAM/Boeing Joint Programs National Governing Board (Governing Board) comprised of five (5) representatives from each party. The Union representatives will include the IAM/Boeing Aerospace Coordinator, the Directing Business Representatives from District 751, 70 and 24, and the Union's Joint Programs Executive Director. The Company's representatives will include four (4) Senior Executives and the Company's Joint Programs Executive Director. The Joint Programs Executive Directors will be non-voting members of the Board.

The Chair of the Governing Board shall serve a one (1)-year term and rotate between the Directing Business Representative of District Lodge 751 and a Boeing Senior Executive.

The Governing Board will provide general direction and guidance and establish policy for the IAM/Boeing Joint Programs (Joint Programs). In addition, the Governing Board shall establish the annual budgets and approve expenditures of funds as outlined in the parties' Letter of Understanding No. 18, entitled Expenditure of Funds under Article 16 and Article 20.

The Governing Board shall meet twice a year to approve Joint Programs activities and assess if progress is being made towards accomplishing the Mutual Objective of the Joint Programs.

B. IAM/Boeing Joint Programs Executive Directors. The parties recognize that an efficient administrative support process is essential to attaining the goals of the IAM/Boeing Health and Safety Institute (HSI), the IAM/Boeing Quality Through Training Program (QTTP) and any other joint efforts the parties may establish. In order to further this process, the parties have established the positions of IAM/Boeing Joint Programs Executive Directors. The Union and the Company shall appoint their respective parties' Executive Director. As directed by the IAM/Boeing Joint Programs National Governing Board, the Executive Directors will provide oversight for day-to-day operations of the Joint Programs and will coordinate the activities of the administrative staffs established by Sections 16.2(b) and 20.3(c) of the parties' Collective Bargaining Agreement and Section C of this Letter of Understanding No. 26.

C. IAM/Boeing Joint Programs Administrative Staff – Co-Directors. The Union and the Company acknowledge the need for enhanced support of Joint Programs services. Therefore, the parties agree to maintain IAM/Boeing Joint Programs Co-Director positions. The Union and the Company shall appoint their respective

Best and Final Offer
August 28, 2008

parties' Co-Directors. The Co-Directors, as coordinated by the Executive Directors, will provide leadership for the IAM/Boeing Health & Safety Institute, the IAM/Boeing Quality Through Training Program and any other programs as approved by the National Governing Board.

- D. IAM/Boeing Joint Programs Administrative Staff – HSI/QTTP.** The combined HSI/QTTP Administrative Staff will be comprised of a minimum of nine (9) individuals named by each party. At least one (1) individual of each party shall be from the Wichita and Portland primary locations and will provide support for both the IAM/Boeing HSI and the IAM/Boeing QTTP programs. The Directing Business Representatives from Districts 24 and 70 will be responsible for selecting their respective Union Representatives.

The combined Administrative staff, as coordinated by the Executive Directors, will provide support for the IAM/Boeing Health & Safety Institute, the IAM/Boeing Quality Through Training Program and any other programs as approved by the National Governing Board.

Dated: September 4, 2008