

**LETTER OF UNDERSTANDING NO. 36**

**SUBJECT: TEAM LEADER**

The parties recognize that certain work groups may benefit from the designation of an employee as a team leader for the purpose of creating and maintaining a team environment and coordinating operational issues. The Company will determine the necessity for, and number of, team leader assignments. The team leader will serve as the leader of all bargaining unit employees in the assigned work group, irrespective of the job classifications of those employees. The selection of a team leader shall not be considered the establishment of a new job for the purposes of Article 13.

~~IAM/Boeing Joint Programs will form a subcommittee to establish minimum criteria for applicants who wish to be considered for team leader assignments. The subcommittee will complete its work and present a joint recommendation to the Company and the Union not later than December 2, 2005. Any mutually-developed minimum criteria will be submitted to the Company and the Union for review and approval. If the subcommittee fails to agree on mutually-acceptable minimum criteria by December 2, 2005, the Company will determine the minimum criteria for applicants.~~

~~Team leader selection, other than temporary team leader selection, will be frozen until December 2, 2005 or until minimum criteria are approved by the parties, whichever date is earlier.~~

~~Effective December 2, 2005, the~~ The selection of an employee for a team leader assignment shall be made in the following manner: Employees who meet the minimum criteria for a team leader assignment will self-nominate for a posted open team leader assignment. Open team leader assignments will be posted for a minimum of five work days. A structured interview will be utilized to select recommended candidate(s). If the posted team leader assignment is filled by the Company, and there are two or more recommended candidates for the assignment, the recommended candidate with the greatest bargaining unit seniority will be selected. The provisions of Article 13 and 22 shall not apply to such selection.

~~The Company will develop a training program for employees selected for team leader assignments. IAM/Boeing Joint Programs may assist in the development of this training.~~

~~Effective September 5, 2008, A~~ An employee selected for a team leader assignment shall be paid a premium of \$2,001.75 per hour above his/her current base rate.

Employees assigned as team leaders shall not formally appraise the work of other employees or make, as a result of solicitation by their supervisor, recommendations concerning employment, release, transfer, upgrade, or disciplinary action relative to other employees, be directly responsible for the quantity or quality of work produced by

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other employees, be responsible for the assignment of overtime within the shop, be required to take attendance for other than purposes of making detailed work allocations, or be responsible for handing out paychecks. When authorized by the Company, a team leader may delegate a portion of his/her allocated work to employees in the team leader's group.

Current leads will not lose grade or pay as a direct result of team leader assignments.

The parties agree to form a committee, consisting of an equal number of Company and Union representatives. The committee will review the existing team leader selection process and discuss whether additional training should be provided to bargaining unit employees who seek Team Leader assignments and/or to existing Team Leaders for skill enhancement. The committee will meet for the duration of this Agreement.

Nothing in this Letter of Understanding will be subject to the grievance and arbitration procedure in Article 19, with the exception of the seniority-based selection of recommended candidates. Additionally, nothing in this Letter of Understanding will alter or impact the Company's right to select any bargaining unit employee for a temporary team leader assignment for a period of time not to exceed ninety (90) days. The following issues may be appealed by the Union through Step 3 of the grievance procedure set forth in Section 19.2 of the Agreement, but will not be subject to arbitration: (1) the Company's decision to discontinue the assignment of any bargaining unit employee selected for a team leader position; (2) a team leader progress review; and (3) the duration of a temporary team leader assignment.

Dated: September 4, 2008