

MEMORANDUM OF SETTLEMENT

**Alcoa Intalco Works
and
International Association of Machinists and Aerospace Workers
District Lodge #160, Local Lodge 2379**

Alcoa Intalco Works and the International Association of Machinists and Aerospace Workers, on behalf of its Local Lodge 2379, hereby agree to the following in full and complete settlement of all proposals and issues considered during 2017 contract negotiations.

Length of Agreement	April 1, 2017 through March 31, 2021	
Ratification Bonus	\$2, 000 Ratification Bonus to all employees who are in active employment status on the date of ratification, or who return to work within thirty (30) days of ratification. Ratification bonus will also be paid to all employees who are not at work and receiving workers' compensation or who are on a military leave of absence on the date of ratification. Ratification bonus is offered on the condition that tentative agreement is fully endorsed by the IAM. Offer of a ratification bonus is withdrawn if agreement is not ratified by April 10, 2017.	
Lump Sums	April 20, 2017	\$2,000 to all active employees
Wages	April 02, 2018	3.0% per hour increase to all Labor Grades
	April 01, 2019	3.0% per hour increase to all Labor Grades
	April 06, 2020	3.0% per hour increase to all Labor Grades
Active Health Benefits	Implement Alcoa 2015 Choices Plan Design through 2021- CN#3. Effective 01/01/2018 with new employee contributions (Attachments 1, 2, & 3)	
Pension Plan & 401 k Match	Effective June 01, 2017 freeze existing defined benefit pension plan current employees and close the plan to new hires and all current employees become eligible for the 3% ERIC plan of the 401k plan. Increase the match to the voluntary contribution to 100% of the first 6% contributed – CE#5 (Attachment 4)	
Bidding Vacancies & Movement of Successful Bidders	Successful bidder to a vacancy will be moved to the vacancy within 90 days of being awarded the bid & Permanent vacancies will not be filled for more than 90 days by temporary assignment before they are bid UNE#14 & CNE#7(Attachment 5 & 6)	
Cost-of-Living (COLA)	Roll current COLA float (\$0.40) into the base and eliminate Article 21, J Cost-of-Living, UE#7 & CE#7 (Attachment 7)	
Establish New Labor Grades & Potline Operator	Add three new Labor Grades; 13, 14, & 15. Move Potline Operator to Labor Grade 13 UE#9 & CE#8 (Attachment 8)	
Employment Security	Prior to implementing a layoff Company required to offer Voluntary retirement/Quit packages to employees with 2 or more years. Provides a payment of \$10,000 plus \$400 per full	

	year of Company Seniority UE#21 (Attachment 9)
Performance Pay	Provide employees the ability to contribute up to 50% of their performance pay payment, in 10% increments, into their 401k account. UE#22 (Attachment 10)
Other Issues	<p>Language, Letter Changes & Additions</p> <ul style="list-style-type: none"> • UNE#4 – Article 6 – Add Provision that Union Appoints Stewards and Alternates (Attachment 11) • UNE#6 – Article 6 – Working Alternates shall be appointed or elected at the Union’s discretion (Attachment 12) • UNE#7 – Article 6 – Clean-up language related to full-time steward activities (Attachment 13) • UNE#8 – Article 6 – Make alternate stewards available when full-time stewards are not reasonably available (Attachment 14) • UNE#9 – Article 6 – Delete limits on hours of pay for Full-time shop stewards (Attachment 15) • UNE#10 – Article 6 – Add alternate stewards to the list of Union representatives that will be retained in the event of a layoff (Attachment 16) • UNE#12 – Article 11 - Change the temporary assignment limitation period from a calendar year to a rolling 12-month period (Attachment 17) • UNE#17 – Article 14 - Add new Section that provides Union will not assume legal responsibility under the Article 14 Safety (Attachment 18) • UNE#18 – Article 22 - remove outdated language concerning health care offsets (Attachment 19) • UNE#20 – Article 23 – Make available updated overtime rosters two time per week (Attachment 20) • UNE#24 – Article 23 – Remove “normally” from the restriction on mandatory overtime adjacent to a properly scheduled vacation (Attachment 21) • UNE#25 – Article 23 – Expand to all compensable hours the hours used to determine mandatory overtime availability (Attachment 22) • UNE#26 – Article 23 - Use preamble definition of emergency for exceptions to the 66 hour rule (Attachment 23) • UNE#27 – Article 23 – New Section on Plant wide overtime rules (Attachment 24) • UNE#28 – Letter 6 – Add Payroll deduction process for Guide Dogs of America (Attachment 25) • UNE#31 – Add “ABS” to the HPWO Training Representative title (Attachment 26) • UNE#32 – MOA HPWO – Remove limitation on availability for overtime for the HPWO Coordinators (Attachment 27) • UNE#33 – MOA HPWO – Provide the Union with the

	<p>ability to appoint HPWO Coordinators with input from the Company (Attachment 28)</p> <ul style="list-style-type: none"> • UNE#35 – Letter 9 – eliminate pay for skill program, move all crafts to top rate and replace letter nine with a new letter on operator care efforts (Attachment 29) • UNE#37 – Letter 11 - Provide additional plant leadership on the Training & Education Committee (Attachment 30) • UNE#38 – New Letter – Commitment to review EAP Program (Attachment 31) • UNE#39 – Letter on Mandatory Overtime – renew letter for term of 2017 Agreement (Attachment 32) • CNE#4a – Update Existing Drug Policy to mandate use of existing DOT standards for drug tests and what constitutes a positive test (Attachment 33) • CNE#4b – Parties to discuss “Quick Test” Process for the current Drug Policy (Attachment 34) • CNE#4d – Change testing period for probationary employees from sixty (60) working days to six (6) months (Attachment 35) • CNE#5 – Remove Temporary Employees’ eligibility for Article 22 Employee Benefits Plans (Attachment 36) • CNE#6 – Change the effective date of new hire increases to Monday dates (Attachment 37)
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AUTHORIZING SIGNATURES

FOR THE UNION

FOR THE COMPANY

DATE: _____