

Memorandum of Understanding

This agreement will clarify recent negotiations between L-3 Vertex Aerospace, LLC and the International Association of Machinists and Aerospace Workers, District Lodge #4 regarding a Customer Requested Compressed Work Week (9/80 work schedule).

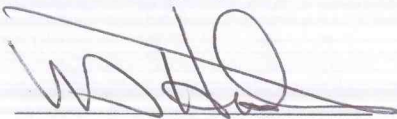
The following language in bold is to be inserted into the Collective Bargaining Agreement:

10.04 Any employee required to work on any of the above holidays will be paid for hours worked at one and one half times (1 1/2) his normal straight time rate plus eight (8) hours straight time for the holiday. **Employees working a Compressed Work Week schedule will be paid for hours worked at one and one-half (1 ½) times his normal rate plus nine (9) hours for holidays that occur Monday through Thursday and eight (8) hours for holidays that fall on working Fridays. Holidays that occur on a non-working Friday will be rescheduled and observed earlier in the week.**

14.03a The work week for payroll purposes shall consist of seven (7) consecutive calendar days beginning at 10:01 a.m. on Friday, and continuing through 10:00 a.m. on the following Friday. The normal work schedule shall be Monday through Friday with two (2) consecutive days off. It is understood that Monday shall be designated the first day of a work schedule. Saturday shall be designated as the sixth day of a work schedule and Sunday shall be designated as the seventh day of a work schedule.

14.05a In the event any employee on the CWS schedule is required to work beyond any nine (9) hour work day, the affected employee will receive an additional paid fifteen (15) minute break prior to commencing additional work and during each two (2) hour period of additional work.

For the Company:

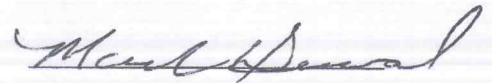


Vern Horstman

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For the Union:



Mark Duval

Business Representative

District Lodge 4

International Association of

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