

October 10, 2006

Mr. James D. Smith  
Grand Lodge Representative  
International Association of Machinists and Aerospace Workers  
Executive Plaza III  
135 Merchant Street, Suite 265  
Cincinnati, Ohio 45246-3734

Re: Single Day Vacation Option

Dear Mr. Smith:

This letter confirms the agreement between the parties concerning the single day vacation option during the 2006 Labor Agreement:

1. Employees with five (5) years or more of Company Continuous Service as of December 31 of the vacation year are permitted to elect one (1) week of vacation entitlement to be taken in single days. After one (1) week of single vacation days has been designated on the Vacation Election Form, it cannot be rescinded during the vacation year.
2. A single vacation day shall be paid at a rate equal to one-fifth of the vacation pay applicable to a vacation week.
3. A single vacation day, paid for but not worked, shall not be counted for purposes of determining overtime liability for subsequent work days in the same work week. No more than three (3) single vacation days can be taken as time off in any workweek. Single vacation days can be taken on scheduled days of work only.
4. To schedule a single vacation day, the employee must notify department supervision by Tuesday of the week in which the schedule is being prepared for the requested single day of vacation. When unforeseen circumstances arise, this notice requirement may be waived at the discretion of departmental supervision. Single vacation days will not be

approved where there is a negative impact to the efficiency of operations.  
No single vacation day will be retroactively approved or permitted.

5. Exercising a single day vacation option does not create a short-week benefit obligation for the Company pursuant to the SUB Plan or any additional benefit obligation under this Agreement.
6. If an employee has not scheduled all five (5) single days of vacation by September 1, he shall be assigned days of vacation as mutually agreed upon by the Company and the employee during the month of September for the balance of the year. In the event the parties are unable to reach agreement by September 30, then the Company will have the sole discretion to assign the unscheduled days in the fourth quarter of the year.

Sincerely,

Thomas F. McKenna  
Vice President, Labor Relations

Agreed:

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Mr. James D. Smith, Grand Lodge Representative  
International Association of Machinists and Aerospace Workers