

FROM YOUR EXECUTIVE BOARD
June 1, 2006

Company Moves On Current Retirees

As most of you have already heard, today we received official notice from the Company that effective October 1, 2006, it will unilaterally terminate the Insurance Benefit Plan (IBP) and replace it with a “new program of retiree benefits [for] current retirees” under which current retirees will, amongst other things: lose dental and vision coverage; lose the Medicare Part B monthly subsidy, and; be required to pay a portion of the monthly premium for their health insurance (including all increases in retiree healthcare on and after January 1, 2008).

We are disappointed - but not surprised - by the Company’s actions, and we intend to respond with vigorous legal action. These benefits are lifetime benefits not subject to unilateral change by the Company.

Bargaining Update

We still are awaiting the Company’s response to our May 24 counterproposal. We will let you know as soon as we hear from the Company.

Machinist Representatives at the Union Hall

Representatives of the International Association of Machinists (IAM) will be at the Union Hall through Friday to answer any questions you may have.

- Your Executive Committee