

**UNITED STATES OF AMERICA
BEFORE THE NATIONAL LABOR RELATIONS BOARD
WASHINGTON, D.C.**

SILVAN INDUSTRIES, a division of SPVG,

Employer / Petitioner

**UNITED ASSOCIATION OF PLUMBERS,
STEAMFITTERS, AND PIPEFITTERS
OF THE UNITED STATES AND CANADA,
LOCAL 400,**

Case No. 18-RM-186941

Union

**PETITIONER'S REQUEST FOR REVIEW
OF THE REGIONAL DIRECTOR'S DISMISSAL OF RM PETITION**

RM Petitioner SPVG Marinette, a division of Samuel Pressure Vessel Group ("SPVG" or "Company")¹ hereby requests review of the Regional Director's dismissal of the RM Petition in the above-referenced matter, pursuant to Section 102.71 of the National Labor Relations Board's Rules and Regulations. The Regional Director departed from and misapplied Board precedent in dismissing SPVG's RM Petition.

INTRODUCTION

In this case, SPVG employees presented the Company with objective evidence demonstrating a "good-faith reasonable uncertainty" as to the Union's continuing majority status, sufficient to support an RM Petition under the Board's standard set forth in *Levitz Furniture Co. of the Pacific, Inc.*, 333 NLRB 717, 717 (2001). There was no collective bargaining agreement

¹ The Union erroneously refers to the Company as "Silvan." The correct corporate entity is SPVG Marinette, a division of Samuel, Son & Co., Inc.

in effect and SPVG promptly filed an RM Petition. However, the Regional Director dismissed the RM Petition on grounds that the Union had accepted SPVG's offer for a contract prior to the filing of the Petition, even though the contract – by its terms – would not become effective until nearly two weeks later. In so doing, the Regional Director departed from Board precedent in *National Broadcasting Company, Inc.*, 104 NLRB 587 (1953), which establishes that a Petition is not barred during the time period after a contract offer has been accepted, but before it becomes effective.

SPVG requests that the Board grant this Request for Review, reverse the Regional Director's dismissal, and order that the Petition be processed to an election. The Regional Director's departure from officially reported Board precedent raises a substantial question of law and policy, and the dismissal is arbitrary and capricious. See NLRB Rules & Regulations § 102.71(a)(1) and (4). Under the facts presented in this case and longstanding Board precedent, SPVG has a right to have its Petition processed, and the employees have a right to assert their preference for or against Union representation. The NLRB should respect and recognize these rights by ordering a secret ballot election.

GROUND FOR REQUEST FOR REVIEW

The Board should grant SPVG's Request For Review on either or both of the following grounds set forth in Section 102.71 of the Board's Rules & Regulations:

1. A substantial question of law or policy is raised given the absence of, or departure from, officially reported Board precedent; and
2. The Regional Director's action is, on its face, arbitrary or capricious.

See NLRB Rules & Regulations § 102.71(a)(1) and (4).

FACTUAL BACKGROUND

A. The Parties.

SPVG is a leading manufacturer of carbon steel and industrial grade stainless steel pressure vessels for various industrial applications. The Company operates a manufacturing facility in Marinette, Wisconsin. The United Association of Plumbers, Steamfitters and Pipefitters of the United States and Canada, Local 400 (“Union”) was certified as the representative of a bargaining unit of Company employees on October 16, 2015, in NLRB Case 18-RC-159796.

B. The Parties Bargained An Agreement With A Future Effective Date.

None of the relevant facts are in dispute. In 2016, the Parties engaged in negotiations regarding the terms of their first contract. After months of bargaining, they reached a tentative agreement, subject to ratification by the bargaining unit membership. On October 15, 2016, the Union informed SPVG that the bargaining unit employees had ratified SPVG’s proposal for a collective bargaining agreement (“CBA”). (Exhibit 2.)

The proposed CBA, as accepted by the Union and ratified by the bargaining unit employees, provided for an initial effective date of November 7, 2016. (Exhibit 2.) (Thus, there was no CBA in effect for the period between the Union’s certification on October 16, 2015 and the CBA’s effective date of November 6, 2016.) The Parties arranged to meet in person on October 25, 2016, to execute the CBA, which they did.

C. SPVG Filed The RM Petition.

On the same day the CBA was scheduled to be signed, October 25, 2016, a bargaining unit employee presented SPVG with an anti-union petition establishing a good-faith reasonable doubt as to the Union’s continued majority status. (The sufficiency of this evidence is not in

dispute, and was not identified as a basis for dismissal in the Regional Director's letter of dismissal.) Immediately upon receiving this evidence, SPVG filed an RM Petition with Region 18 on October 25, 2016, about 40 minutes before the CBA was signed. These events – the employees' presentation of evidence of loss of support and the filing of the RM Petition – took place nearly two weeks before the CBA's effective date of November 7, 2016. (Exhibit 2.)

D. SPVG's Conduct Throughout This Process Was Lawful.

The Union initially filed an unfair labor practice charge ("ULP") in Case 18-CA-187257, alleging that SPVG had engaged in unlawful conduct, both in responding to the employee anti-union petition activity and in bargaining with the Union. Following investigation by the Region with full cooperation from SPVG, including witness interviews and affidavit testimony, the Union ultimately decided to withdraw its charge on December 19, 2016. There is no pending charge that SPVG engaged in any unlawful conduct related to the RM Petition or otherwise.

On the contrary, the Company has proceeded in utmost good faith. From the time the CBA became effective on November 7, 2016, SPVG has continued to recognize the Union and adhere to the terms of the CBA. The Company's approach precisely tracks the Board's directive established in *Levitz Furniture of the Pacific*, where the Board defined a "safe harbor" for employers faced with evidence that a union has lost majority status, expressly permitting that the employer may petition for an RM election while also continuing to recognize the union during the pendency of the representation proceeding. 333 NLRB 717, 726 (2001).

E. The Regional Director Dismissed The RM Petition.

On December 19, 2016, the Regional Director dismissed the RM Petition on grounds that SPVG's Petition was filed after the Union had accepted SPVG's offer for a CBA. The Regional

Director's decision was based upon *Auciello Iron Works*, 317 NLRB 364, 368 (1995). (See Exhibit 1; Regional Director's dismissal letter, December 19, 2016.)

ARGUMENT

The Regional Director departed from and misapplied Board precedent, resulting in an erroneous dismissal of the RM Petition. The Board's precedent in *National Broadcasting Company, Inc.*, 104 NLRB 587 (1953) requires a finding that the Petition in this matter was timely filed and should be processed to election.²

Auciello Iron Works does not change this result. In *Auciello*, a bad-faith employer received evidence that the union had lost majority support. Rather than promptly filing an RM petition or otherwise acting on this information, the employer sandbagged. It secretly sat on this information while it continued to bargain with the union, even proceeding to sign a CBA which became effective immediately. Only then, after the CBA became effective, did the employer in *Auciello* withdraw recognition from the union. The Board rejected the employer's shenanigans, finding that the employer's bad-faith delay amounted to an unfair labor practice under Section 8(a)(5) and (1). There is simply no basis for comparing the bad-faith employer in *Auciello* to the good faith employer in this case which has no ULP charge pending against it. Further, *Auciello* involved withdrawal of recognition of the union after the CBA had already become effective. In this case, Company's filing of the RM Petition occurred nearly two weeks before the CBA would become effective. The Regional Director's reliance on *Auciello* is misplaced.

² There is no bar to an election in this case based upon the prior election or based upon the "one-year certification rule." Section 9(c)(3) of the Act prohibits conducting an election in any bargaining unit in which a valid election was held during the preceding 12-month period. See 29 U.S.C. § 159(c)(3). The Board also dismisses, as a matter of policy, any petition challenging a bargaining representative's status that is filed within one year of the Section 9 certification of that representative. See, e.g., *Centr-O-Cast Engineering Co.*, 100 NLRB 1507 (1951). The balloting in the election in Case 18-RC-159796, ultimately resulting in certification of the Union, concluded and ballots were tallied on October 9, 2015. The Board issued the Certification of Representative in that case on October 16, 2015. The Petition was filed in the instant case on October 25, 2016, more than a full year after the prior election in this bargaining unit and the Board's certification of the Union's representative status.

A. Board Precedent Defining The “Contract Bar” Requires Processing of The Petition.

The Board has long interpreted and applied its “contract bar” doctrine to address the factual scenario that exists in this case. In *National Broadcasting Co., Inc.*, 104 NLRB 587 (1953), the employer and the union entered into and executed a CBA on September 24, 1952. *See id.* That CBA, by its express terms, had an initial effective date of October 16, 1952, despite having been offered, accepted and executed more than three weeks earlier. *See id.* A rival union filed a petition on October 10, 1952 – after the offer, acceptance and execution of the CBA had occurred, but before the CBA’s term began. *See id.* The Board held, “[w]e find that this contract is not a bar because its purported effective date, October 16, 1952, occurred after October 10, 1952, the date of the filing of the petition...” *Id.* at 588.

Subsequently, in *Deluxe Metal Furniture Co.*, 121 NLRB 995 (1958), the Board reaffirmed this rule. While the Board made some clarifications to the contract bar doctrine in that case, it also expressly noted that the rule established in *National Broadcasting* stands:

The old rule [remains unchanged] that an initial contract or a contract executed after the expiration of a prior contract does not bar an election if a petition is filed with the Board before (a) the execution date of the contract where the contract is effective immediately or retroactively; or (b) the effective date of the contract where the contract goes into effect at some time subsequent to the execution...

Deluxe Metal Furniture, id. at 999, fn. 6.

National Broadcasting Co. and *Deluxe Metal Furniture* hold that a petition filed after offer and acceptance of – and even execution of – a newly negotiated CBA is timely, if it is filed before the effective date of the CBA. *Id.* The Board’s precedent in these cases is controlling, and dictates that the Petition be processed to an election.

B. The Regional Director's Dismissal Contravenes Federal Labor Policy Regarding the Appropriate Balancing Of Employee Choice With Labor Relations Stability.

In *National Broadcasting* and other Board decisions defining the Board's contract bar doctrine, the Board has attempted to balance the competing interests of employee choice on one hand against the stability of labor representation on the other. Thus, a union's representative status may not be challenged during the term of a CBA, which serves as a bar to an election for period of up to three years from its effective date. *See, e.g., General Cable Corp.*, 139 NLRB 1123 (1962). The Board has thus created a preference for labor relations stability over employee choice during this "contract bar" period. Conversely, during limited windows of time when there is no CBA in effect, *National Broadcasting* expresses a preference for employee choice. During such windows of time, the voice of the employees may be registered in any of three procedural ways: (i) an RD petition filed by the employees, (ii) an RC petition filed by a competing union; and/or (iii) an RM petition filed by the Company. As long as there is no contract bar in place (for example, before a CBA has become effective), any of these three procedural mechanisms may be invoked for purposes of vindicating the free choice of the employees.

The Regional Director's dismissal of this case contradicts the law of *National Broadcasting*, and modifies the contract bar doctrine in a way that upends the long standing balance between labor stability and employee choice. Under the Regional Director's interpretation, *National Broadcasting* would have permitted an employee to file an RD petition on October 25, 2016, based upon the very same employee signatures received by SPVG, but would not permit the employer to file an RM petition on the same date. Under the Regional Director's newly-fabricated rule, RM petitions assume a second-class status as compared with RC petitions filed by competing unions or RD petitions filed by the employees themselves. Only RM petitions would be barred in the window of time after acceptance of the CBA but before the

CBA becomes effective. As a matter of labor policy, there is no basis for treating an RM petition differently than an RD or RC petition, where all three petitions simply seek to effectuate the same right to an election, for the same group of employees, based upon the same showing of interest, on the same day. Federal labor policy favors free choice among employees regarding their representative when no CBA currently is in effect. This policy in favor of employee free choice should not depend upon who files the petition.

C. *Auciello Iron Works Is Inapplicable.*

Factually and procedurally, *Auciello Iron Works* (“*Auciello*”) is inapt. *Auciello* is an unfair labor practice (ULP) case involving an employer’s untimely withdrawal of recognition during the term of a CBA. *See* 317 NLRB at 368. The instant case involves a timely filing of an RM Petition at a time when no CBA was in effect. Even if *Auciello* could be applied to petition cases (as opposed to ULP cases), the RM Petition in this case was not filed during the term of a CBA, but before the CBA became effective, a fact which renders *Auciello* inapplicable.

1. *Auciello* Governs Employer Actions During The Term Of A CBA.

In *Auciello*, the employer became aware of evidence of the incumbent union’s loss of majority support before the union accepted the employer’s pending contract offer, but the employer initially took no action. *See* 317 NLRB at 368. The employer continued to bargain with the union, waiting until after the union accepted the contract offer, forming a binding and immediately-effective CBA, and only then withdrew recognition based upon the pre-contract evidence of loss of majority support. *See id.* The Board found that the employer committed an unfair labor practice by withdrawing recognition after the collective bargaining agreement was accepted and became effective. The Board stated, “where objective evidence to support a good-faith doubt of a union’s majority status is known to the employer before a union’s acceptance of

the employer's contract offer but the employer does not act on that evidence prior to acceptance, the union's acceptance creates a valid collective-bargaining agreement." *Id.*

In so finding, the Board expressly noted that its holding was based upon the fact that the employer's withdrawal of recognition was effectuated "during the contract term." *Id.* at 367, footnote 26. The Board stated that "the precise rule of law applicable here is the irrebuttable presumption that a union retains majority status during the contract term." *Id.* (Emphasis added.) Thus, the Board's finding was that the union's acceptance not only formed a CBA, but that the CBA's term commenced immediately upon the union's acceptance of the offer and, thus, the employer's withdrawal was unlawful because it occurred during the term of the effective CBA. *Id.* The offer and acceptance in *Auciello Iron Works* was for a contract that did not include a future effective date, but rather a contract that became effective immediately upon the union's acceptance. *Id.* Thus, the Board found that the contract was in effect upon acceptance, and in effect at the time of the employer's withdrawal – "during the contract term." *Id.*

In *Auciello*, the Board expressly relied upon precedent established in *Belcon, Inc.*, 257 NLRB 1341, 1346 (1981), which the Board described as follows:

In *Belcon*, as here, the employer withdrew recognition after the union accepted its contract offer, relying on conduct that occurred prior to acceptance to support its alleged good-faith doubt. There, the Board adopted the judge's finding that the respondent's withdrawal of recognition was unlawful because "it was during the term of the newly negotiated agreement" and at a time when it was not lawfully permissible for [r]espondent to do so."

Auciello Iron Works, 317 NLRB at 365, footnote 5. (Emphasis added.)

In contrast, SPVG's RM Petition was not filed "during the term" of a newly negotiated agreement. Rather, SPVG's Petition was filed on October 25, 2016 – before the term of the newly-negotiated CBA began on November 7, 2016. *Auciello* and the precedent cited therein

simply do not apply. Those cases do not address the circumstance in which a petition is filed after an agreement is reached, but before that agreement has become effective.

2. *Auciello* Addresses The Delayed Use Of Evidence Loss Of Majority Status, Which Did Not Occur In This Case.

In *Auciello*, the employer became aware of evidence of the incumbent union's loss of majority support before the union accepted the employer's contract offer, but the employer took no action based upon that evidence until after the union accepted the offer. *See* 317 NLRB at 368. Then, the employer withdrew recognition "during the term" of the accepted contract. *See id.* The Board discussed at length concerns about an employer manipulating the union's status by sitting on such evidence while negotiations continue, but then using that evidence to withdraw recognition on a later date, after a contract is in effect. *See id.* at 366, 369-370.

In dismissing the Petition in this case, the Regional Director expressly relied upon the Board's holding in this regard. The Regional Director directly quoted this holding in the dismissal letter as follows:

Board law is clear that "where objective evidence to support a good-faith doubt of a union's majority status *is known to the employer before a union's acceptance of the employer's contract offer but the employer does not act on that evidence prior to acceptance*, the union's acceptance creates a valid collective-bargaining agreement." *Auciello Iron Works*, 317 NLRB 364, 368 (1995).

(*See* Exhibit 1; Regional Director's dismissal letter, December 19, 2016.) (Emphasis added.)

This pivotal fact giving rise to the Board's decision in *Auciello Iron Works* simply does not exist in this case. SPVG filed the RM Petition the very same day that it became aware of the evidence of loss of majority support, and did so prior to the CBA becoming effective. *Auciello Iron Works* therefore does not apply.

CONCLUSION

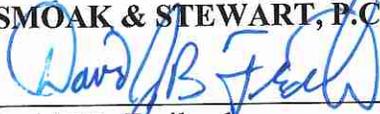
The Regional Director's departure from directly applicable Board precedent raises substantial questions of law and policy because it has the effect of denying SPVG's statutory right to have its petition processed to an election, and denying the bargaining unit employees' right to exercise their choice in selecting or not selecting a collective bargaining representative. The sole precedent relied upon in the Regional Director's dismissal, *Auciello Iron Works*, establishes only that it is an unfair labor practice for an employer who obtains evidence of loss of majority status to "sit on" that evidence until after negotiations conclude and then withdraw recognition during the term of the ensuing CBA. It was arbitrary and capricious for the Regional Director to apply this reasoning here, where the Petition was filed prior the effective date of the CBA. The Regional Director departed from Board precedent when he disregarded *National Broadcasting Co.*

For reasons outlined above, the SPVG respectfully requests that its Request for Review be granted, that the Regional Director's dismissal be reversed, and that the Petition be processed to an election.

Respectfully submitted this 2nd day of January, 2017,

**OGLETREE, DEAKINS, NASH,
SMOAK & STEWART, P.C.**

By: _____


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CERTIFICATE OF SERVICE

I hereby certify that I have on January 2, 2017, served a true and correct copy of the foregoing via Email, upon the following:

Marlin O. Osthus
Regional Director, Region 18
National Labor Relations Board
Via email: marlin.osthus@nlrb.gov

Benjamin Mandelman
Officer In Charge, Subregion 30
National Labor Relations Board
Via email: benjamin.mandelman@nlrb.gov

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David J.B. Froiland

28004515.4

Exhibit 1
Regional Director's dismissal letter



UNITED STATES GOVERNMENT
NATIONAL LABOR RELATIONS BOARD

SUBREGION 30
310 West Wisconsin Avenue, Suite 450W
Milwaukee, WI 53203-2246

Agency Website: www.nlr.gov
Telephone: (414)297-3861
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December 19, 2016

David J.B. Froiland, Esq.
Timothy G. Costello, Esq.
Ogletree Deakins Nash Smoak & Stewart, PC
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Milwaukee, WI 53205-2566

Re: Silvan Industries a division of SPVG
Case 18-RM-186941

Dear Mr. Froiland and Mr. Costello:

The above-captioned case, petitioning for an investigation and determination of representative under Section 9(c) of the National Labor Relations Act, has been carefully investigated and considered. After full consideration, I have decided to dismiss the petition filed by Silvan Industries, a division of SPVG (Employer).

Decision to Dismiss: As a result of the investigation, I find that further proceedings are unwarranted. The investigation disclosed that the Employer filed the petition in this case on October 25, 2016, claiming good faith uncertainty as to whether United Association of Plumbers, Steamfitters, and Pipefitters of the United States and Canada, Local 400 (Union) continues to have the support of a majority of its production and maintenance employees. The investigation disclosed that as a result of a petition filed by the Union in Case 18-RC-159786, an election was conducted on October 8 and 9, 2015, resulting in the issuance of a Certification of Representative on October 16, 2015, certifying the Union as the collective-bargaining representative in a unit of production and maintenance employees. After certification of the Union, the parties commenced bargaining for an initial collective-bargaining agreement. The investigation further revealed that the parties reached a collective-bargaining agreement and the Union accepted the contract offer prior to the date the Employer filed this petition. Board law is clear that "where objective evidence to support a good-faith doubt of a union's majority status is known to the employer before a union's acceptance of the employer's contract offer but the employer does not act on that evidence prior to acceptance, the union's acceptance creates a valid collective-bargaining agreement." *Auciello Iron Works*, 317 NLRB 364, 368 (1995). Furthermore, the Board made clear in *Auciello* that its holding applies where an employer attempts to withdraw recognition or petitions for an election. *Id.* at 369. Therefore, the Employer is precluded from challenging the Union's majority status, and accordingly, I am dismissing the petition in this matter.

Right to Request Review: Pursuant to Section 102.67 of the National Labor Relations Board's Rules and Regulations, you may obtain a review of this action by filing a request with the Executive Secretary, National Labor Relations Board, 1015 Half Street SE, Washington, DC 20570-0001. The request for review must contain a complete statement of the facts and reasons on which it is based.

Procedures for Filing Request for Review: A request for review must be received by the Executive Secretary of the Board in Washington, DC, by close of business (**5 p.m. Eastern Time**) on **January 3, 2017**, unless filed electronically. If filed electronically, it will be considered timely if the transmission of the entire document through the Agency's website is **accomplished by no later than 11:59 p.m. Eastern Time on January 3, 2017.**

Consistent with the Agency's E-Government initiative, parties are encouraged, but not required, to file a request for review electronically. Section 102.114 of the Board's Rules do not permit a request for review to be filed by facsimile transmission. A copy of the request for review must be served on each of the other parties to the proceeding, as well as on the undersigned, in accordance with the requirements of the Board's Rules and Regulations.

Filing a request for review electronically may be accomplished by using the Efiling system on the Agency's website at www.nlr.gov. Once the website is accessed, click on **E-File Documents**, enter the NLRB Case Number, and follow the detailed instructions. The responsibility for the receipt of the request for review rests exclusively with the sender. A failure to timely file the request for review will not be excused on the basis that the transmission could not be accomplished because the Agency's website was off line or unavailable for some other reason, absent a determination of technical failure of the site, with notice of such posted on the website.

Upon good cause shown, the Board may grant special permission for a longer period within which to file a request for review. A request for extension of time, which may also be filed electronically, should be submitted to the Executive Secretary in Washington, and a copy of such request for extension of time should be submitted to the Regional Director and to each of the other parties to this proceeding. A request for an extension of time must include a statement that a copy has been served on the Regional Director and on each of the other parties to this proceeding in the same manner or a faster manner as that utilized in filing the request with the Board.

Very truly yours,

MARLIN O. OSTHUS
Regional Director

By: /s/ Benjamin Mandelman

BENJAMIN MANDELMAN
Officer in Charge

cc: Office of the Executive Secretary (by e-mail)

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Exhibit 2
Collective Bargaining Agreement

Agreement Between
Silvan Industries Marinette, Wisconsin
And
United Association of Journeymen and
Apprentices of The
Plumbers, Steamfitters and Pipefitters of the
United States and Canada, Local 400
AFL – CIO
November 7, 2016



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AGREEMENT

Between

Silvan Industries

Marinette, Wisconsin

And

United Association of Journeymen and

Apprentices of the Plumbers,

Steamfitters and Pipefitters

of the United States and Canada,

Local 400

AFL-CIO

Agreement

This is an AGREEMENT effective November 7, 2016, by and between SILVAN INDUSTRIES, a division of SAMUEL PRESSURE VESSEL GROUP, INC., a Wisconsin corporation, currently located at 2121 Cleveland Avenue, Marinette, Wisconsin 54143 (hereinafter called the "Company") and UNITED ASSOCIATION OF PLUMBERS, STEAMFITTERS AND PIPEFITTERS OF THE UNITED STATES AND CANADA, LOCAL 400, AFL-CIO (hereinafter called the "Union").

Witnesseth

WHEREAS, the Company and the Union have engaged in collective bargaining with respect to rates of pay, wages, hours of work, terms, and working conditions for employees working in the Bargaining Unit hereinafter described ("Bargaining Unit");

NOW, THEREFORE, for good and sufficient consideration, the receipt and sufficiency of which is hereby acknowledged, the Company and the Union agree as follows:

Article I: Purpose

It is the intent and purpose of the parties hereto to set forth herein the entire agreement covering wages, terms, and working conditions, to be observed in good faith between the parties hereto, and to provide procedure for the prompt and peaceful settlement of all differences, grievances, and disputes which may arise between the Company and its employees or the Union, to the end that there shall be no interruption or impeding of the production process, work stoppages, strikes or other interferences with production during the life of this Agreement. It is the intent of this Agreement that nothing contained herein shall infringe on or prevent the normal function of an employee to perform his/her work to the best of his/her ability and the Company to perform management functions.

Article II: Scope and Recognition

Section 1: The Company recognizes the Union as the exclusive bargaining agent for its employees included within the following Bargaining Unit:

All full-time and regular part-time production and maintenance employees employed at the Company's facility located in Marinette County, Wisconsin, including receiving/shipping/quality assurance (QA) employees, but excluding all temporary employees, professional employees, office clerical employees, guards, and supervisors as defined in the National Labor Relations Act, as amended, and as certified by the National Labor Relations Board in Silvan Industries, a division of Samuel Pressure Vessel Group, Inc., Case No. 18-RC-159796, dated October 16, 2015.

Section 2: The Company and the Union agree that no person's right to work for the Company shall be denied or abridged on account of membership or non-membership in the Union. Wisconsin is a right-to-work state within the provisions of Section 14(b) of the federal Taft Hartley Act, 29 U.S.C. 164(b), and Wisconsin Statutes Annotated Section 111.04, et seq. All present and future employees within the Bargaining Unit, during the term of this Agreement, may voluntarily become members of the Union

Section 3: The parties agree that no Union business will be conducted during an employee's working time, except as permitted by the Company.

Section 4: The Company and the Union will, in good faith, make every effort to resolve workplace issues without resort to the grievance procedure set forth in this Agreement. If such effort does not resolve such issue, and if the Company and the Union agree that access to the Company's facilities would

be appropriate, the Company may grant access to a Local Union Representative for the purpose of resolving potential workplace issues.

Section 5: Without waiving any rights, the parties agree that the Company and the Union Stewards and Local Union Representative will meet, at an agreed upon time on an as-needed basis, to resolve issues raised in an agreed-upon agenda. For such meetings, the Union's representatives shall have access to the Company's premises upon notice to the Company.

Article III: Union Security and Checkoff

Section 1: All employees of the Company covered by this Agreement may become members of the Union signatory to this Agreement. Within seven (7) calendar days of hire date, the Company shall furnish the Union a list of all newly hired employees, including classification, hire date, and rate of pay. Upon receipt of written consent, the Company will furnish the Union a new hire's contact information.

Section 2: The Company agrees to deduct initiation or reinstatement fees from the first paycheck of each employee who becomes a member of the Union and who gives the Company a legal, written authorization for such deductions, and to transmit all funds so collected to the official designated in writing by the Union to receive same.

Section 3: The Company agrees to deduct union dues, as set by the Union as of January 1st of each calendar year for all hours worked, from each employee who becomes a member of the Union and who gives the Company a legal, written authorization. The Company will deduct authorized union dues from such employee's wages the first pay period of each month, and transmit all funds collected to the Union.

Section 4: The assignment, authorization, and direction shall be irrevocable for the period of one (1) year, or until termination of this Agreement, whichever occurs first. The assignment, authorization, and direction shall be automatically renewed for successive periods of one (1) year each or for the period of each succeeding applicable Agreement between the Company and the Union, whichever shall be shorter, unless written notice be given by the employee to the Company and the Union not more than twenty (20) days and not less than ten (10) days prior to the expiration of each period of one (1) year or of the then current Agreement, whichever occurs sooner.

Section 5: The parties mutually agree that there will be no discrimination to any employee or applicant for employment based on race, creed, color, religion, sex, age, national origin, handicap, disabled veteran and Vietnam Era veterans, or other area of prohibitive discrimination. Throughout this Agreement, a masculine pronoun shall be deemed to include the feminine. All acts of discrimination and/or harassment (including sexual harassment) shall be subject to disciplinary action up to and including discharge.

Section 6: If, in the implementation and administration of the provisions of this Article, the Employer does any act, fails to perform any act, either at the request of the Union or with their consent and, by reason of such conduct, such Employer is subjected to any claims, suits, actions, demands, damages and costs, the Union agrees to defend, indemnify and hold harmless the Employer, respectively, of and from any and all such claims, suits, actions, demands, damages and costs. The Union agrees to indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability that may arise out of or by reason of checking off Union dues and initiation fees in accordance with this Article.

Article IV: Management Rights and Responsibilities

Section 1: The Company reserves and retains solely and exclusively all rights to management of the business, including all legal rights that exist and are applicable to this Agreement. The Union agrees that the functions and rights of management belong solely to the Company and that it will not interfere with the Company's free exercise of these rights and functions, subject to the provisions of this Agreement.

Section 2: The sole and exclusive rights of management include, but are not limited to, the following:

- A. the right to manage, operate, control, and supervise the business and its operation;
- B. to determine the number, locations, and type of its operation, including the right to move, sell, close, liquidate, or merge, any and all its operations;
- C. to determine and re-determine the methods, machinery, equipment, materials, and processes to be used;
- D. to discontinue or automate processes or operations;
- E. to determine products and supplies to be used, operated, manufactured, processed, sold, or distributed;

- F. to determine volume of production, production standards, as well as pricing of products and servicing;
- G. to discontinue, transfer, subcontract, or assign all or any parts of its business operations for business or economic reasons;
- H. the right to select and hire all employees and assign and direct their work activities;
- I. to determine the size, composition, and number of shifts of its work force, their scheduled days and number of hours of each shift;
- J. to determine qualifications of employees, to classify, promote, demote, transfer, layoff, and recall employees;
- K. the right to discipline for just cause including discharge, and to maintain an orderly work environment, including the right to make and enforce reasonable rules for the maintenance of discipline, safety, and efficiency, are solely and exclusively the rights of management, except that Union members will not be discriminated against as such. "Just cause" as used in this Agreement as a reason for discipline by the Company shall mean action for a reason that does not violate any provision of this Agreement. It is understood and agreed that the degree of discipline up to and including discharge imposed for cause shall be at the discretion of the Company.

Section 3: It is understood and agreed that these enumerations of specific management rights, responsibilities, and functions, shall not exclude other unlisted management rights, not specifically listed herein. However, such management rights shall not be exercised in any way which will infringe on the rights and benefits of employees as provided in this Agreement.

Section 4: The Parties incorporate herein by reference the Company policies, procedures, and rules, as amended from time to time, communicated to employees by the Company. In the event of a conflict between this Agreement and any such policies, procedures and rules, this Agreement will govern.

Section 5: In addition to the wages established by this Agreement, the Company may, without notice to or bargaining with the Union, implement, modify or eliminate incentives and/or recognition efforts and/or programs (such as profit sharing) to hire new employees, retain current employees, motivate employees to work as needed, to reward the achievement of metric based goals/projects/continuous improvement initiatives, encourage safe working practices, or for any other business reason.

Article V: Employee Responsibilities

Section 1: Each employee will perform the work assigned to him by his immediate supervisor and will be responsible for the proper and efficient performance of his job.

Section 2: Each employee will observe and comply with the Company policies, procedures and rules, as amended from time to time, as communicated by the Company, and they will be subject to discipline for any violation thereof.

Section 3: Except as limited by this Agreement, employees may be assigned to perform work for which they are qualified that is different from their regular job.

Section 4: When requested to do so, employees will cooperate to the fullest extent in providing the Company with information about their work and their job duties.

Section 5: Employee shall:

- A. Adhere to the contractual starting and quitting times. Including lunch and break periods (Personal cell phones will not be used during the workday with the exception of lunch and break periods.)
- B. Meet their responsibility to be fit for duty, ensuring a zero tolerance policy for substance abuse is strictly met.
- C. Be productive and keep inactive time to a minimum.
- D. Meet their contractual responsibility to eliminate disruptions on the job and safely work towards the on-time completion of the project in an auspicious manner.
- E. Respect the companies property (Waste and property destruction, such as graffiti, will not be tolerated.)
- F. Respect the Company and the Union by dressing in a manner appropriate for our highly skilled and professional craft (Offensive words and symbols on clothing and buttons are not acceptable.)

Section 6: Employees will ensure that the Company's Human Resources office has the most current information about their residence/ mailing address, email address, telephone numbers, marital status, and dependents.

Article VI: No Lockout/No Strike

Section 1: The Company agrees that there shall be no lockout of its employees, and the Union agrees that neither it nor its members will cause, permit or take part in any strike while this Agreement is in effect.

Section 2: The Union agrees that neither it nor its members, individually or collectively will, during the term of this Agreement, and any renewal or extension thereof, cause, permit, or take part in any strikes, picketing, sit down, stand in, slowdown, refusal to perform work, or interference with the operation of the Company or related entities on any account, or in connection with any grievance or dispute arising out of the terms of this Agreement (except when the Company fails to abide by an arbitrator's decision and the Company is not appealing the arbitrator's decision in any court), and agrees not to authorize, condone, ratify, or support any picketing of the Company's or related entities' premises or its products, or in connection with the observance of any other picketing established by this Union or any other Union, and specifically including so-called sympathy strikes at any company's location, including the Company or related entities.

Section 3: It is understood between the parties to this Agreement that the activities prohibited in Section 1 of this Article include the activities of any employee of the Bargaining Unit who may engage in such activities in honor of or respect to a strike, picketing, stoppage of work, slowdown, sit down, refusal to perform work or any other kind of work stoppage by any other Union whatsoever that is engaged in such activities directed at the Company or related entities.

Section 4: During the term of this Agreement, any employee who participates in any form of activity prohibited by this Article or fails to abide by this Article, or violates any of the foregoing provisions, may be subject to discipline up to and including discharge. Disciplinary action will be taken by the Company within ten (10) week days (M-F) following the conclusion of the unlawful work stoppage. The Company's action in discharging or disciplining employees because of any violation of this section will not be subject to the grievance or arbitration procedure except on the issue of whether or not the employee participated in the prohibited activities.

Section 5: In the event of the occurrence of any interference of work or any other violation of this Article, the Company will immediately notify the Union by telephone, letter, or email about the violation. Upon receiving notice from the Company, the Union will take immediate affirmative action to prevent or

stop activity in violation of this Article. Job stewards, committeemen, and all officers of the Union who may be employed by the Company will take immediate steps to prevent prohibited activities by Bargaining Unit employees and attempt to end such activities if they occur or be subject to discipline or termination.

Section 6: In the event of any violation of this Article, the Company or the Union shall have the right to seek an injunction or damages, either or both, in either federal or state court, the choice to be in the sole discretion of the Company or the Union. The assessment of damages and the determination of legal matters involving this Article will be determined and enforced through the courts.

Article VII: Seniority

Section 1: **Definition of Seniority:** Seniority shall mean continuous employment with the Company beginning from the most recent date of hire, and includes all time worked and all time off of work authorized by the Company or by law. If two or more employees are hired on the same day their seniority position shall be established alphabetically by last name.

Section 2: **Probationary Period:** New employees hired by the Company, including present employees, who have been in the employ of the Company for less than ninety (90) days as of the date of this Agreement have no seniority or grievance rights, and such new employees may be laid off or discharged by the Company for any reason without recourse. After the probationary period, seniority shall date from an employee's last date of hire or rehire.

Section 3: **Termination of Seniority:** Seniority does not accrue and is lost when an employee:

- A. Quits
- B. Is discharged
- C. Is laid off for a period in excess of one (1) continuous year or the length of their seniority, whichever is less
- D. Is otherwise absent for a period in excess of one (1) continuous year

Section 4: Temporary employees will not be allowed beyond 90 days if utilized.

Article VIII: Job Postings and Transfers

Section 1: **Job Posting:** Bargaining Unit job openings will be posted as they occur. When a job is posted, any employee may post for the job opening per the posting instructions. Jobs will be posted for seven (7) full work days (M-F). Positions will be awarded based on previous experience, required skills, and work record, to be determined solely by the Company. If these factors are equal, then seniority will be the determining factor.

Section 2: **Consecutive Shift Transfers:** The Company may transfer an employee to another job classification for a maximum of sixty (60) consecutive calendar days without posting the job, unless the vacancy has been caused by absenteeism; provided however, the transfer period may be extended by mutual agreement.

- A. Employees who are transferred to another job classification for consecutive shifts shall be paid their current rate or the rate of the job to which they are transferred (including shift premium as applicable), whichever is higher.
- B. Transfers to an equal or lower rated job classification will be based on the required skills and experience needed to complete the work to be determined solely by the Company. All things being equal the least senior employee will be transferred.
- C. Transfers to higher rated job classification will be based on the required skills and experience needed to complete the work to be determined solely by the Company. All things being equal the most senior employee will be transferred.

Section 3: **Intra-shift transfers:** The Company may make intra-shifts transfers without limitation.

Section 4: **Shift Bumping:** Between November 15th and 30th of each year, an employee may request in writing that the Company permit him to “bump” into the same job classification on another shift. Such a request will granted based on previous experience, required skills, and work record, to be determined solely by the Company, and if these factors are equal, seniority will govern. The impact on operations will be considered before any bump is approved. A bumped employee must move to the bumper’s position unless the Company can provide another option that does not interfere with operations. Any bump will become effective the following January 1.

Article IX: Layoff and Recall

Section 1: **Layoff:** In the event of a reduction in workforce, layoffs will be based on business needs. The Company will give consideration to an employee's experience, skills, and work record, to be determined solely by the Company. If all other factors are equal, then seniority will be the determining factor. Employees selected for layoff will be given as much notice as is required by law or as much as is reasonable under the circumstances. The Company may offer voluntary layoffs to the most senior employee(s) in a surplus job classification, except that the Company may refuse such layoff based upon an employee's experience, skill, and work record as determined solely by the Company. The loss of seniority through layoff is discussed in the Seniority Article of this Agreement.

Section 2: **Recall:** The Company will recall laid-off employees as business needs require, considering an employee's experience, skills, and work record to be determined solely by the Company. If all other factors are equal, then seniority will be the determining factor. The Company will give notice of recall and return to work date by the best means available including telephone and/or certified mail, using the last contact information provided to the Company by the employee. If the employee does not acknowledge receipt of notice within twenty-four (24) hours, it will be presumed that the employee has voluntarily quit. If the employee does not return to work by the return to work date, it will be presumed that the employee has voluntarily quit. The return to work date will be no sooner than five (5) working days (M-F) after receipt of notification. After an employee has been on lay off for more than one (1) continuous year or the length of their seniority, whichever is less; he shall have no recall rights and be terminated.

Article X: Grievance Procedure

Section 1: **Purpose:** The Company and the Union agree that the grievance procedure provided herein shall be the formal means of resolving grievances arising during the term of this Agreement that are not resolved informally between the Company and an employee or a group of employees, or between the Company and the Union. For the purpose of this Article, a "grievance" is any dispute or difference between the Company and an employee or a group of employees, or between the Company and the Union, with respect to the meaning, interpretation, or application of the provisions of this Agreement, and a "grievant" may be an employee, or group of employees, or the Union. Recognizing that grievances should be raised and settled promptly, grievances must be raised and processed within specified time limits. The specified time limits may be extended by mutual agreement.

Section 2: Procedure:

Step 1: By verbal discussion between the grievant with or without their Union steward, and the supervisor, within three (3) week days (M-F) from the date of the event giving rise to the grievance, or within three (3) week days (M-F) that the matter should have become known to the employee. The supervisor shall give his answer within three (3) week days (M-F) thereafter. If not acceptable, the grievance shall be reduced to writing, filed by steward for the grievant on forms supplied by the Union, and submitted to the supervisor or his designated representative within three (3) week days (M-F) from the date of the supervisor's verbal answer. The supervisor shall give his written answer within three (3) week days (M-F).

Step 2: If the grievance is not settled in the first step and the Union wishes to appeal it, a Union representative shall sign the grievance and present same to Human Resources within three (3) shift work days of the grievant following the supervisor's answer in the first step. Human Resources shall write their answer within five (5) week days (M-F) thereafter and return it to the Union representative involved.

Step 3: If the grievance is not settled in the second step and the Union wishes to appeal it, a Union representative shall present same to the Operations Manager or designee within five (5) week days (M-F) from the date of Human Resources answer in the second step. The Operations Manager shall give his written answer within five (5) week days (M-F).

Step 4: If the grievance is not settled in the third step, and the Union wishes to appeal it, a Union representative shall present same to the Human Resources Manager or designee within five (5) week days (M-F) of the Operations Manager's decision in step 3. Parties will cooperate to arrange a fourth step meeting between the Union representative, Business Manager / Agent and the Company representatives. The meeting shall be held within 14 week days (M-F) thereafter, unless otherwise mutually agreed. Employees who participate in 4th step meeting must give prior notice to management of the need for attendance and their time will be unpaid. The agenda for these meetings will carry nothing but fourth step grievances. The grievant or a witness may be called in to give testimony at such discussion, at the request of either party. The Company will submit its written answer within five (5) week days (M-F) following the meeting.

Section 3: Arbitration: Grievances not satisfactorily settled in the fourth step of the Grievance Procedure may be submitted to arbitration by the Union notifying the Company, within fifteen (15)

calendar days after receipt by the Union of the Company's answer in the fourth step, of the Union's desire to refer the matter to arbitration, in accordance with the procedure outlined in Section 5 of this Article.

Section 4: **Time Limit:** If a grievance is not appealed to the next step within the specified time limit or any agreed upon extension thereof, it shall be considered settled on the basis of the Company's last answer. If the Company does not answer a grievance or an appeal within the specified time limit, the grievance will automatically be settled in favor of the Union.

Section 5: **Selection of Arbitrator:** If the Union notifies the Company of its desire to refer a grievance to arbitration in accordance with Section 2 of the Grievance Procedure, the Union shall then notify Federal Mediation and Conciliation Service of the dispute and request a list of seven (7) possible arbitrators. Within fifteen (15) calendar days of receipt of said list, the parties will strike alternately until one name remains on the list. The person whose name remains shall act as arbitrator, unless by mutual agreement none of the names submitted satisfy either party, whereupon a new panel may be requested.

- A. The arbitrator shall have authority only to interpret and apply the provisions of this Agreement and to decide the particular grievances submitted to him/her. He/ she shall not have authority to add to, delete from or in any way modify, alter, or amend any provisions of this Agreement. The arbitrator shall have no power to change established wage scales or rates or to change any wage rate agreed upon between the parties, nor to rule on any matter except while this Agreement is in full force and effect between the parties. No grievances may be combined for hearing except upon written agreement of the parties.
- B. In the event the arbitrator should decide that the discharge of an employee resulted from an unjust application of this Agreement, the Company will pay back pay including benefits and the Company portion of any health insurance premium cost incurred. The Company's obligation for back pay shall be limited to the hours the employee would have worked had he not been discharged. All interim income shall be subtracted from any back pay award, including unemployment compensation, and the affected employee shall furnish to the Union and the Company full documentation of interim earnings.
- C. Each party shall pay one-half (1/2) of the cost of arbitration and of a transcript, if jointly requested. If a transcript is requested by only one party, that party shall assume the full cost of same, including that of the arbitrator's copy. Either party may tape the proceedings at its own expense. Each party shall bear its own costs of preparation, including those of witnesses and representatives at the hearing.

Section 6: **Representation:** Each party reserves the right to be represented by counsel or other representative at any stage of the grievance/arbitration process.

Section 7: **Back Pay Upon Settlement:** Upon settlement of a grievance involving back pay, the Company will pay the employee within the next pay period.

Article XI: Hours of Work and Overtime

Section 1: **Hours of work:** consistent with the Company's Management Rights:

- A. A normal workweek shall consist of four (4) consecutive days, (Monday through Thursday, or Tuesday through Friday), each comprised of two (2) ten (10) hour shifts in each day: first (A) shift and second (B) shift. The normal work week shall begin at 12:00 a.m. on Monday and end at 12:00 midnight the following Sunday. The normal shifts are as follows:
 - First Shift: 5:45 a.m. to 3:45 p.m.
 - Second Shift: 3:45 p.m. to 1:45 a.m.
- B. The Company may establish a work week other than that described above, including without limitation, a work week that consists of five (5) consecutive days, Monday through Friday, each comprised of two (2) eight (8) hour shifts each day; or a work week that consists of four (4) consecutive days, Monday through Thursday, each comprised of two (2) nine (9) hour shifts, and a Friday comprised of two (2) four (4) hour shifts.
- C. The normal work week, shifts, and hours may change as determined by the Company. If such changes become necessary, employees will be given at least Five (5) working day notice. Such notice shall not apply to required overtime work.
- D. Notwithstanding any provision of this Agreement, the Company does not guarantee any particular number of working hours for any employee.

Section 2: **Break periods:** Employees will be provided one paid 10-minute break per shift of more than 4 hours but less than 8 hours. Employees will be provided one paid 10-minute and one paid 15-minute break per 8-hour shift; and employees will be provided one additional 10-minute break for a shift that exceeds 10 hours. All employees are required to take the breaks at the same designated time, and any exceptions must be authorized. Employees are expected to be at workstations, ready to work, immediately following the end of a break period.

Section 3: **Payday:** Employees will receive a direct deposited paycheck on a bi-weekly basis, normally on Thursday. The exception to this will be upon an employee's first payroll check or when an employee submits a direct deposit change, which will result in a check being mailed to the employee's home address on file. All employees will have their paycheck stubs mailed to their home address on file. Only deductions required by law, allowed by the Company, or authorized in writing will be deducted from pay.

Section 4: **Time and one-half:** Time and one-half the regular straight time rate shall be paid for all hours in excess of forty (40) hours per week.

Section 5: **Double time:** Double the regular straight time rate shall be paid for all work performed on the seventh consecutive full scheduled day of work.

Section 6: **Mandatory Overtime:** Based upon customer requirements, the Company will determine the skills needed and may require employees to work mandatory overtime upon a minimum of 38 hours' posted notice. Employees will be allowed 2 overtime refusals per contract year when required to work mandatory overtime by the Company. Should the Company not be able to secure enough employees to properly crew the overtime, refusals will be disallowed on a seniority basis.

Section 7: **Shift Premium:** For all employees working on the second shift, there shall be a premium paid of forty (.40) cents per hour.

Article XII: Wages

Section 1: **Job Classifications, Wages, Step Progression.** The table below lists job classifications, wages, and step progression by group effective the first payroll period 30 days after ratification of this Agreement and during the first year of this Agreement. It also shows the wage increases due in years 2 and 3 of this Agreement. Nothing in this Article shall prevent the Company from postponing a step progression based upon a review of an employee's job performance.

Grade	Position	Step 1	Step 2	Step 3	Step 4	Year 2	Year 3
Grade 1	Custodial	\$10.56	\$11.18	\$11.80	\$12.42	0.75%	1.5%
	General Labor						
Grade 2	Clerk : shipping/stockroom/maintenance	\$12.73	\$13.48	\$14.23	\$14.98		
	Finisher I						
Grade 3	Blaster	\$14.47	\$15.32	\$16.17	\$17.02		
	Finisher II						
	Maintenance Assistant						
	Material Handler						
	Receiver						
	Storekeeper						
Grade 4	Burner I	\$14.88	\$15.76	\$16.63	\$17.51		
	Finisher III						
	Hydrotester						
	Machine Operator I						
	Machine Welder I						
	QA Tech						
Grade 5	Burner II	\$15.76	\$16.69	\$17.61	\$18.54		
	Machine operator II						
	Machine Welder II						
	Machinist						
	Utility (grade 1 - 4)						
Grade 6	QA NDE Tech I	\$16.43	\$17.40	\$18.36	\$19.33		
	QA Project Tech						
	Utility II						
Grade 7	CNC Set Up	\$17.13	\$18.14	\$19.14	\$20.15		
	Welder I						
Grade 8	Maintenance Tech I	\$17.54	\$18.58	\$19.61	\$20.64		
	QA NDE Tech II						
	Toolroom Tech I						

Grade	Position	Step 1	Step 2	Step 3	Step 4	Year 2	Year 3
Grade 9	QA NDE Tech III	\$18.35	\$19.43	\$20.51	\$21.59	0.75%	1.5%
	Utility III - Production Flow Specialist						
	Welder II						
Grade 10	CNC Programmer	\$19.69	\$20.85	\$22.01	\$23.17	0.75%	1.5%
	Maintenance Tech II						
	Toolroom Tech II						
	Welder III						
Grade 11	Maintenance Tech III (Journeyman)	\$20.97	\$22.20	\$23.44	\$24.67		

Step 1 = 85%, Step 2 = 90%, Step 3 = 95%, Step 4 = 100%

Section 2: Starting Rates and Progression: All employees shall be hired and paid at least the starting rate in their assigned job classification/grade and progress in the amounts and at the time intervals set forth, assuming a positive review of job performance.

Section 3: Merit Increases and Incentive Programs: Nothing in this Article shall prevent the Company from awarding or revoking merit increases, or developing and implementing incentive programs as contemplated by Article IV Management Rights.

Section 4: Lead Premium: An employee whose regular working hours include work as a lead person shall be paid an hourly premium of \$1.50 in addition to his base rate. The Company reserves the right to remove and reassign lead responsibilities in its sole discretion. Article VIII Job Postings and Transfers will apply to lead positions.

Section 5: Red Circling and Ratification Bonus: Any employee in a classification on the effective date of this Agreement whose rate of pay is equal to or greater than the scheduled rate of pay will be red-circled and receive no increase until such time as the rate of pay for the classification meets or exceeds the employee's rate of pay. At the end of the first pay period after the effective date of this Agreement, the Company will pay to each of such employees a one-time bonus of \$350. The Company and the Union have agreed upon ratification of this Agreement, and incorporate herein by reference, a separate schedule identifying such employees.

Section 6: **Schedule Progression to Top Pay:** Employees in Grades 1–4 will be evaluated at intervals of 3, 6, and 12 months, and may reach top pay in 12 months. Employees in Grades 5-7 will be evaluated at intervals of 6, 12, and 18 months and may reach top pay in 18 months. Employees in Grades 8-11 will be evaluated at intervals of 6, 15, and 24 months and may reach top pay in 24 months.

Section 7: **Movement Between Grades:** The wage rate of an employee who bids for and is awarded a job in a higher grade will normally begin at step 1 of that grade, except that if the employee's wage rate is higher than any step of the higher grade, he will be red-circled and have no progression until his wage rate is less than or equal to any step of the higher grade, after which time progression will continue. Notwithstanding the foregoing, the employee will still be evaluated at each step of the higher grade. The wage rate of an employee who bids for and is awarded a job in a lower grade will be lowered to that step in the lower grade closest to his previous wage rate.

Section 8: **Reporting, Call-In or Call-Back:** Any employee reporting for work on his/her normal shift, who has not been notified that there is no work available at least two (2) hours prior to the commencement of their shift, shall receive four (4) hours of work at his applicable rate or the monetary equivalent thereof. Any employee called in to work by the Company shall receive a minimum of four (4) hours of work at the applicable rate or the monetary equivalent thereof. Any employee called back to work by the Company after completion of his/her normal shift shall receive a minimum of four (4) hours of work at the applicable rate or the monetary equivalent thereof, unless this extra work should continue into his next normal shift. This Section shall not apply when a change in shift occurs.

Section 9: **Injury at Work:** If an employee is injured at work and the injury requires the employee to leave work, he will be paid for time lost up to the end of his shift, provided the employee satisfies his obligations under Article XX, Section 8 of this Agreement.

Article XIII: Insurance

Section 1: The Company agrees to maintain insurance benefits at levels in effect at the time of execution of this Agreement. Those benefits are described in the Company benefit packet (can be obtained from HR).

Section 2: The following table outlines the premiums payment arrangements for Medical Insurance:

Silvan Health Plan – 2016						
Plan Type	Monthly Premium Equivalent	Employee Contribution %	Monthly Employee Contribution	Employer Contribution %	Monthly Employer Contribution	Pay Period Amount
PPO						
Single	\$664.07	20.00%	\$132.81	80.00%	\$531.25	\$61.30
Employee + Spouse	\$1,328.59	27.50%	\$365.36	72.50%	\$963.23	\$168.63
Employee + Child(ren)	\$1,463.71	25.00%	\$365.93	75.00%	\$1,097.78	\$168.89
Family	\$1,841.81	30.00%	\$552.54	70.00%	\$1,289.27	\$255.02
H.S.A.						
Single	\$494.50	10.00%	\$49.45	90.00%	\$420.33	\$22.82
Employee + Spouse	\$989.07	17.25%	\$170.61	82.75%	\$801.15	\$78.75
Employee + Child(ren)	\$1,088.81	15.75%	\$171.49	84.25%	\$917.32	\$79.15
Family	\$1,371.93	19.00%	\$260.67	81.00%	\$1,111.27	\$120.31

Section 3: Employees on FMLA / Medical Leave: In the event of a qualified FMLA / Medical Leave, the Company will pay its share of the premium for Medical Insurance coverage for the remainder of the month, and for three (3) calendar months thereafter, providing the employee has paid his/her share of premium cost. Thereafter, it is the employee's sole responsibility for the total premium cost until such time as the employee returns to work. The employee has a 30-day grace period in which to make premium payments. If payment is not made timely, Medical Insurance will be cancelled.

Employees who become ill or disabled due to industrial causes will be entitled to keep their insurance in force and the Company will contribute to the premium as provided above.

Section 4: Separated Employees: If an employee separates from employment for any reason (including voluntary quit, discharge or lay off) his Medical Insurance will terminate as follows: if

separation occurs on or before the 15th of the month Medical Insurance will terminate on the 15th of the month, and if separation occurs on or after the 16th of the month Medical Insurance will terminate on the last day of the month, subject to continuation of coverage afforded under COBRA.

If an employee withdraws from the plan, Medical Insurance will terminate on that date.

Section 5: **Opt Out Benefit:** In the event an employee chooses not to take the Company Medical Insurance coverage, the Company will pay that employee \$200 once each quarter the employee opts not to have this coverage totaling \$800.00 per year and meets eligibility. Proof of alternate health coverage may be required.

Section 6: **Life Insurance:** The Company agrees to provide to each bargaining unit employee and pay for a life insurance policy with a benefit of \$40,000.

Article XIV: 401(K)

The Company agrees to provide a 401k plan for its bargaining unit employees, the benefits of which shall be maintained at levels in effect at the time of execution of this Agreement.

Section 1: The Company's 401(K) Retirement Plan is a voluntary savings plan regulated under Section 400 of the IRS code. Individual contributions are made through payroll deductions and are limited to the applicable legal maximum. A Summary Plan Description will be provided to each participant upon eligibility. This booklet will outline specific benefits, investment options, illustrations of savings benefits and personalized investment tests for investment traits. Periodic educational programs will be scheduled at the Company throughout the year for new and current participants. Elements of the plan include the following:

- A. Third Party Administrator (See HR for current plan description)
- B. Eligibility: Regular full-time employees, who work 30 hours per week on a scheduled basis, and complete a minimum of 60 days of continuous service, and is a minimum of 18 years of age.
- C. Effective Date: First day of the new enrollment period coinciding with Enroll or following 60 days of continuous service.
- D. Investment Options: Per plan description.
- E. Enrollment Dates: Enrollment periods for the 401(k) plan are quarterly January 1, April 1, July 1, and October 1.

- F. Contribution Changes: An eligible employee may change their payroll deduction at any time.
- G. Company Match: The Company agrees it will provide a fifty (\$.50) cent match on each dollar of the employee's pre-tax deferral up to the first four (4%) percent of deferral to the Company 401K Savings Plan for the duration of the parties' current Collective Bargaining Agreement. Company matching contributions will be made on a bi-weekly basis.
- H. Regular full-time employee is eligible to receive a 401(k) company match after they complete 6 full months of continuous service.
- I. The Company will allow a Union appointed representative to attend all 401K trustee's meetings or investment / administration meetings.

Section 2: **Vestment:** Employee's 401(k) contributions are immediate 100% vested. Any company match in this plan is vested according to years of service starting on their first day of employment: (See following vesting table)

Years of Service Percent Vested table

Years of Service	Percent Vested
1	0%
2	20%
3	40%
4	60%
5	80%
6	100%

Article XV: Holidays

Section 1: **Holidays:** The Company will provide 80 hours of paid holiday leave during each calendar year. Because of different shift schedules/hour, all holidays may not be recognized. The following holidays will be recognized by the Company: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day After Thanksgiving, Christmas Day, Anniversary Holiday (earned at first year anniversary), and Floating Holidays as needed to fulfill the 80 hours of holiday time. Paid holiday hours will be prorated for those employees working 30-39 hours per week based on the actual hours worked. The Company will post a holiday schedule before the beginning of each year

identifying holidays, floating holidays, the hours paid for each holiday, and the actual date of the holiday observance (in the event the holiday falls on a Saturday or Sunday).

Section 2: **Eligibility:** All regular full-time employees who work 30 or more hours per week, and who have completed 60 days of continuous employment, are eligible to receive paid holiday leave provided:

- A. They work the entire shift the day before and the entire shift the day after the holiday, or,
- B. They are on a scheduled vacation the day before and/or the day after the holiday, or,
- C. They must work the day before or after a holiday and be excused by the Company as a result of a verifiable illness, accident, death in the immediate family, or jury duty.
- D. Employees on a leave of absence will not receive holiday pay.
- E. Anniversary days must be scheduled according to the vacation scheduling policy, i.e. in advance.

Section 3: **Holiday Observances:** If a designated holiday falls on a non-scheduled work day, the Company may designate the preceding or following scheduled workday as the day for holiday observance. If an employee is required to work on a holiday, he shall be paid his regular rate of pay plus holiday pay, unless the holiday is the seventh consecutive full scheduled day of work, in which case the employee shall be paid two times his regular rate of pay plus holiday pay.

Section 4: **Switching Shifts:** If an employee changes position or shifts during the year he will be assigned to the holiday schedule that correlates with his new shift or position.

Article XVI: Vacation

Section 1: All regular full-time employees who work 30 or more hours per week and have completed a minimum of six months of continuous service are eligible for vacation. Years of service determine earned vacation hours and accrual rate. An employee's pay stub will reflect an increase or decrease in vacation hours based upon accrual and usage. Eligibility and accrual are shown in the following schedule:

Years of Service	Annual Vacation Accrual Rate	Hourly Vacation Accrual Per Day (hrs)	Vacation Accrual Per Pay Period (hrs)
6 months – two years	40 Hours	.1095	1.54
Three – four years	80 Hours	.2191	3.08
Five years	88 Hours	.2410	3.38
Six years	96 Hours	.2630	3.69
Seven years	104 Hours	.2849	4.00
Eight years	112 Hours	.3068	4.31
Nine – ten years	120 Hours	.3287	4.62
Eleven years	128 Hours	.3506	4.92
Twelve years	136 Hours	.3726	5.23
Thirteen years	144 Hours	.3945	5.54
Fourteen years	152 Hours	.4164	5.85
Fifteen years	160 Hours	.4383	6.15
Twenty-Five years	184 Hours	.5041	7.08

Section 2: Carry Over Plan:

Employees with 1 to 3 years of service may “carry over” up to 40.0 vacation hours on their anniversary date to be utilized during the following anniversary period.

Employees with over 3 years of service may “carry over” up to 80.0 vacation hours on their anniversary date to be utilized during the following anniversary period.

Each employee is responsible for his own vacation plan. Any carry-over balance of hours must be scheduled before the pay period preceding anniversary date. An employee will have 13 months from his previous anniversary date to use accumulated vacation hours over the carry-over cap in Section 2 above. If not used, the unused hours will be lost.

Section 3: Scheduling: Each employee must submit a vacation request at least one week in advance of the desired vacation date. A vacation request submitted with less notice may be approved, but only if business conditions allow.

A same-day vacation request may be granted if the occasion is initiated by a supervisor and/or area manager. This is usually initiated by a sudden short-term reduction in work, such as equipment failure(s) or delivery issues.

A half-day vacation may be granted by the supervisor and/or area manager without an occurrence consistent with a reduced work load. Determinations about half-day vacations are solely at the discretion of the area supervisor or manager.

An effort will be made to accommodate a vacation request consistent with the efficient operation of the Company. However, only a certain number of employees in each department can be scheduled for vacation at one time, based on short-term business conditions.

Vacation requests of more than one day will receive first priority. Employees are responsible for the early scheduling of to allow for efficient scheduling planning.

When scheduling vacation for April – December, employees are encouraged to submit vacation requests between January 1st – March 31st of that calendar year. If there are too many employees requesting the same periods of vacation time, before March 31 seniority will be used as a deciding factor and given priority (all other factors being equal). After March 31st, vacation requests for the remainder of the year will be granted on a first-come first-serve basis.

When scheduling vacation for January – March, employees are encouraged to submit vacation requests between July 1st – September 30th of the prior calendar year. If there are too many employees requesting the same periods of vacation time, before September 30 seniority will be used as a deciding factor and given priority (all other factors being equal). After September 30th, vacation requests for January – March of the upcoming year will be granted on a first-come first-serve basis.

When a week spanning two 2 calendar years occurs, individual days will default to the policy as described above. Those requesting multiple days/entire week can turn in a request before March 31st and it will cover the days which extend into the next calendar year. (This only impacts those that are planning on multiple days or the entire week.)

Call in vacation requests will not be honored for an employee's scheduled day before or after a holiday.

Vacation requests may be taken in full or half shift increments.

Section 4: **Pay:** All vacation pay will be computed at an employee's regular rate of pay. Time away from work due to industrial injury or illness and certain mandated leaves of absence will be counted as time worked when computing vacation eligibility up to the specified time allowed under the mandated leave.

Section 5: **Unused vacation hours:** Upon termination of employment the Company will pay as wages to an employee any unused vacation hours.

Article XVII: Sick Leave

Section 1: **Eligibility, Earning and Accrual.** All regular full-time employees who work 30 or more hours per week and who have completed at least one (1) year of service are eligible for Sick Leave. An eligible employee may earn up to 20 hours per calendar year and from year to year accrue up to a maximum of 120 hours, except as provided below in Section 5.

Section 2: **Use.** An eligible employee must use available accrued Sick Leave for Doctor's Days (see below Article XVIII Attendance), FMLA leave, or other qualifying medical Leave of Absence, and must provide 24 hours' notice to Human Resources or his Supervisor in order to use Sick Leave. This benefit may be used in full day, half day, or 2-hour increments. Proper documentation may be required. Pay is computed at straight-time rates.

Section 3: **Existing Sick Leave Bank Use.** Upon the effective date of this Agreement, Sick Leave accumulated by each employee prior to the effective date shall be determined and may be used by the employee.

Section 4: **First Limitation on Sick Leave Accrual and Bank Cap.** If an employee's Sick Leave bank as determined above under Section 3 exceeds 120 hours, he will not be eligible to earn additional Sick Leave until his Sick Leave bank is reduced to less than 120 hours. In no event may an employee maintain a Sick Leave bank of more than 120 hours.

Section 5: **Second Limitation on Sick Leave Accrual and Bank Cap.** If during the term of this Agreement, the Company provides to all bargaining unit employees and pays for a short term disability

plan providing weekly benefits of at least \$500, then from and after the date such plan is implemented, an employee may earn up to 20 hours of Sick Leave per calendar year, but no employee may bank more than 60 hours of Sick Leave; provided, however, that Sick Leave already accumulated by each employee may continue to be used by the employee.

Article XVIII: Attendance

Section 1: **Purpose:** Punctual and regular attendance is an essential function of all positions and is important to ensure that all production schedules are completed on time to fulfill customer expectations. Employees must report for work on time and work all scheduled hours and assigned overtime.

Section 2: **Definitions and Application:**

- A. **Absence:** An absence is the failure of an employee to report to work when scheduled, including mandatory or voluntary overtime.
- B. **Occurrence:** An occurrence is assessed against an employee who is tardy, leaves work before the end of shift, fails to report to work, or fails to provide notice as required by this Article, unless the violation is excused by Company policy, practice, or law. No occurrence is assessed for properly requested and approved absences, including without limitation the following leaves: FMLA, STD, bereavement, scheduled vacation, holiday, jury duty, military duty, and worker's compensation. An occurrence is assessed based upon an employee's timecard. An occurrence expires 1 year from the date of the incident.
- C. **Failure to Notify:** A failure to notify occurs when an employee fails to provide required notice that he will be absent from work, and it is a violation of Company work rules and subject to disciplinary action. An employee who fails to provide notice for two (2) consecutive scheduled shifts will be considered to have voluntarily quit, terminating his employment, unless there are extenuating circumstances approved by the Company.
- D. **Tardy:** Tardy is an employee's failure to be clocked in before shift starting time.

Section 3: **Assessment of Occurrences:** The Company will assess occurrences as follows:

- **½ occurrence:** Missing up to 2 hours of a scheduled shift.
- **1 occurrence:** Missing 2 hours or more of a scheduled shift.

Section 4: Discipline for Occurrences: Based upon an employee's rolling 12-month attendance record, an employee may be disciplined as follows:

- 1.5 occurrences – first warning (verbal documented)
- 3 occurrences – second warning (written)
- 4.5 occurrences – third warning (suspension)
- 6 occurrences – termination

An occurrence will be removed from an employee's occurrence balance if he has no attendance issues for a six (6) month period.

An employee who is suspended for attendance two (2) times within a 12 month period is subject to termination.

Section 5: Call-In Vacation Day Notification to Avoid Occurrence: If an employee has available vacation, he may avoid an occurrence by using a Call-In Vacation Day up to two (2) times per calendar year. A Call-In Vacation Day will be "burned" regardless of the amount of shift time covered by Call-In (i.e. ½ shift, full shift).

Example: An employee is tardy, leaves early, or misses an entire shift; he may use a Call-In Vacation Day to avoid an occurrence.

Per the Vacation Article of this Agreement, increments of ½ or full day of vacation may be used. In the event of a Call-In Vacation Day, either a ½ day or full day of vacation will be applied to compensate the missed time.

Section 6: Call-In Vacation Day Notification with Occurrence. An employee may call in and use vacation to cover loss of pay for an absence from work, but the absence will result in an occurrence as stated in this Article. Use of vacation must comply with the Vacation Article of this Agreement. Call-ins will be subject to an occurrence as stated in this article. Same Day Call-In's cannot be used before or after a Holiday. An employee's anniversary/personal day may not be utilized for same day Call-Ins, to include tardiness or leaving early.

Section 7: Call-In Procedure: Employees are expected to be at their assigned work areas, ready to begin working, at their scheduled starting time. If personal illness or emergency make it impossible for an

employee to report to work, the employee should call the employee call-in line as designated by the Company at least one (1) hour before start of the shift.

Section 8: **Doctor's Day(s) for Employee or Family Member:** An employee who is absent due to his own illness or injury (non-work related) or illness/injury of a Family Member (refer to definition below) for 1 to 3 consecutive days, and who properly informs the Company and provides a Doctor's Authorization can avoid an occurrence(s). To cover an employee's illness or injury (non-work related), the employee must submit a Doctor's Authorization that indicates the employee's fitness for duty and the date(s) absent from work. To cover an employee's absence to care for a Family Member, the employee must submit a Doctor's Authorization that indicates that the employee was needed to care for the Family Member. The Doctor's Authorization must be presented on or before the first day back to work; no such authorizations will be accepted after that. This can only be applied a maximum of two (2) times per calendar year. For purposes of this section, Family Member includes spouse, including common-law or same sex spouse; parents, including step parents or parent-in-law; grandparent; grandchildren; siblings, including step siblings or half siblings; children, including step children and guardian, provided the guardian has acted in the place of a parent.

Section 9: **Inclement Weather:** The Company may use weather advisory reports, local school closings, and review the absences from each shift to determine, in its sole discretion, whether work absence will be excused due to inclement weather. If the Company determines that work absence is excused, no occurrences will be given due to weather. If the Company determines that work absence is not excused, an employee may use one (1) unpaid "weather day" per calendar year to avoid an occurrence. An employee may or may not apply a Vacation day to avoid a loss in pay with no occurrence.

Article XIX: Bereavement

Section 1: Employees requiring time off for the death, funeral or estate settlement of a family member may be entitled to a paid bereavement leave of absence according to the following policy.

Section 2: **Definitions:**

For the purpose of this policy the term "immediate family" will mean: spouse, including common-law or same sex spouse; parents, including step parents or parent-in-law; grandparent; grandchildren; siblings, including step siblings or half siblings; children, including step children and guardian, provided the guardian has acted in the place of a parent.

For the purpose of this policy the term “extended family” will mean in-laws (brother, sister, daughter, son, grandparent), and further extended relatives that reside with the employee.

For the purpose of this policy the term “further extended” will mean aunt, uncle, nephew, niece, or cousin; to include applicable in-laws.

Section 3: Responsibilities:

The employee shall:

- A. Inform their supervisor as soon as possible that they have a need for bereavement leave.
- B. Provide documentation to support the leave, when requested.

Section 4: Policy:

Upon the death of an immediate family member an employee may be granted up to three (3) work days off with pay at his regular rate of pay to attend the funeral or make related arrangements.

Upon the death of an extended family member an employee may be granted up to two (2) work days off, up to and including the day of the funeral, with pay at his regular rate.

Upon the death of a further extended family member an employee or requests outside of this policy may be granted to attend the funeral up to one (1) unpaid day with prior approval from his supervisor.

If the death of an immediate family member occurs while an employee is on vacation, days related to bereavement leave will not be considered as vacation days.

Time off with pay to attend the funeral of a deceased fellow employee (other than relatives as mentioned above) may be allowed at the discretion of the Company.

Should more than the days allowed by this policy be needed, up to one additional day may be taken as an unpaid or vacation day with the Company’s approval.

Section 5: This Article applies only to full-time employees who have completed their probationary period.

Article XX: Safety and Sanitation

Section 1: In the interest of maintaining good relations, the Company and the Union will cooperate to provide safe and healthful working conditions. Both parties to the contract will encourage employees to bring such matters to the attention of the appropriate official prior to contacting a third party. For example, if an employee feels that an unsafe condition exists at or near his/her work area, he/she should call the condition to the attention of his/her supervisor or member of management prior to filing a complaint with the government.

Section 2: The Company shall provide all safety devices as required by the health and safety regulations of the State of Wisconsin and the United States Department of Labor.

Section 3: The Company shall provide and maintain such safety and sanitation standards as set forth by local health department.

Section 4: The Company shall provide, and employees shall use, ventilation equipment required by the relevant safety standards for work in spaces in which burning, welding, or similar work is performed.

Section 5: A joint Safety and Health Committee is established and will be maintained during the term of this Agreement.

Section 6: The Company and employees must work in a drug free work place. All employees must report to work and remain free of drugs, intoxicants, alcohol, narcotics, or any other controlled substance. Employees may be disciplined, up to and including discharge, for possession, consumption, manufacture, distribution, not being free of, or use of any drugs, intoxicants, alcohol, narcotics, or any other controlled substance, while working or while on Company property. As a condition of their employment, all employees will be subject to drug and/or alcohol testing including random testing, administered by the Company. Refusal to cooperate with the Company's drug and/or alcohol testing program may result in discipline, up to and including discharge.

Section 7: Personal Protective Equipment:

- A. **Non-Prescription Safety Glasses:** The Company will provide employees with Company-approved non-prescription safety glasses. Replacement will be available as needed. It will be the employee's responsibility to take care of glasses and keep them in good repair.
- B. **Prescription Safety Glasses:** The Company will provide \$100 per year toward the purchase of Company-approved prescription safety glasses. Glasses or frames damaged during work activity will be replaced free of charge by the Company. Employees will be reimbursed after their probationary period, provided they remain employed.
- C. **Safety Shoes:** The Company will reimburse an employee \$100 per year (from date of purchase) or \$200 every other year (from date of purchase) after the purchase of approved steel-toed safety shoes. Newly hired employees will be reimbursed after the initial 90-day period, provided they are still employed. An employee seeking reimbursement must present a paid receipt to the Human Resources Department.

Section 8: When an employee suffers a workplace injury or accident during his shift (covered by worker's compensation), he must see the plant nurse on-site or a clinic off-site. In the event the employee is seen by an off-site clinic, he must provide documentation required by the Company in order to be paid for the balance of his shift. The employee may be returned to "light duty" work by their physician. Light duty work is temporary, modified work within an employee's restrictions. Whether such work is available and the shift during which it will be performed is within the sole discretion of the Company.

Article XXI: Miscellaneous

Section 1: Jury Duty: As promptly as possible after receipt of jury notification, an employee must give notice and provide to his supervisor the applicable absenteeism form.

If an employee is required to report to court, or actually serves jury duty, the Company will pay the difference between jury duty pay and hourly straight-time base rate earnings, including shift premium, due by reason of such duty, for normal scheduled hours up to a maximum of eight (8) regular scheduled shifts.

The employee must also present to the Human Resources Department documentation of jury attendance and the amount of jury duty pay. If employee is dismissed from jury duty and could work a minimum of four (4) hours on his scheduled, he must return to work, or forfeit jury duty pay.

This section applies only to full-time employees who have completed their probationary period. All lost time under this section will be counted as time actually worked for purpose of seniority.

Section 2: **Tools and Equipment:** The Company will provide all Company-approved tools and equipment necessary for employee to do assigned work. The Company will replace such items if they are worn out, turned in to the Company, and have been cared for properly.

Section 3: **Instruction and Program Reimbursement:** Company-approved course of instruction or program reimbursement is available to all full-time employees after completing six months of service. Company authorization for reimbursement must be obtained in advance. Forms for tuition reimbursement are available from the Human Resources Department.

The Company will reimburse an employee for tuition, books and materials if the request meets the following conditions:

- A. Program or course must have a direct job-related application as determined solely by the Company
- B. Original receipts must verify costs incurred
- C. The employee must receive a grade of "C" or better and submit transcripts of grades to the Company
- D. The employee must remain employed with the Company for the duration of the course.
- E. The employee must remain employed with the Company for a minimum of six (6) months after receiving reimbursement or else repay the Company.
- F. The Company will reimburse for an amount equal to 100% of the total cost of tuition, books and materials, up to a maximum of \$1,100 per year.

No later than the first pay period following fulfillment of the forgoing conditions, the Company will reimburse the employee.

Section 4: **Purchase of Fire Rings:** An employee may purchase a fire ring from the Company once during each calendar year for \$35. The employee first must make payment to accounting, which will

provide a "paid" receipt. The employee then must present the "paid" receipt to the operations manager for signature, and then present the signed receipt to the manufacturing clerk. The clerk will present the receipt to the plasma operator, who will "burn" metal for the fire ring. After the ring is burned, the employee must promptly remove the fire ring from Company property, being ready to produce a receipt therefor. All of the foregoing must be done on the employee's own time (not working time). The following conditions will apply:

- A. Fire rings will be produced on a first come/first served basis. A list will be maintained and followed in order.
- B. Fire rings will be produced only from scrap and drops, not from useable steel.
- C. Fire rings will be produced only from basic plasma programs (no custom designs).
- D. Fire rings will be produced only when the Company has available time in manufacturing.

Section 5: **Pyramiding Benefits:** Employees will not be permitted to pyramid benefits, that is, apply two benefits to the same situation. For instance, if during the period you are on vacation you were called to jury duty, you would not be paid for both jury duty and vacation pay. If this situation occurs, please notify your supervisor.

Section 6: **Supervisors Working:** Supervisors, or higher ranking personnel, and personnel not otherwise in the bargaining unit shall perform no production or maintenance work except that which may be necessary in cases of emergency and such work as may be necessary in instructing employees on new equipment, new processes, techniques, and safety training etc.

Article XXII: Union Business Provisions

Section 1: The Union shall have the right to appoint stewards as needed, up to two (2) per shift. Additional / alternate representation can also be appointed by the Union in cases where an appointed committee-person / steward is on vacation, absent, sick or in closer proximity related to the complaint or dispute where it exists.

Section 2: The Company shall be notified by letter over the signature of the responsible Union officers as to changes in names of members on committees which represent their Union. There shall be no discrimination at any time on the part of the Company against any Union person or members of the grievance committee when following up grievances.

Section 3: The Company shall provide bulletin boards in mutually designated areas for use of the Company and the Union. Union notices must be approved in advance by Human Resources and are restricted to:

- A. Notices of Union meetings.
- B. Notices of Union elections, appointments and results of Union elections.
- C. Notices of Union recreational and social affairs.
- D. Such other Union notices as may be mutually acceptable.

Section 4: The Company shall furnish the Union bi-monthly a list of all employees hired, terminated, laid off, recalled, promoted, or on leave. The list shall show the employees' classification, seniority date, and rate of pay.

Article XXIII: Waiver

Section 1: The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the Company and the Union for the life of this Agreement, each voluntarily and unqualifiedly waives the right to demand collective bargaining, and agrees that without the written consent of both parties to this Agreement, neither party shall be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both parties at the time that they negotiated or signed this Agreement. If during the term of this Agreement the Company reinstates a weekend shift (which does not exist upon the effective date hereof), the parties will engage in good faith bargaining about Agreement provisions for a weekend shift, but only to identify and to amend portions of this Agreement that require amendment or clarification as they relate to a weekend shift.

Section 2: The failure of either party to this Agreement to require strict performance of any provision of the Agreement shall not be deemed a waiver or abandonment of any of the rights or remedies provided herein for violation of the Agreement or any provision thereof; nor shall it constitute a waiver or abandonment of any right or remedy herein provided for a subsequent violation of any provision of the Agreement.

Article XXIV: Separability and Amendment

Section 1: In the event any provision of this Agreement is held to be unlawful or void by any tribunal having the right to so hold, the remainder of this Agreement shall remain in full force and effect, unless the parts so found to be void are wholly inseparable from the remaining portions of this Agreement.

Section 2: It is mutually agreed that the terms and conditions of this Agreement have been reached as a result of collective bargaining. This Agreement may only be modified by mutual Agreement of the parties, in writing and duly executed.

Article XXV: Effective Date; Duration of Agreement; Notices; Past Practices

Section 1: This Agreement constitutes the entire agreement between the parties and supersedes any other agreement, oral or written, pertaining to its subject matter, and it shall become effective November 7, 2016, and shall continue in full force and effect through November 3, 2019, and shall continue thereafter from year to year unless, at least sixty (60) days, but no more than ninety (90) days, before the start of the last pay period of any subsequent year, either Party shall serve written notice to the other of its desire to amend, modify, or terminate this Agreement.

Section 2: Notices shall be in writing and shall be sufficient if sent by ordinary mail addressed as follows:

If to Company: Silvan Industries
 2121 Cleveland Ave.
 Marinette, WI 54143
 Attn: Bill Kahl, General Manager

If to Union: United Association of Plumbers, Steamfitters, and
 Pipefitters of the United States and Canada, Local 400
 P. O. Box 530
 Kaukauna, WI 54140
 Attn: Jeff Knaus, Business Manager

Section 3: If either Party notifies the other as above provided, representatives of the Company and the Union shall meet and shall negotiate such proposed changes without unnecessary delay.

Section 4: All existing practices, customs, or understandings, whether expressly covered by this Agreement or otherwise, will continue in effect unchanged until November 3, 2019, except as specifically modified as provided herein or by mutual agreement between the Parties.

WITNESS the signatures of the parties on the dates hereinafter set forth:

SILVAN INDUSTRIES, a division of SAMUEL
PRESSURE VESSEL GROUP, INC.

By:
Its: SPVG HR Mgr.
Date: 10-25-16

UNITED ASSOCIATION OF PLUMBERS,
STEAMFITTERS, AND PIPEFITTERS OF
THE UNITED STATES AND CANADA,
LOCAL 400, AFL-CIO

By:
Its: Business Mgr.
Date: 10/25/2016