EXHIBIT A
TO SOI’S PARTIAL MOTION TO DISMISS
COLLECTIVE BARGAINING AGREEMENT

BETWEEN

Solution One Industries, Inc.

AND

INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS, AFL-CIO DISTRICT LODGE

1888 and its
LOCAL LODGE 219
BLUEGRASS STATION/DEPOT, KENTUCKY

(as defined in Article I)

01 January 2021 — 30 June 2023
1 Parties to the Agreement

This Agreement, effective 01 January 2021, by and between Solution One Industries, Inc. Killeen, Texas, hereinafter referred to as the Company, and the INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, AFL-CIO, District Lodge 1888 and its Local Lodge 219, hereinafter referred to as the Union, and shall remain in effect until June 30, 2023.

2 Purpose

The purpose of this Agreement is to provide for terms and conditions of employment for the employees in the bargaining unit, to provide for orderly collective bargaining relations between the Company and the Union, and to secure a prompt and fair disposition of grievances and to stabilize employment relations.

3 Entire Agreement

This Agreement shall constitute the entire agreement between the parties and can be changed or modified only by a document in writing signed on behalf of both parties hereto.

4 Successors and Assigns

This Agreement shall be binding upon the successors and assigns of the Company and its business, provisions, terms or obligations herein contained shall not be affected or changed in any respect by the consolidation, merger, sale, transfer or assignment of the Company of this business, or affected or changed in any respect by any change in legal status, ownership, contractor, or management of the Company's business.

5 Subcontracting

It is not the intent of the Company to use on-site or off-site contractors for the purpose of reducing or transferring the work ordinarily performed by employees in the bargaining unit. If because of technological change, modifications to the Company's contractual requirements, surges, or other revised business requirements, the Company considers such subcontracting or outsourcing, it will notify the Business Representative or his/her designee of the Union as soon as practicable. Such decision shall not contribute to the layoff of Bargaining Unit employees. This in no way infringes on the Government's or Customer's right to subcontract work, or to direct the Company to subcontract work in writing. Any subcontractors brought in by the company will become signatory to the CBA as well.

ARTICLE 1 UNION RECOGNITION AND NON-DISCRIMINATION

1.1 Union Recognition

The Company recognizes the Union as the sole and exclusive collective bargaining representative for all full-time and part-time Shipping/Receiving Clerks, Order Fillers, Warehouse Specialists, Medium Truck Drivers, Material Specialist, Logistics Specialist, Supply Technicians, Material Coordinators, and Carpenters employed by the Company at its locations at Bluegrass Station, 5749 Briar Hill Road, Buildings 5, 101, 102, 135, 140, 141, 190, 192, 194, 195, 197, 220, 221, and 341 Lexington, Kentucky and Richmond Bluegrass Army Depot, 431 Battlefield Memorial Highway, Building 254, Richmond, Kentucky including any future buildings or locations, at which SOI employees are assigned, excluding all other employees, office clerical employees, managerial employees, and professional employees, guards and supervisors as defined in the Act.
Except as otherwise clear from the context, the term “employees” as used in this Agreement means employees in the bargaining unit.

Case 09-RC-070408 dated January 27, 2012

1.2 Non-Discrimination

All terms and conditions of employment included in the Agreement shall be administered and applied without regard to race, color, religion, national origin, status as a disabled or Vietnam era veteran, age, sex, or the presence of a handicap. If administration and application of the contract is not in contravention of Federal Laws, such administration shall not be considered discrimination under this Section.

Notwithstanding any other provision of this Agreement, a grievance alleging a violation of this Section shall be subject to the grievance procedure and arbitration of Sections 9.2-9.7, Grievances, only if it is filed on behalf of and pertains to a single employee. Class grievances based on alleged violation of this Section shall be subject to the grievance procedure and arbitration under this Agreement.

ARTICLE 2 MANAGEMENT RIGHTS

2.1 Management Rights

Except as modified by a specific provision of this Agreement, the Company reserves and retains all of its normal and inherent rights with respect to the management of the business, including (without limiting the generality of the foregoing) its right to establish or continue policies, practices, and procedures for the conduct of the business; to select and direct the working force; to establish, eliminate, change, or combine work schedules, and work assignments, which are not in conflict with the terms of this Agreement; to transfer, promote or demote employees, or to lay off, terminate or otherwise relieve employees from duty for lack of work or other legitimate reasons; to change the duties, requirements and qualifications for jobs; to assign and schedule work; to determine the number of employees and number of hours; to make and enforce reasonable rules for the maintenance of discipline; to suspend, discharge or otherwise discipline employees for just cause; and otherwise to take such measures as management may determine to be necessary to the orderly, efficient or economical operation of the business.

2.2 Company Authority

It is understood and agreed that any of the powers and authority the Company had prior to the signing of this Agreement are retained by the Company except those specifically modified, delegated or granted by this Agreement.

ARTICLE 3 CONTRACT REQUIREMENTS

The Union recognizes that the company is a subcontractor to the customer, which is a contractor to the Federal Government and that the Company is required at all times to meet its contractual obligations. The
Union and the Company recognize that the Customer or Government may impose various demands or obligations upon the Company and its employees. If such action affects any terms or conditions of this Agreement, the Company and the Union will meet to work out a mutually-agreeable solution. If an agreeable solution cannot be reached, the matter maybe submitted through the grievance/arbitration procedure. However, the Company and the Union agree to comply with any requirement imposed to the degree necessary, subject to rebuttal by either or both parties through the grievance and arbitration procedure, if deemed necessary.

3.1 Cooperative Relationship

The parties agree that in the interest of maintaining a congenial professional environment, all Company employees will deal with each other in a manner reflecting mutual respect.

ARTICLE 4 UNION SECURITY AND RIGHTS OF EMPLOYEES

4.1 Union Membership

Each employee covered by this Agreement who has chosen to be represented by the Union after being apprised of their rights in accordance with the State of Kentucky Right-To-Work Laws has an option to become members of the Union upon completion of their probationary period.

4.2 Check-off

During the existence of this Agreement, the Company, insofar as permitted by State and Federal Law, shall deduct out of current net earnings payable to an employee covered by this Agreement, Union dues, initiation fees and reinstatement fees upon receipt of and in accordance with a deduction authorization, duly executed by the employee, on a card as agreed between the Company and the Union and shall continue deductions until such authorization is duly revoked by the employee.

In making deductions and remittances for reinstatement fees, initiation fees and dues to the Union, the Company is entitled to rely upon the notification of the Union of the amount of money due to the Union by an employee. The Union agrees to and does hereby hold and save the Company harmless from any and all liability, responsibility, or damage for deduction, payment authorization, or notification as provided for in this Article, specifically including, but not limited to, the Company's agreement to deduct dues, initiation fees and reinstatement fees from the employee's paycheck and the Union assumes full responsibility for the disposition of the funds so deducted when turned over to the General Secretary-Treasurer of the Union.

The Company shall deduct from the employee's first paycheck each month the monthly dues payable by the employee to the Union. The Company shall remit all amounts to the General Secretary-Treasurer of the International Associations of Machinists and Aerospace Workers. The company shall furnish the dues/fees money and dues/fees deduction documentation electronically not later than 10 days following the payday the deduction for dues/fees is made for each month.

When ceasing to deduct Union dues or Agency fee for any reason, the Company will submit the name(s) of such employee(s) in alphabetical order, and the reason for no deduction to the General Secretary Treasurer of the Union at the same time the monthly dues deduction list is remitted.
4.3 New Hire Orientation

The Local Lodge 219 Educator or designee shall be permitted to address all new hires during the Company's new hire briefing/orientation regarding Union membership as an employee for up to thirty (30) minutes (15 minutes with new employee and up to 15 minutes travel time to and from work location). An employee who does not wish to attend the Local Lodge 219 Educator's or the appointed designee's presentation shall not be obligated to do so. A new hire is defined as an individual entering employment with the Company.

ARTICLE 5 PROBATIONARY EMPLOYEES

All employees shall be considered probationary employees for the first 90 calendar days of active employment. The probationary period may be extended by mutual agreement between the Company and the Union. Employment of probationary employees is at the sole and absolute discretion of the Company. An employee terminated for any reason during the probationary period has no mandatory recall rights. The Company may terminate or transfer probationary employees at its discretion, and such actions are not subject to the Grievance Procedure.

ARTICLE 6 NO STRIKE/NO LOCKOUT

6.1 No Strike/ No Lockout

During the life of the Agreement, no strikes, non-informational picketing, sit-downs, work stoppages, or slowdowns (including sympathy strikes) shall be caused or sanctioned by the Union, and there shall be no lockouts caused by the Company.

6.2 Obligation of Union

The Company will not hold the Union financially responsible or institute legal proceedings against the Union for violation of this provision which is not encouraged, supported or authorized by the Union, provided the Union takes immediate steps, both orally and in writing, to notify the employees that such work stoppage or picketing is not authorized by the Union, directs the employees to continue or resume normal work, and cooperates with the Company to cause the termination of such stoppage or picketing.

6.3 Disciplinary Action

Any employee found guilty of violating this Article may be discharged or subject to other disciplinary action as the Company may consider appropriate subject to the grievance procedure outlined in Article 9.
ARTICLE 7 UNION REPRESENTATION

7.1 Chief Stewards and Shop Stewards

As soon as possible after the effective date of this Agreement, the Union shall notify the Company of the names of the Business Representative, District Lodge 1888 Financial Secretary, Chief Steward and Shop Stewards. Thereafter the Union shall notify the Company of any changes in representation. There shall be one (1) Chief Steward for up to two hundred fifty (250) employees and one (1) Shop Steward for each building/shop as listed, 102 (341, 220 & 221 & 135), (101,141, 192, 194, 195, 197, 190, 140), 5 and Richmond for each shift as recognized by the parties. A Chief Steward may serve as the Shop Steward for the assigned building/shop. If a consolidation of buildings occurs within the term of this Agreement, the Company will notify the Union and the parties will negotiate the Union Steward assigned areas.

a) Union Representatives. With prior notice and authorization, representatives of the International Union and Local Lodge No. 219, or their designee shall be admitted to Company-occupied premises where employees in the unit are assigned, for purpose of investigating grievances and to ensure the compliance with the Agreement.

b) Shop Stewards. The Union will provide the Company the names of the five (5) designated Shop Stewards and one (1) Chief Steward. Additional designated alternatives shall act only in the event a Shop Steward is unavailable. The names of the alternate Stewards must be provided to the Company in writing and updated if any changes occur. An employee, while serving as a Steward, shall not be transferred or loaned from his/her site of jurisdiction so long as employees remain in the jurisdiction for which he/she is designated as Steward. If a Steward, for reasons other than temporary absence, becomes unable to fulfill his/her duties, resigns, quits or is otherwise laid off or discharged from employment, a replacement will be designated by the Union in writing within five (5) working days.

c) Duties of Stewards. Steward duties involve gathering information on alleged violations of the Agreement and processing grievances. Each Steward, upon approval of the Company Manager or designee, shall be authorized to devote up to two (2) hours per week to perform Steward duties without loss of pay. The Chief Steward, upon approval of the Company Manager or designee, shall be authorized to devote an additional two (2) hours per month with the Company Manager or designee to perform safety walkthroughs in buildings where SOI employees work without loss of pay. Such permission shall be granted except where there is a substantial reason for delaying the contact or the investigation due to safety conditions or conflicts with critical site operations. The Union agrees that the "time off without loss of pay" privilege provided pursuant to Steward Duties shall not be abused. It is also agreed that, to the maximum extent possible, such Steward duties shall be conducted in such a manner as to not interfere with operating requirements. The amount of time to perform Steward duties without loss of pay may be extended by management at the request of the Steward if special circumstances arise.

7.2 Union Bulletin Boards

The Company will provide one (1) bulletin board for the posting of Union notices at each location (building) and one (1) in each break room as recognized within the NLRB recognition clause. The union agrees to sign all of its notices and present them to the Manager of Human Resources. Union notices will not be unreasonably denied. Such notices shall be confined to the following:

a. Notices of union recreation, social affairs and educational projects.
b. Notices of union elections.

c. Notices of union appointments and results of union elections.

d. Notices of union meetings.

7.3 Agreement Booklets

The Company shall provide each employee covered by this Agreement a locked .pdf electronic copy of the Agreement within sixty (60) days of final ratification. New hires shall be provided an electronic copy of this Agreement upon their acceptance in the Company (after 90 days probationary period). The Company will provide one printed copy of the Agreement to each employee upon request.

7.4 Leave of absence

The Company, on a case by case basis may allow a Maximum of 5 employees to be on unpaid leave for Union business at any one time. If employees are from the same section or work group it could significantly impact the ability to react and perform. The Chief Steward and the Program Manager will negotiate all unpaid Union Business leaves details on a case by case basis. The Union will provide if possible 7 days' notice to the Company anytime Union Members are going to be away from the work site on Local Union Business.

a. Officers, Special representatives, and district level elected-appointed or Grand Lodge members of the Union who are employees of the company and who have been selected by the Union as its representatives shall be granted indefinite leaves of absences without pay to take care of Union business, provided that it does not adversely impact Company operations. The Union shall provide the Company a minimum of 15 days' notice for any indefinite level leaves.

7.5 Safeguarding of Steward Materials

The Company will provide a locker, a desk, or other means of safeguarding materials for the exclusive use of Chief Steward(s) and Shop Steward(s).

7.6 Safeguarding of Steward Areas

The Company shall provide an area where representatives of the Union can meet privately with members of the bargaining unit to discuss grievances, safety and contractual matters.

ARTICLE 8 SENIORITY

8.1 Application of Seniority

For the purpose of operating under this Agreement, employees will be entitled to seniority in accordance with their classification, and their date of hire into the bargaining unit with prior contract service date, herein called seniority date. The most senior employees shall be listed at the top of the Seniority List, and the least senior employee will be listed at the bottom of the Seniority List. All other employees will be listed on the Seniority List in descending order based upon their prior contract service date of hire. Employees hired subsequent to this Agreement will be assigned a seniority date based on date of hire, or if hired on the same day, be assigned seniority based on the last two digits of their SSN with the lower number being the most senior.
8.2 Layoff and recall procedures

When it is determined by the Company, (The customer or the Government) that a reduction in force is required, The Company shall designate the number of positions to be reduced by classification. If there are no senior employees volunteering for lay off, probationary employees shall be laid off first, and if the need to lay off other employees still exists, then the least senior employee(s) within the designated job classification will be designated for layoff. Where in the opinion of the Company, qualifications of two (2) employees in the Classification are relatively equal, and both have the ability to perform the remaining work, seniority shall prevail.

a. In the event of a layoff, the employee who is designated to be laid off in accordance with Section 8.2 shall have opportunity to displace in the following order:

   1) Displace the least senior employee in any lower paid job classification to which the employee is qualified. Employees in Lead positions designated for a reduction in force shall have no displacement rights into other Lead positions.

b. When an employee designated for layoff is entitled to displace employees in more than one classification in accordance with Section 8.2 (A) 1, the affected employee shall have the option to displace an employee in the classification for which he is most qualified, seniority permitting.

The Company shall notify effected employees of his/her displacement rights upon notice of layoff. The Supervisor, employee and Steward shall discuss alternative classifications, job descriptions, certifications or specific requirements and the employee’s current qualifications. Displacement rights must be exercised within two (2) working days after an employee is notified of a layoff and the interview with their supervisor has been conducted. Failure to indicate his/her election to exercise this displacement right within this time frame will be considered as acceptance of layoff. The Company shall afford the Chief Steward the opportunity to conduct exit interviews with members being laid off. The Chief Steward and the Program Manager shall agree upon a mutually convenient time for interviews.

Employees in the workforce, who have established seniority and are laid off through no fault of their own, may be recalled to the workforce within a three (3) year period, based on required labor classification. When the laid off individual is recalled, he/she shall be placed on the seniority list based on his/her original seniority date, if not laid off for more than three (3) years.

c. An employee displacing another employee in accordance with this Article shall be paid the rate of his/her new job classification.

When a reduction of the workforce of a temporary (seven (7) days or less) nature is required, employees in the same classification in the overtime work group or groups affected will be laid off according to seniority without regard to the layoff/recall provisions in this agreement. The Company shall notify the Chief Steward within 24 hours of being notified of any 7 day or less layoffs.

8.3 Filling of Vacancies

Step 1. If the Company determines to fill a new or existing job within the bargaining unit, the Company will post the job opening on the Company's electronic job requisition website for a period of not less than five working days. A notice of the job openings will be posted simultaneously on all Union bulletin boards.
identifying the requisition number for the vacancies for a period of five (5) working days. Any employee may submit a bid for the job on the Company's electronic job requisition website, during the posting period. The notice posted by the Company shall contain at least the following information:

a. The date the notice is posted and the date and time the notice will be removed.

b. The job to be filled and the classification.

c. Job Specifications.

d. Rate of Pay.

e. Effective date the job is to be filled.

The Union Stewards will be able to view any open position through the Company's electronic job requisition website.

Step 2. After interviewing all qualified employees who apply for an open represented position, the Company will award the job to the most senior qualified employee with respect to:

a. Related experience

b. Previous training.

c. Ability to perform the work.

Step 3. After completing steps one and two, if no qualified candidates are identified, the company will fill the position with the most qualified applicant.

The Company will notify the Chief Steward and each applicant via the Company electronic job requisition website if they were selected for the position, upon the closing of each job posting.

8.4 Posting of Jobs

New represented job classifications and any represented job vacancy shall be posted on Company electronic job requisition website as they become available. Qualified represented employees who apply will be interviewed for such postings. Any employee moved to a job that has been posted as a vacancy shall be on probation for that job for forty-five (45) days.

Employees accepting a position in a new job classification will not be able to apply for another position for a period of seven months.

8.5 Loss of Seniority Rights

Seniority rights shall be forfeited and the employee shall be deleted from the seniority lists when an employee:

a. Resigns from the company.

b. Is discharged for just cause.

c. Is laid off in excess of thirty six (36) months due to lack of work.

d. Fails to return to work within 3 working days of a recall notice, unless a satisfactory reason is given that can be substantiated with legal documentation.

e. Accepts other full-time employment while on an approved leave of absence without prior permission from management. Under no circumstances shall an employee accept a position with a competing contractor. The company will confirm or deny this status upon request.
f. Whose security clearance has been revoked and not reinstated.
g. Accepts a position in management.

8.6 Recall Procedures

The Company shall return employees to work in the reverse order in which they were laid off or displaced. An employee who was laid off or who displaces an employee in a lower paid job classification in accordance with Section (8.2) shall retain recall rights in accordance with his/her seniority as follows:

a. To the same job classification held at the time of their layoff/displacement or
b. To any open positions in a job classification for which the employee is qualified and has the ability to perform the work or for which the employee previously held at any time prior to the time the employee was laid off. For the purpose of recalls to employment, recalls will be based on employees meeting all company-Customer-Government qualifications, experience and certification requirements. All factors being equal, Seniority will prevail.
c. Upon recall, employees will undergo orientation with their Supervisor to ensure an orderly and successful re-integration into the work force and the position.
d. Employees who have been laid off shall retain the recall rights mentioned herein for a period not to exceed thirty-six (36) consecutive months from the date of layoff. Employees moved to a lower paid classification due to exercising his/her displacement ability due to a reduction in force shall retain the recall rights mentioned herein as long as they remain on the active payroll in a lower paid classification.
e. Employees who are laid off from service of the Company due to a general layoff for a period not to exceed thirty-six (36) consecutive months shall retain and continue to accrue seniority.
f. Recall Notification - In the event there is a recall from layoff, the Company shall first try and call the employee at the last known number. If unsuccessful the Company will mail a registered or certified (return receipt requested) notice to the last known address on file of recall to the appropriate employee. Recalled employees must respond within forty-eight (48) hours after receipt of notification, and must report for work within ten (10) work days unless extended by the Company.

Address on File - All notices under the provisions of this Article shall be sent to the employee at the last address filed by the employee with Human Resources. It shall be the responsibility of all laid off employees to notify the company of any telephone number, address changes or other contact information for the purpose of recall notifications.

8.7 Seniority List

The Company shall maintain a seniority list, and it shall be updated and provided to the Union at the beginning of each new quarter of the calendar year by the fifth (5”) business day (January, April, July and October). The seniority list is based on provisions described in Section 8.1.

8.8 Top Seniority for Stewards and Officers of the Union

Shop Stewards, Chief Steward, the Union President and Vice-President, who have one (1) year's seniority with the Company, shall have top seniority except for promotions, vacation scheduling or determining overtime preference, in their Classification and shift in their assigned building(s)/shops during such time as they officially remain in that capacity. Top seniority for Shop Stewards shall apply in instances where there are six (6) or more bargaining unit employees assigned to their building(s)/shops on a shift. Elected Shop Stewards
and Chief Steward shall retain super seniority during their official term. Once the building(s)/shops and shift goes back to six (6) and above, the elected Shop Steward and shall be the sixth (6th) person added to the shift in the department.

For the purposes of layoffs and work shifts Stewards shall have top seniority within their respective classifications and shifts.

ARTICLE 9 GRIEVANCES

9.1 Definition of a Grievance

Grievances are defined as any alleged violation of the terms of this Agreement, company policy, Federal or state laws. An earnest effort shall be made between the employee and Supervisor/Manager to settle such grievance promptly. Each party acknowledges that it is in the best interest of both parties to settle disputes at the lowest level possible.

9.1.1 Grievance Time Limits

a. In the event the Company does not answer a grievance within the time limits set forth in the grievance procedure, the grievance shall be considered settled on the basis of the Union's written request. Any grievance that is not instituted by the employee or referred by the Union to the next appropriate step within the time limit specified in the grievance procedure shall be considered settled in favor of the Company.

b. The parties shall grant, on a case by case basis, prior to the expiration of the time limits, time limit extensions on all grievances appealed beyond Step 1 of the grievance procedure. Such extension of time limits must be made in writing and acknowledged by signature or initial by the other party.

While the granting of this extension will be made without question, both parties affirm their conviction that the timely resolution of grievances is in the mutual best interest of all parties.

c. In those instances when a grievance resolution is accomplished in Step 1, Step 2, Step 3 or pre-arbitration resulting in a monetary settlement, the payment will be made within 30 days from the date of the settlement of the grievance.

An example of the intent of this clause is if there is a grievance regarding a shortage of pay, etc. that the Company agrees to pay the employee to settle the grievance, the payment will be made within 30 days.

9.2 Grievance Procedure

Step 1. The agreement endorses the concept of settling grievances at the lowest possible level. Accordingly, any employee alleging a complaint will, within four (4) working days after he/she knowing of the facts giving rise of the alleged violation, meet with his/her immediate supervisor, Program Manager and area Shop Steward and attempt to resolve the complaint. This oral step is mandatory prior to any grievance being reduced to writing.
Step 1 will not be applicable in cases of discharge or suspension for cause or of involuntary resignation. Discharge or suspension shall proceed directly to step 3.

**Step 2. Grievance Reduced to Writing.** Both parties encourage the verbal resolution of disputes as quickly as possible. An aggrieved employee, with his/her Chief Steward may, within ten (10) working days, reduce to writing a statement of the grievance and shall submit it to their supervisor and the Program Manager. This statement attested to by signature of the grievant, must contain the following:

a. The facts upon which the grievance is based; clearly state what and how the article in this Agreement is claimed to have been violated.

b. The remedy sought.

The employee's immediate supervisor and/or the manager responsible for alleged violation will record on the grievance the date the grievance was submitted to him/her. This step will be between the grievant, his/her supervisor, the Program Manager, and the area shop steward and chief steward of the Union. The supervisor and/or the manager responsible for alleged violation will return a copy of the grievance to the Union with his/her written disposition not later than two (2) working days from the date of which he/she received the written grievance.

**Step 3. Written Grievance Handling at Union Representative/Company Representative Level.** If no settlement is reached in Step 2 within the specified or mutually extended time limits, the Union Representative or his designee may, within (5) working days, submit the grievance to the Human Resources Manager of the Company or designee. After such submission, the Human Resources Manager and the Program Manager of the Company or designee and the Union or designee thereof, shall, if the Human Resource Manager's or his designated representative's answer does not settle the grievance, the grievance shall be discussed at the next monthly meeting between the Human Resource Manager, or his designated representative. A Business Representative of the Union may be present at any step 3 grievance meeting. The Human Resource Manager, Program Manager or his designated representative, will answer the grievance in writing within five (5) regular working days after the date of this meeting at which it was discussed. A copy of the Company's Step 3 answer will also be mailed to the District Lodge Office. The name(s) of the Company designee must be provided to the Union in writing and updated if any changes occur. Exceptions to timelines will be adjusted on a case by case basis at the request of either party.

**Step 4. Arbitration or Binding Mediation.** If no settlement is reached in Step 3 within the specified or mutually extended time limits, then either party may, in writing within ten (10) work days thereafter, request that the matter be submitted to an arbitrator or binding mediation in accordance with the provisions of Section 8 of this Article.

Note: Notwithstanding any provision of section 9.2, in any case and all cases where disciplinary action, whether oral, written or otherwise, is taken or contemplated to be taken by management, a Steward will be notified. Any grievance not submitted within the time frame outlined above will be barred.

**9.3 Discharge, Suspension or Involuntary Resignation**

In cases of discharge, suspension for cause, or involuntary resignation, the employee shall be given a copy of the suspension, or termination of service, as the case may be, if he/she is available to be presented with such copy and be willing to sign an acknowledgement of receipt. If he/she is not available, copies will be sent to the employee and to the Union office via registered mail. The employee shall have the right to appeal the action shown providing the Union files a written grievance with the designated representative of the Company within ten (10) work days after the date of the receipt of the notification of discharge, dismissal, or suspension for
cause or involuntary resignation. Written grievances processed under this section will be submitted directly to Step 3 of the grievance procedure.

9.4 Selection of Arbitrator

Either party may request the Federal Mediation and Conciliation Service to submit a panel of seven (7) arbitrators. Such requests shall state the general nature of the case and ask that the nominees be qualified to handle the type of case by subject matter. When notification of the names of the panel of seven (7) arbitrators is received, the parties in turn shall have the right to strike a name from the panel until only one name remains. The right to strike the name shall be determined by lot. The remaining person shall be the Arbitrator.

9.5 Arbitration-Rules of Procedure

Arbitration pursuant to Section 9.2, Step 4 shall be conducted in accordance with the following:

a. The arbitrator shall hear and accept pertinent evidence submitted by both parties and be empowered to request such data as he/she deems pertinent to the grievance and shall render a decision in writing to both parties within thirty (30) days exclusive of weekends and recognized holidays, unless mutually extended at the completion of the hearing.

b. The arbitrator shall be authorized to rule and issue a decision in writing on the issue presented for arbitration and such decision shall be binding on both parties.

c. The arbitrator shall rule only on the basis of information presented in the hearing before him/her and shall refuse to receive any information after the hearing except when there is mutual agreement, in the presence of both parties.

d. Each party to the proceedings may call such witnesses as may be necessary in the order in which their testimony is to be heard. Such testimony shall be limited to the matters set forth in the written statement of grievance. The arguments of the parties may be supported by oral comment and rebuttal. The parties may submit written briefs within a time period mutually agreed upon, such agreements of the parties, whether oral or written, shall be confined to and directed at the matters set forth in the grievance.

e. Each party shall pay any compensation and expenses relating to its own witnesses or representative.

f. Both the Union and the Company hereby mutually agree to share, on an equal basis, the arbitrator's fees and expenses.

g. The total cost of the stenographic record (if requested) shall be paid by the party requesting it. If the other party also requests a copy, that party will pay one half of the stenographic costs.

9.6 Agreement Not to be Altered

The mediator or arbitrator shall have only the authority to interpret and apply the provisions of this written Agreement. The mediator or arbitrator has no power to add to, detract from, or change in any way the provisions of this Agreement, or to establish new terms and conditions of this Agreement. Neither party has the right to request arbitration on any subject matter not specifically covered in this written Agreement.

9.7 Binding Mediation

The parties agree that Binding Mediation may be used in lieu of Arbitration by mutual agreement of the Union and the Company, on a case by case basis.
ARTICLE 10  LEAVES OF ABSENCE

10.1 Voting
Should a conflict occur with overtime scheduled during a Local Union, City/County, State or Federal election day, an employee will be granted sufficient time to vote.

10.2 Workers Compensation Leave
Employees away from their jobs because of a compensable injury or compensable disease as defined by the Workers’ Compensation Act of Kentucky shall be given leave of absence without pay, not to exceed three (3) years and shall accrue seniority while on such leave.

10.3 Application for Leave
All applications for a leave of absence shall be made in writing by the employee (unless beyond the employee's capability) on a form provided by the Company, and if approved or disapproved, the employee shall be so notified in writing. All leave applications must be submitted 5 days in advance of the first planned leave day.

10.4 Military Leave
Employees affected by this Agreement will be granted up to two (2) work weeks per calendar year for Annual Training (AT). The Company will pay the difference between regular hourly rate and military basic pay. Military leave does not apply to the day before and/or after monthly drill assignments. If the employee takes the day off prior before and/or after this assignment, PTO/PPL can be used before, during and after AT. The employee will be required to notify their Supervisor at the earliest possible date of upcoming Annual Training dates. The employee will be required to provide a copy of orders to their Supervisor a minimum of 14 days prior to the start of Annual Training. Time will be entered into Auto-time for the period of training. The employee will be required to provide a copy of their pay stub (LES) to HR upon return to support processing.

10.5 Family and Medical Leave
The Company and the employee will comply with all federal laws governing FMLA. Five (5) days paid leave, if available, would not be exhausted at the employee's request, if vacation had been approved before requested FMLA leave. For employees not eligible for family and medical leave, the Company will review business considerations and the individual circumstances involved.

10.6 Bereavement Leave
For a death in your immediate family, SOI allows three (3) days off each year with pay. Immediate family is defined as parents, spouse, domestic partner, children, step-children, brother, step-brother, sister, stepsister, mother-in-law, father-in-law, grandparents, and grandchildren. With prior approval, employee may request up to two (2) additional days for out of state services. If needed, please discuss with your supervisor.

10.7 Jury and Witness Duty Jury Duty/Court Leave
Employees who are required by proper court order or summoned to be absent from work in connection with jury duty or testimony will be granted up to forty (40) hours with pay per calendar year, in accordance with Company policy. Employees called for jury duty or testimony and released by the court with less than four (4) hours service will be expected to return to work for the remaining portion of his/her normal workday. Payment will be made at the employee’s regular rate.
ARTICLE 11 HOURS OF WORK

11.1 No Guarantee of Hours
The purpose of this Article is to define the normal hours of work, but nothing in this Agreement shall be construed as a guarantee of hours of work for any period.

11.2 Work Week
   a. Normal workweek – this consists of one hundred sixty eight (168) consecutive hours beginning at 12:00 a.m. Monday morning and ending at 11:59 p.m. the following Sunday.
   b. Regular workweek – the regular workweek shall consist of five (5) consecutive 24-hour periods, hereafter referred to as regular workdays.

11.3 Regular Workday
The standard day shall be from the beginning of the established regular shift to the beginning of the same shift next day. Exceptions to individual employee's starting times within a classification can be made on mutual agreement between the Program Manager and Union Chief Steward. The Union Business representative shall be added to the process when the other members cannot agree.

11.4 Meal Periods
Employees are authorized a minimum of one thirty (30) minute non-paid meal period per regular workday. The beginning time for this meal period is variable, based on the workday of the individual employee. Employees shall not perform work during their authorized meal period unless authorized by the Company Manager or their designee. Employees are not permitted to eat at their work stations/areas.

(Note-All employees will have a designated / assigned break area).

11.5 Work-Shifts
The normal workday for each shift shall consist of eight (8) or ten hours. Five (5) days, Monday through Friday, shall constitute a normal work week. The Company reserves the right if there is an operational requirement, to engage, alter or rotate personnel to work five (5) consecutive days other than those constituting a normal work week for the purpose of seven (7) days coverage. If such changes occur, they will be the result of changes in operational requirements, and not to avoid payment of over time.

Determination of starting time and hours shall be made by the Company and such schedules may be changed from time to time to suit varying conditions of the business and to assure efficient and timely operations. The Program Manager will notify the Chief Steward of any mission changes or requirements resulting in a change of schedules or hours for Employees within twenty four (24) of receiving notice from the customer. In addition, Employees will receive a minimum of five (5) working days' notice when the Company changes their shift starting time or hours of work unless there are circumstances beyond the Company's control.

When working on a one-shift basis, the hours shall be 7:00 A.M. to 3:30 P.M., with a 30-minute unpaid lunch period.
a. When working on a two-shift basis, the hours shall be: 7:00 A.M. to 3:30 P.M. -- 1st Shift; 2:30 P.M. to 11:00 P.M. -- 2nd Shift; with a 30-minute unpaid lunch period.

b. When working on a three shift basis the hours shall be: 7:00 A.M. to 3:30 P.M. -- 1st Shift; 2:30 PM to 11:00 P.M. -- 2nd Shift; 10:30 P.M. to 7:00 A.M. -- 3rd Shift; with a 30-minute unpaid lunch period.

c. When working on a two-shift basis and the hours of the shifts need extending because of customer requirements, the extended shift hours shall be added to the beginning of the first shift and at the end of the second shift.

d. Hours Adjustments (Flex) — An employee's work schedule may need to be temporarily altered to meet the employee's personal needs from time to time. To accommodate partial day absences up to four (4) hours, an employee may request, when operating requirements permit, to alter his/her regularly scheduled hours of work within a workweek. Flex time is defined as using flexible employee hour schedules to accommodate employee time away from the job and then affording them the opportunity to make them up if operational schedules allow. Flex time must be approved by the Supervisor and must be made up in the same week as time was taken.

11.6 Compliance with Company Policies

Any employee not complying with meal periods or site training events, as established by the Company or the Customer, shall be subject to disciplinary action, up to, and including termination. Additionally, employees should not adjust their workday hours without the written approval of their Company Manager or designee. Employees will adhere to mealtime policy established in Section 11.4 of this Agreement.

11.7 Employee Time records

Employee time records shall be kept in accordance with Company policies and procedures.

11.8 Abnormal Plant Shut downs

The Company will follow Government/Customer guidelines in determining whether employees will or will not be compensated, and in permitting flex-time if possible, for those periods of time when safety standdowns, government/customer shutdowns, government mandated holidays, periods of national mourning, technology upgrades, or weather related incidents and other acts of God, necessitate a partial workday(s) or temporary closing of locations.

11.9 Rest Periods

Employees will be allowed one scheduled fifteen (15) minute rest period before and one fifteen (15) minute rest period after lunch in each complete scheduled workday; the time of and zones for such periods are to be set by the Company. The Company will attempt to establish the first rest period at approximately midway between the beginning of the shift and the lunch period, and will attempt to establish the second rest period approximately mid-way between the lunch period and the end of the shift. When employees are working overtime, the company will allow one scheduled fifteen (15) minute rest period mid-way between the last rest period and the end of the overtime assignment or every two (2) hours scheduled after the end of the regular shift. Employees shall work up to the start of the rest period and be at their place of work at the end of the rest period.
Break periods' shall be as follows:

First Shift: 9-9:15 am, and 2-2:15 pm
   9:15 – 9:30 am, and 2:15 – 2:30

Second Shift: 4:30 – 4:45 pm, and 9:30 – 9:45 pm
   4:45 – 5:00 pm, and 9:45 – 10:00 pm

C Shift 9-9:15 am, and 2-2:15 pm
   9:15 – 9:30 am, and 2:15 – 2:30

Operational exceptions to scheduled break times will be handled between the employee and the Supervisor on a case by case basis.

During the months of June 1 through September 30, if an employee is assigned a 10-hour shift, he or she will be granted a third fifteen (15) minute break.

11.10 Call Back Pay

An employee called back to work will be paid at 1.5 times his/her regular straight time rate, or receive four (4) hours at the applicable straight time rate, whichever is greater.

11.11 Standby Pay

Employees on stand-by duty assignment will receive two (2) hours of additional pay per day at his/her regular straight time rate if required to be on standby and are not called in to work. Standby pay will not be used to calculate for overtime.

11.12 Group Lead

The "Group Lead" will be appointed by the Company and will receive an additional $1.50 per hour above their regular hourly rate. Employees temporarily assigned as Group Lead by the Company will receive additional $1.50 per hour above their regular hourly rate. The term, "Group Lead" does not designate a job category/classification but identifies an employee who is assigned additional duties.

11.13 System of Production Inspection Qualification (SPI II)

The System of Production Inspection Qualification (SP) Level II identifies an employee who is appointed by the Company and is certified to perform inspection duties. An employee performing duties as an SP1 Level II will receive an additional $.75 per hour above their regular hourly rate when performing these services.

11.14 Shift Preference

An employee who is involuntarily assigned from one shift to another, shall upon written request, be assigned to the former shift (within the workgroup) assuming a less senior employee of the same classification is available and the operational requirements are such that the assignment can be made, but in no event later than thirty (30) calendar days from receipt of such request.

Employees may utilize their seniority to transfer into a preferred shift in the same work classification by submitting a written request to the Program Manager. The request will specifically identify the position requested and reference the seniority dates of both affected employees. The Program Manager will provide a written response within 15 days. Approved transfers will take place after the employee being displaced has
been given 30 days notice of the change. Any employees who utilize seniority to transfer to a different shift must remain on that shift for a minimum of 7 months unless otherwise approved by the Project Manager.

ARTICLE 12 OVERTIME

12.1 Overtime Approval
All overtime must be approved in advance by Company management.

12.2 Overtime Rates
Any hours worked on the 6th and 7th day will be paid at 1.5 x per hourly rate, and any hours worked in excess of 8 hours worked will be paid at 2.0 times the hourly rate. Any employee who works more than 40 hours during a workweek that includes a scheduled holiday or PTO/PPL scheduled a week in advance shall be paid at 1.5 times the hourly rate for all hours paid over 40. The following paid time is not included in the calculation of overtime: unscheduled PTO, unscheduled PPL, bereavement, jury duty, short-term disability, long-term disability, workers compensation and military leave. It is understood that all overtime must be pre-approved by the Company.

12.3 Designated Holidays
Double time plus holiday pay shall be paid to any employee required to work on a designated holiday.

12.4 Overtime Pyramiding
There shall be no duplication or pyramiding of overtime payments.

ARTICLE 13 HOLIDAYS

13.1 Recognized Holidays
Employees will be provided with 10 Holidays that mirror the Customer’s scheduled holidays, plus a floating holiday that can be taken on any day of the year with prior approval from the Company.

13.2 Holiday Observance
In the event any of the holidays listed above occur on a Saturday or Sunday, they shall be observed by the Contractor per the practice observed by the Customer. If the Customer designates a holiday in lieu of the holidays recognized in Section 13.1, the Company shall follow the same schedule. In addition to the holidays listed above, the Company will observe any holidays declared as a legal holiday by Congress or the President and observed by the military where the contractor employees are authorized to be paid.

13.3 Holiday Requirements
If one or more holidays occur while an employee is on an authorized PTO, he/she shall receive pay for such holiday or holidays as specified in this Article. During the week of a holiday, employees that work a shift other than eight (8) hours per day will have the amount of hours they work each day adjusted to coordinate with the Customer’s schedule. Prior to the holiday week, the Company will meet with the Union to discuss the
Company’s schedule and coordination of the workday adjustment. Any part-time employees will have their holiday pay prorated based on the number of hours worked in the prior workweek. Employees on a FMLA leave, leave of absence, short-term or long-term disability, military leave, or other unpaid leave, are not eligible to receive holiday pay. Employees must work their scheduled work day before and after the holiday in order to be paid for the holiday. Employees on military leave that work their scheduled work day before or after the holiday shall be paid for the holiday, unless such holiday is covered by military orders.

ARTICLE 14  Paid Time Off (PTO)

14.1  PTO Schedules
Upon the effective date of this Agreement, employees will accrue PTO on the anniversary date in accordance with the following schedule:

<table>
<thead>
<tr>
<th>PTO SCHEDULE</th>
<th>HOURS PER ANNIVERSARY YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-4 years</td>
<td>80 hours</td>
</tr>
<tr>
<td>5-12 years</td>
<td>120 hours</td>
</tr>
<tr>
<td>13-19 years</td>
<td>160 hours</td>
</tr>
<tr>
<td>20 plus years</td>
<td>200 hours</td>
</tr>
</tbody>
</table>

a. PTO will be accrued annually on the employee's anniversary date based on hours worked and other paid leave.
b. All PTO hours will be paid at the employee's regular rate.
c. Employees who leave the active payroll of the Company, except for reasons of death, shall be paid for all accrued and unused PTO at the time of separation.
d. In the event of an employee's death all accrued and unused PTO will be paid out into the employee's estate.
e. The hours will be granted (available to be taken) immediately upon anniversary date.
f. An employee's previously established and unbroken continuous service with prior contractors on this contract and with the Company will be used in computing an employee's credited service for PTO accrual purposes.
g. An employee is allowed to carry over the equivalent of one half of one year’s annual PTO accrual hours to the following calendar year. Employees will submit a PTO designation form. Hours to be paid out will be verified and paid on the next full pay period.

14.2  PTO Requests
Employees shall submit PTO requests in accordance with Company policies and procedures for any desired dates on a first come, first served basis, provided they have the requested time available on the books at the time of the request. Requests will be subject to Article 8 (Seniority) with approval by managers or his/her designee should more than one person submit for the same dates. Decisions by managers or his/her designee will be based on review of Customer requirements with any disapproval in writing to the employee stating the
reason. Unless in the case of a legitimate and documented emergency, PTO requests will be submitted to, and approved by, the Company a week in advance.

14.3 PTO Pay
PTO pay will be based on actual time logged on the time sheet down to one-hour. Time cards will be appropriately annotated for all PTO taken.

14.4 Basis of Accrual
All paid leaves will be counted as time worked for accrual of PTO.

14.5 In Lieu of Temporary Layoff
Employees may take accrued PTO for any absence due to temporary layoff. Temporary Layoffs are defined as two (2) weeks or less.

14.6 Contingencies
Military Leave, the hours specified in Bereavement Leave and Jury and Witness. Duty, and after 40 hours of disability will be handled as it arises and not subtracted from an already approved PTO list.

ARTICLE 15 CONTRACT PROVISIONS

15.1 Precedent Setting
Grievances which are resolved at Step 1 of the grievance procedure are done so without precedent or prejudice to the respective position of either management or the Union.

15.2 Savings Clause
In the event that any of the provisions of this Agreement shall be or become legally invalid or unenforceable. Such invalidity or unenforceability shall not affect the remainder of the provision hereof.

ARTICLE 16 GENERAL

16.1 Safety and Inclement Weather Gear
All employees are required to wear safety steel or composite safety toed shoes as required by the Company. The Company will see that employees are reimbursed for the purchase of such safety shoes not to exceed $115.00 every 12 months. For all employees required to wear work gloves and non-prescription safety glasses, the Company will provide such employees one (1) pair per year.

The Company shall provide rain coats to employees who are regularly directed to perform outside duties during inclement weather. The company will also provide uniform shirts that will be worn while working for all work
days with the exception of Thursdays when a member can wear a Union shirt provided by the Union and will not contain any derogatory images or language that would be considered offensive to the Company or its Customers.

16.2 Required Job Certifications

In all cases, it is the responsibility of the employee to have and maintain credentials required for the job. Only in situations where the employee is asked by the Company to assume additional responsibilities, the Company will see that employees are reimbursed for the associated cost of acquiring or obtaining such certification(s).

**ARTICLE 17 PERFORMANCE OF WORK**

17.1 Non-Bargaining Unit Management Personnel labor classification duties and tasks.

Supervisors or non-represented employees will not perform the duties of employees in the bargaining unit, except in emergency situations, for minimal currency requirements per work instructions (unless otherwise agreed to by the parties), for the purpose of training employees, or for the performance of modifications in conjunction with a modification team. The Company as a last resort may utilize supervisors or non-represented employees for a work shift in cases of absenteeism or vacation of bargaining unit employees, after the Company has exhausted all efforts of attempting to call in a sufficient, qualified number of bargaining unit employees.

**ARTICLE 18 WAGES**

18.1 Pay In Accordance with Wage Schedule Table

All bargaining unit employees will be paid in accordance with the wage schedule listed below.

No employee will be paid less than the rates set forth in the wage schedule for each classification.

Wages shall take effect on the first full pay period of January 2021.

<table>
<thead>
<tr>
<th>Position Title</th>
<th>Jan ‘21</th>
<th>Jan ‘22</th>
<th>Jan ‘23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supply Technician</td>
<td>$24.45</td>
<td>$24.94</td>
<td>$25.44</td>
</tr>
<tr>
<td>Material Coordinator</td>
<td>$23.39</td>
<td>$23.86</td>
<td>$24.34</td>
</tr>
<tr>
<td>Material Specialist</td>
<td>$22.72</td>
<td>$23.17</td>
<td>$23.63</td>
</tr>
<tr>
<td>Shipping receiving clerk</td>
<td>$17.89</td>
<td>$18.06</td>
<td>$18.25</td>
</tr>
<tr>
<td>Logistics Specialist</td>
<td>$21.62</td>
<td>$22.05</td>
<td>$22.49</td>
</tr>
<tr>
<td>Warehouse Specialist</td>
<td>$17.89</td>
<td>$18.25</td>
<td>$18.67</td>
</tr>
<tr>
<td>Carpenter</td>
<td>$21.80</td>
<td>$22.24</td>
<td>$22.68</td>
</tr>
<tr>
<td>Medium Truck Driver</td>
<td>$21.30</td>
<td>$21.73</td>
<td>$22.16</td>
</tr>
<tr>
<td>Order Filler</td>
<td>$15.96</td>
<td>$16.28</td>
<td>$16.61</td>
</tr>
</tbody>
</table>
Hazardous Shipper premium: $2.00 hourly when performing these services
Group Lead Premium: $1.50 hourly

Shift differential of 4% will be paid on all hours worked for shifts starting between 2:30 PM and 4:59 AM.

18.2 Hazardous Pay Premium

An 8 percent differential is applicable to employees employed in a position that represents a high degree of hazard when working with or in close proximity to ordinance, explosives, and incendiary materials. This includes work such as screening, blending, dying, mixing, and pressing of sensitive ordnance, explosives, and pyrotechnic compositions such as lead aside, black powder and photoflash powder. All dry-house activities involving propellants or explosives.

Demilitarization, modification, renovation, demolition, and maintenance operations on sensitive ordnance, explosives and incendiary materials. All operations involving regrading and cleaning of artillery ranges.

A 4 percent differential is applicable to employees employed in a position that represents a low degree of hazard when working with, or in close proximity to ordnance, (or employees possibly adjacent to) explosives and incendiary materials which involves potential injury such as laceration of hands, face, or arms of the employee engaged in the operation, irritation of the skin, minor burns and the like; minimal damage to immediate or adjacent work area or equipment being used. All operations involving, unloading, storage, and hauling of ordnance, explosive, and incendiary ordnance material other than small arms ammunition. These differentials are only applicable to work that has been specifically designated by the agency for ordnance, explosives, and incendiary material differential pay.

18.3 Receipt of Pay Check

Employees will have their bi-weekly pay directly deposited into their bank account. The pay day shall normally be on Friday every 2 weeks at which time the employee shall be paid through the preceding Sunday.

18.4 Pay at Termination or Layoff

Any employee laid off or terminated will be paid in full as per State requirements.

18.5 Shift Compensation

Shift differential of 4% will be paid on all hours worked for shifts starting between 2:30 PM and 4:59 AM. The additional 4% will be applied only to hours worked and not subject to any other benefit or wage calculations.

ARTICLE 19 TRAVEL, TRANSPORTATION, AND TDY

19.1 Travel Expenses

Employees will be reimbursed for lodging, airfare, mileage, and meals according to Joint Travel Regulation and Federal Travel Regulation. The Company will provide travel/accident insurance at no cost to the employee through a Company designated credit card. All travel time will be paid at straight time hours and will not count toward hours worked for overtime purposes.
ARTICLE 20  NEW JOB CLASSIFICATION

20.1  Job Current Classifications

When new bargaining unit jobs are required that cannot be properly encompassed within an existing job classification or a current job description, the Company will notify the Union of the changes and requirements, and will endeavor to discuss with the Union the change and/or rate of pay.

The Company has the right to determine the job qualifications. Copies of job descriptions and required qualifications shall be retained by the Company in the Company Manager's office and shall be made available to employees upon request. The Union shall be advised, in writing, of any revisions or modifications of job descriptions or qualifications.

ARTICLE 21  NEW TECHNOLOGY

21.1  New Technology

The Company and the Union agree that it is to their mutual benefit and a sound economic and social goal to utilize the most efficient machines, processes, systems, methods and/or materials. In this way, the Company will be able to compete effectively in the marketplace, and, thereby, provide economically secure jobs for its employees. It is the Company's policy when possible to assure that training is available for its employees so that they may have the opportunity to acquire the knowledge and skills required by the introduction of new technology/equipment.

a. The Union will be given advance notice of any intended technological changes affecting the work of the bargaining unit. An opportunity will be given to the union to discuss the impact of such changes with the Company prior to their implementation.

b. The Company will provide, based on availability, the appropriate training (formal or otherwise) in accordance with performing contract requirements. These courses will be selected based on the qualification needed in the new technology and/or new equipment.

c. The formally trained employees will utilize On-the-Job Training to train affected employees.

d. Employees will be provided with the opportunity to receive On-the-Job Training in accordance with performing contract requirements in order to aid in their advancement potential within the Company at the site.

Upgrades to current Government or Customer systems shall not be considered new technology/equipment under this Article.

21.2  Tuition Assistance

Tuition entitlements will continue for the duration of this Agreement in accordance with Company policy.
ARTICLE 22  BENEFITS

22.1 Benefit Plans

Employees may participate in the Company sponsored Benefit plans. The Company maintains the right to pass through improvements, modifications, changes, or employee premiums to these plans at any time. Any elimination contemplated to these plans will only be as a result of the Company no longer offering the specific plan. If and when these situations arise, the Company will notify the Union prior to taking such action.

Effective January 1, 2021, employees will be offered the following group benefits for the term of this Agreement. The current package of benefits:

a. Basic Life Insurance and Basic Accidental Death and Dismemberment (AD&D) Insurance. (Employer Pays for Employee Only $50k)

b. Employee Supplemental Life Insurance and Supplemental AD&D Insurance. (Optional - Employee Pays)

c. Dependent Life Insurance. (Optional - Employee Pays)

d. Long Term Disability Insurance. (Employer Pays)

e. Short Term Disability Insurance (Employer Pays)

f. Medical. (Shared)

g. Dental/Vision Insurance. (Optional - Employee Pays)

h. Employee Assistance Program (EAP). (Employer Pays)

i. Voluntary Critical Illness & Accident Insurance (Optional - Employee Pays)

22.2 Group Plan

The Company is required by law to make ACA compliant Health Care Insurance available to all employees. Employees who are provided insurance through group healthcare plans such as Tricare, Spouses employer Group Plan or other recognized group plan may opt out of the company plan. In addition employees waiving their option to coverage may opt out of the plan.

Employees opting out of the Company healthcare plan shall receive an hourly contribution of $3.50 to be annotated as a H&W distribution and paid in their regular bi weekly pay checks. This amount shall be paid on hours paid up to a maximum of 40 hours weekly.

Employees who remain in the plan shall receive benefit amounts in accordance with (IAW) the schedule below. Benefit is to be paid on hours paid up to a maximum of 40 hours weekly. Any balance from the benefit amount provided to the employee under this provision, after the cost of the employee selected plans shall be credited to the Employee 401(A) plan by the Third Party Administrator (TPA) of the plan. Any costs for employee selected insurance in excess of the benefit amount shall be deducted from the employee pay check in bi weekly installments.

Current plan rates have been provided to employee's during the open enrollment period. Rates will be adjusted annually during the open enrollment period. All Company Health Insurance coverage will begin after the open enrollment period.
**Health and Welfare Rate**

On or about 15 January 2021 $9.00 hourly

*Health and Welfare will be paid on the next full pay period after the 15th of the month.

**22.3 Premium Cost**

All premium rates will be allocated against Health and Welfare earnings and any excess will be deposited into a 401(A) account.

**22.4 Health and Welfare Benefits**

This calculation shall continue to include the elements allowed under the Service Contract Act.

**22.5 Paid Personal Leave Days**

Beginning the effective date of this agreement, employees who are on the active payroll as of that date, and annually thereafter shall be granted personal leave with pay at the rate of 56 hours annually. New employees shall receive pro-rated personal leave hours based on 4.6 hours monthly for the remaining time within the agreement period. Personal leave days cannot be carried over past the annual period in which they were granted.

**ARTICLE 23 GOVERNMENT SECURITY CLEARANCES**

**23.1 Security Clearances**

The Union recognizes that the Company may now have, or may incur in the future, obligations with respect to the security of information and materials under contract with the Government.

   a. The Union agrees that nothing contained in this agreement shall place the Company in violation of security agreements with the Government.

**23.2 Security Clearance Denial**

It is understood by and between the parties hereto that, as a necessary condition of continued employment, employees shall be subject to investigation for security clearance or national agency check and/or unescorted entry authorization under regulations prescribed by the Department of Defense, or other agencies of United States Government on government work, and that denial of such clearance and/or unescorted entry authorization by such governmental agency shall be cause for release from the Company due to inability to meet job requirements.

**23.3 Security Clearance Reinstatement**

It is understood that there shall be no liability on the part of the Company for any release growing out of the denial of clearance and/or unescorted entry authorization by the United States Government. However, the Company will give consideration to assigning an employee in his job title to an area for which he is qualified and a clearance is not required.
a. The Company will reinstate the seniority of an employee who's denied security clearance is reinstated by the Federal Government. An employee who loses his security clearance or site access for any reason will not lose his seniority until final adjudication of his appeal. Any employee whose seniority is reinstated under this provision will be reinstated in his previously held occupational title, provided a position is available.

ARTICLE 24  401K PLAN & IAM NATIONAL PENSION FUND

24.1 Union Savings Plan 401k

The Company will contribute to the IAM 401k plan, with a matching contribution of up to four percent (4%) of an employee's base wages. Except for changes pertaining to contribution or benefit levels, legally required and any other modifications made to the Savings Plan shall be extended to the employees of this bargaining unit, provided that the bargaining unit remains an operating unit of the Company at such time. Such changes to the above-named Plan shall be effective, without any further negotiations and/or signatures, on the same day or as soon as practicable after the changes in the Plan are implemented. 401 distributions benefits will be paid not later than the 10th of the following month.

24.2 IAM National Pension Fund

The company agrees to contribute to the IAM National Pension Fund on behalf of employees the following rates. Contributions will be made on hours paid up to a maximum of 40 hours weekly. Distributions for pension benefits will be paid the IAM Fund monthly, not later than the 10th of the following month.

Through June 30 2023:  $0.35 hourly

ARTICLE 25  COMPANY POLICIES AND PROCEDURES

25.1 Misconduct: It is understood and agreed that the Company may discipline or terminate employees covered hereby for just cause. Should an employee feel such action improper, the employee shall then be extended all the rights and privileges accorded by the Grievance and Arbitration Procedures Article 9 provided the employee has completed the "90-day" probation period. In the event an employee is mentioned on any disciplinary action report intended for inclusion in the employee's personnel record, the employee will be provided with one (1) copy of such report. The employee or his representative shall acknowledge receipt of report by initialing the copy retain by the company. The acknowledgement of receipt of the report does not imply agreement with the merits of the action. Thirteen months following inclusion of a personnel report in an employee's personnel record it shall become void and shall be removed when noted thereafter, or upon the employee's request made to the Human Resources Department. Disciplinary reports removed from the record on such request shall be given to the employee. Company Management may terminate employees for cases of serious misconduct.

Examples of termination for cause are:
a. Failure or refusal to take a drug test (Pre-employment, Post Accidents and Random) and fail such drug test.

b. Three consecutive days of no show / no call for work.

c. Direct acts of insubordination to Supervisors / Managers.

d. Loss of any clearances or privileges required for employment by the Customer.

e. Sexual or other harassment under Company policy and Federal or State laws.

f. Theft of Customer, Company or Personal Properties.

g. Use or possession of illegal drugs/ alcohol or operating equipment under such drugs.

h. Failure to follow state and federal laws for possession of weapons and or ammunition.

i. Any Discriminations covered under Federal and State laws.

j. Unsafe / unprofessional acts (horse play) leading to the injury of an employee, customer and or damage to material / equipment / property.

25.1.01 A warning notice shall not remain in effect if it has been found through the Grievance Procedure to have been unjustifiably issued, and in any event, it shall not remain in effect for a period for more than thirteen (13) months.

25.1.02 It is understood and agreed that any warning notice by the Company shall be issued, within fourteen (14) calendar days following knowledge by the Company of the occurrence of the alleged violation and such warning notice is subject to challenge by the Union or employee to whom the notice is issued in accordance with Article 9.2. The parties agree that there may be circumstances such as alleged discrimination or harassment for which the Company needs more than the fourteen (14) calendar days to conduct a thorough investigation, provided the Union is notified no later than the fourteenth (14) day.

25.1.03 All forms of discipline, including warnings, shall be issued consistently with the offense committed and the individual's prior disciplinary history.

25.1.04 In all cases where written warning notices or reprimands are given to employees, the Union Business Representative will routinely receive a written copy of said warning notices or reprimands. It is the responsibility of the union steward to provide said documents to the Union Business Representative.

25.1.05 Employees shall not leave work without prior permission from their Supervisor.

25.1.06 An employee who is absent from work for a period of three (3) consecutive work days without reporting to the employee's Supervisor the reason thereof shall be considered as having resigned without notice.

25.1.07 In cases of layoff, any disciplinary action, dismissal or suspension for just cause, or of involuntary resignation, the employee shall be given a copy of the layoff, suspension, disciplinary action or termination of service slip, as the case may be, if the employee is available to be presented with such copy. If the employee is not available, copies of the slip will be sent to the employee at the employee's last known address and to the Union office. The employee shall have the right to appeal the action shown on the slip provided the Union files a written grievance with the designated representative of the Company in accordance with Article 9.2.

25.01.08 Any discussions or conferences with employees, which may lead to disciplinary action, shall take place with a Steward present if the employee so desires.
25.01.09 Failure to follow established safety and environmental procedures, to utilize safety equipment or protective clothing, to commit repeated and or severe unsafe acts are considered cause for disciplinary action up to and including termination.

25.2 For infractions not included in 25.1 Misconduct and 25.4 Attendance, a five (5) step procedure utilizing at least two (2) of the following steps:
   a. Verbal Counseling
   b. Written Verbal Warning
   c. Written
   d. Suspension
   e. Discharge

25.3 Attendance

25.3.1 Purpose: This policy specifies attendance guidance to ensure absences are handled in a fair and consistent manner. Poor attendance and tardiness disrupt productivity and make it difficult to function effectively. Each employee shall be responsible for their attendance and being at work at the right time each day.

25.3.2 Scope: This policy describes the Attendance Policy and applies to all regular full-time employees covered under the CBA. It is non-inclusive to progressive discipline related to cases of serious misconduct under article 25.1.

POLICY GUIDELINES

25.3.3 Definitions:
   a. Absence- defined as any time an employee has an unexcused absence.
   b. Excused Absences: excused absences are defined as those that occur on account of PTO / PPL, Holidays, Jury Duty, Bereavement Leave, Military Leave, court appearances as a subpoenaed witness, prior approved Leaves of Absence, Company initiated Time-off, prior approved Union business as provided for in the contract.
   c. Tardiness- defined as an "Event" for not being present at the start of the shift without excused absences.
   d. Points- defined as unexcused and unpaid time away from work. The table in 25.3.4 will be used in determining the number of points per event. Cumulative points relate to multiple events.
   e. Event- defined as unexcused "tardy" dependent on employee action/s. The table in 25.3.4 will be used to provide a corresponding "Corrective Action".
   f. Corrective Action- defined as a formal process of steps taken with an employee to correct an event with assigned points not inclusive to article 25.1.
### 25.3.4 Point Rules:

<table>
<thead>
<tr>
<th>Event</th>
<th>Points</th>
<th>Cumulative Points (Total)</th>
<th>Corrective Action Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unpaid Tardy/ Leave early less than full shift</td>
<td>.5 EA</td>
<td>(.5 x 4 events) = 2.0</td>
<td>None</td>
</tr>
<tr>
<td>Unpaid Full Day Absent</td>
<td>1.0 EA</td>
<td>(1.0 x 2 + .5 events) = 2.5</td>
<td>Verbal</td>
</tr>
<tr>
<td>3 Consecutive days with a doctor's note / Multiple Unpaid Tardy</td>
<td>1.0 EA</td>
<td>(1.0 x 4 events) = 4.0</td>
<td>1st Written</td>
</tr>
<tr>
<td>Multiple Unpaid Tardy / Leave early / Unpaid Full Day Absent / Doctors Note</td>
<td>.5 or 1.0 EA</td>
<td>(1.0 x 6 events) = 6.0</td>
<td>Written</td>
</tr>
<tr>
<td>Multiple Unpaid Tardy / Leave early / Unpaid Full Day Absent / Doctors Note</td>
<td>.5 or 1.0 EA</td>
<td>(1.0 x 8 events) = 8.0</td>
<td>Suspension (3 days)</td>
</tr>
<tr>
<td>Multiple Unpaid Tardy / Leave early / Unpaid Full Day Absent / Doctors Note</td>
<td>.5 or 1.0 EA</td>
<td>(1.0 x 10 events) = 10.00</td>
<td>Termination</td>
</tr>
</tbody>
</table>

### 25.3.5 Correction Action Procedures:

a. Three (3) or more consecutive work day absences covered by a physician will only count as one (1) unexcused absence. The physician's note must be submitted when the employee returns to work. No more than two (2) such occurrences will be excused per calendar year.
b. Points roll off six (6) months from date of absence (unless the employee has a current correction action.)

c. An employee will enter the correction action process with a "Verbal" if he / she receives 2.5 cumulative points during a six (6) month review period (ref: cumulative points column, table 25.3.4).

d. Once an employee enters the corrective action process, he / she will progress to the next corrective action level if he / she receives two (2) cumulative points during the six (6) month review period. If the employee receives a "Suspension" step, the employee will only need two (2) points during the next six month review period to reach termination.

e. An employee who has entered the correction action process will have the last correction action reduced one step if he / she has no further corrective actions within a rolling six (6) month period from the date of the corrective action.

f. The employee is solely responsible for notifying their Supervisor of a tardy or an absence. Such notification must be received by the Supervisor no later than 30 minutes prior to the start of such employee's shift with the exception of emergency circumstances. A list of phone numbers of Supervisors /Managers who may be notified shall be posted work areas.

g. PTO / PPL of less than one (1) week may be utilized in increments of as little as one (1) hour and up, or prior approved absence for any reason.

h. Failure of an employee to notify their Supervisor of an absence within 30 minutes prior to their regular start time shall constitute a half (.5) point event. Failure of an employee to notify their Supervisor / Management and being absent from work or tardy past one and one half hour of their assigned work shift schedule shall constitute one (1) event, not TWO events. An employee who is absent from work for a period of three (3) consecutive workdays without reporting the reason thereof shall be considered as having resigned without notice.

i. If an employee exhausts both PTO and PPL and is absent because of illness, the employee shall telephone their Supervisor and advise their Supervisor of the reason and expected period of absence due to illness or unforeseen emergency. Employee shall present doctor notes emailed / hand-carried from the medical facility to their supervisor after the third day when returning to work. Employee shall not be allowed to present doctor's note anytime thereafter. SOI will not accept doctor notes that have been back dated. All doctor notes will be current, and coincide with the date of absence (day or dates of illness). If an absence is certified by the physician and is an FMLA qualifying leave, no corrective action is applicable. No corrective action will be taken against an employee who followed the steps herein who had pre-approved Vacation or Paid Personal Leave on the first (1st) day of an absence because of illness. If the employee fails to comply with each of the above steps, or the Physician's certificate does not verify the illness or disability for the entire period of absence, the employee shall receive corrective action accordingly based on days not covered. If an employee follows each of the foregoing steps, the employee need only phone their Supervisor / Management on the first (1st day of absence and request PTO I PPL time they anticipate being out).
26. Terms of Agreement

This Agreement shall become effective January 1, 2021, and shall continue in effect until June 30, 2023, and from year to year thereafter unless either party in writing not less than sixty (60) days prior to such expiration date of June 30, 2023, or any succeeding anniversary date, shall indicate a desire to modify or terminate the same.

For the Company

Chris Betanzos - Program Manager

David Ledbetter - Employee/Labor Relations Manager

Tyrone McLaurin - President & COO

For the Union

Bill Benson - 7-11 Business Representative

Ray McCarthy - JAMA/SCA SMS Representative

Randall Young - Committee Chair

Bobby Goodpaster - Committeeeman

Bryan Martin - Committeeeman
APPENDIX

LETTER OF UNDERSTANDING

Machinists Custom Choice Worksite Benefits Program

It is understood and agreed between the parties that the Machinists Custom Choice Worksite Benefits Program of supplemental insurance benefits will be offered to employees in the bargaining unit through their designated agent, Employee Benefits Systems, Inc. (EBS). Members of the bargaining unit will be given an opportunity to spend up to fifteen minutes with an EBS Counsel at the worksite during normal business hours, once per year. The Company reserves the right to coordinate the schedule with EBS to prevent conflict with mission requirements.

The Company will honor payroll deduction requests and remit deductions to the underwriting insurance Company designated by EBS on a schedule, which is mutually agreed to by the Company and EBS. The Union will defend, save, and hold harmless and indemnify the Company from any and all claims, demands, suits or any other forms of liability that shall arise out of the execution of this letter by the Company.

The Company agrees to implement the provisions of this letter as soon as possible after the administrative systems and financial requirements are worked out between the Company and EBS.

The parties agree that the provision of this Letter of Understanding will be effective for the term of the current Collective Bargaining Agreement between the parties unless rescinded or amended earlier by mutual agreement between the parties.

Agreed to this 15th of August 2018.