COLLECTIVE BARGAINING AGREEMENT

BETWEEN

4M HR LOGISTICS & PKL SERVICES, INC.

AND

INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS, AFL-CIO, DISTRICT LODGE 4, LOCAL
LODGE4

AT

Patuxent River Naval Air Station
Patuxent River, Maryland

EFFECTIVE

5 February 2025 through 4 February 2028

TABLE OF CONTENTS

PURPOSE OF AGREEMENT

This Agreement, entered into by and between **4M HR Logistics and PKL Services Inc.** (hereinafter called "the Company), and the International Association of Machinists and Aerospace Workers, AFL-CIO, District Lodge No. 4, Local Lodge 4 (hereinafter called "The Union"), evidences the desire of the parties here to promote and maintain harmonious relations between the Company and its employees, as they are defined in Article 1, Section 2, of this Agreement, and the Union as their Representatives.

The purpose of this Agreement is to provide for wages, benefits, terms and conditions of employment for employees in the bargaining unit, and to ensure industrial peace. To this end, it is recognized that there must be mutual understanding, harmony and cooperation among employees and between employees and the Company, and the Union and the Company; that operations must be uninterrupted and duties faithfully performed in order for the Company and its employees to fulfill their mutual and vital responsibilities to both the public and to the Government; and that the business of the Company must be operated with economy and efficiency with due regard to competitive conditions. It is recognized by the Agreement to be the duty of the Company, the Union, and the employees to cooperate fully, both individually and collectively, for the advancement of said conditions.

It is agreed that the parties desire to enter into this Agreement to establish wages, hours, and working conditions and to provide for the peaceful settlement of disputes and grievances that may arise affecting the employees covered hereby. The parties recognize the skills, and the abilities of the bargaining unit are unique and distinct in the interest of National Security and are highly skilled and dedicated professionals in supporting the United States Navy.

NOW, THEREFORE, the parties agree as follows:

ARTICLE I

GENERAL CONDITIONS OF CONTRACT

Section 1- General Provisions

(A) In reaching this Agreement, the parties hereto have fully exercised and complied with any and all obligations to bargain and have fully considered and explored all subjects and matters in any way material to the relationship between the parties. In negotiating and agreeing to this contract, all matters concerning which parties could contract have been considered and disposed of.

(B) 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 all proper subjects of collective bargaining and that all such subjects have been discussed and negotiated upon and the agreements contained in this Agreement were arrived at after the free exercise of such rights and opportunities. Therefore, the Employer and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waive the right and each agrees the other shall not 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 of the parties at the time they negotiated or signed this Agreement.

The parties understand and agree that this Agreement covers all bargained for conditions of employment, and that the Employer has the right, at its discretion, to change, modify or amend conditions of employment not so covered as its business judgment dictates.

(C) It is understood wherever in this Agreement employees or jobs are referred to in the male or female gender it shall be recognized as referring to both males and females

(D) This Agreement can be changed or modified by mutual agreement only by a document in writing signed on behalf of both parties hereto by their duly authorized representatives,

(E) The waiver of any conditions or breach of this Agreement by either party shall not constitute a precedent for any further waiver of such condition or breach.

(F) It shall be the duty of the Company and its representatives and the Union and its representatives to comply with and abide by all the provisions of this Agreement.

(G) It shall be the duty of the Company and its representatives and the Union and its representatives to comply with and abide by all the provisions of this Agreement. It is the intent of the parties to provide for the efficiency of the operations and maximum production of the employees under methods, which further the safety of all affected parties, and the continued employment, hours of work, compensation, and working conditions, as contained herein so that operations will be uninterrupted, and duties faithfully performed for the Company and its employees to fulfill their mutual and vital responsibilities to both the public and the Government.

It is recognized by the Agreement to be the duty of the Company, the Union, and the employees to cooperate fully, both individually and collectively, for the advancement of said conditions, and to provide a grievance procedure for the settlement of the employees' grievances; and to provide that there shall be no interruptions and/or impeding of operations during the term of this Agreement.

The Union recognizes that the Company is a contractor to the U.S. Navy and that the Company is required at all times to meet its contractual obligations. Nothing in this Agreement will prevent the Company from meeting its obligations and responsibilities as a government contractor. The Union and the Company agree to comply with the legal requirements that the U.S. Navy may impose on the Company and its employees to the degree necessary, which requirements may or may not be rebuttable through the contractual processes available to government contractors if deemed necessary.

Section 2 - Recognition and Exclusive Representation

(A) Definition of Bargaining Unit and Employees Covered by this Agreement.

The Company recognizes the Union as the sole exclusive representative and bargaining agent with respect to rates of pay, wages, hours and other conditions of employment for the bargaining unit comprised of all full-time and regular part-time employees as defined in 5-RC-16073 and Appendix A of this Agreement employed under the Contractor Field Team Task Order Number FA8108-18-F-0046 supporting the VX-1 at Patuxent River, MD certified by the National Labor Relations Board. The word "employee" and "employees", as used in this Agreement, means all employees of the Company employed at the aforementioned sites in job classifications listed in Appendix A of this Agreement and those provided for in Article IX of this Agreement.

(B) Excluded are all branch managers, assistant branch managers, assistant site supervisors, production supervisors, shop supervisors, crew leaders, quality control supervisors, office clerical employees (including full-time stock clerks), flight engineers, professional employees, managerial employees, guards, and supervisors as defined by the Act.

(C) Non -Bargaining Unit Personnel

It is understood and agreed that there are times when non-bargaining unit employees may be required to perform work customarily performed by bargaining unit employees. It is also understood that Supervisors and others will be required to work with tools only to meet requirements under the conditions listed below. Therefore, the Company shall have the right to utilize non-bargaining unit employees under the following conditions:

(1) For instruction and training purposes.

(2) For tests, evaluation, and/or experimentation purposes.

(3) In emergencies as defined by the Company at its sole discretion provided such actions do not result in a layoff or reduction in force.

(4) As required to assist in working a malfunction/discrepancy on a scheduled aircraft that must be corrected expeditiously to successfully launch the aircraft, when bargaining unit employees with the necessary skills are not immediately available.

(5) In limited circumstances where the satisfaction of the Company's obligations and responsibilities as a contractor may be jeopardized, when bargaining unit employees with the necessary skills are not immediately available.

(6) When an employee fails to report to work, and other qualified employees are not available.

(7) For Customer Flying Crew personnel initial or proficiency training requirements.

(8) When there is a temporary need for Third party technicians by the Company that will not result in a layoff or reduction in force.

Section 3 - Period of Agreement and Ratification

(A) This agreement shall be effective, **February 5, 2025**, and shall remain in full force and effect up to and including **February 4, 2028,** and thereafter from year to year unless written notice to modify, amend, or terminate the Agreement is served by either party upon the other at least sixty **(60)** days prior to the expiration date of this Agreement.

* Where not otherwise specified, any reference to "days" in this Agreement shall mean calendar days.

(B) Any notice given under this section shall be deemed to be served by the Union when mailed postage prepaid, registered mail, return receipt requested, delivered in hand, to the Company's Program Manager for service upon the Company, and such notice shall be deemed to be served by the Company when similarly mailed, or delivered in hand, to the assigned Business Representative, District Lodge No. 4, for service upon the Union. The date of mailing shown on the registered mail return receipt or the date of written receipt of personal service shall be the controlling date for purposes of Section 3 (A) of this Agreement.

Section 4 - Separability

(A) Should any part hereof or any provisions herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or a decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof and they shall remain in full force and effect.

(B) The Company and the Union shall, within thirty (30) days, negotiate the provision of the Agreement affected by such legislation or court decree. Any modification or changes to this agreement brought about by the above negotiations shall be in writing and signed by the parties hereto.

(C) In the event the Employer decides to sell, transfer, or assign the business, this Agreement will be subject to existing Federal Labor Law

Section 5 - Security Regulations

(A) The parties to this agreement hereby recognize the Company's obligations in its contracts with the Government pertaining to security, security clearances, and access to government-managed property, and agree that nothing contained in this Agreement is intended to place the Company in violation of its contracts and/or security agreements with the Government.

(B) In the event that the U.S. Military Service or other Government Agency duly concerned with security regulations or operations on Government - managed property, advises the Company that any employee in the Union bargaining unit is restricted from access to Government - managed property, or restricted from work on or access to classified information and material, the Union agrees that such action as the Company may take pursuant to its contractual and/or security obligations to the Government will not be contested, nor will such action be a subject of the grievance procedure contained in Article IV of this Agreement.

(C) In the event that such Government Agency following the taking of such action within one year advises the Company that such an employee is no longer restricted from access to Government - managed property or restricted from work on or access to classified information and material, the Company shall promptly reinstate the employee with seniority, to the same job classification held at the time such action was taken, subject to the applicable seniority provisions of the Agreement, if he/she promptly applies for such reinstatement within fifteen (15) days.

(D) It is understood by and between the parties that, as a necessary condition of employment as defined in the Company's offer letter of employment, employees shall be subject to investigation for security clearances, special access requests, national agency check and/or unescorted entry authorization under regulations prescribed by the Department of Defense, or other agencies of the United States government on government work. Failure to apply, maintain, or gain a security clearance and/or the denial of required clearances and unescorted entry authorization by such governmental agency will be cause for release from the Company, due to inability to meet job requirements.

In the instance of a denial or a loss of a required clearance known as an "interim denial" an employee will be placed on an open job commensurate with his or her qualifications if any exist If no such opening exists, then the employee will be terminated.

It is understood that there shall be no liability on the part of the Company or the Union for any release growing out of the denial of clearance and/or unescorted entry authorization by the United States Government and/or non-receipt of a required clearance.

Failure for whatever circumstances to meet the above requirements shall not be a cause of action under the Grievance and Arbitration provisions contained in this Agreement.

Section 6 -Nondiscrimination

It is the intent of the Company and the Union to provide employees with a working environment that is free from all forms of discrimination and harassment which is, or which may become unlawful during the period of this Agreement. To this end, the parties agree to comply with all applicable laws, statutes and regulations concerning nondiscrimination in employment.

Section 7 - Union shop and check off

(A) All of the Company's present employees within the bargaining unit shall become members of the Union as a condition of employment within thirty (30) days of the execution of this Agreement. All newly hired employees in the bargaining unit shall become members of the Union within 90 days after their date of hiring and shall remain members of the Union as a condition of employment, within the requirements of the National Labor Relations Act. To be a member of the Union a member must pay all initiation fees, Union dues and assessments uniformly required of all members. Union membership is required only to the extent that employees must pay either (i) the Union's initiation fees and periodic dues or (ii) service fees which in the case of a regular service fee payer shall be equal to the Union's initiation fees and periodic dues or, in the case of an objecting service fee payer, shall be the proportion of the initiation fees and dues corresponding to the proportion of the Union's total expenditures that support representational activities.

(B) In the event that paragraph (A) becomes illegal, by reason of Maryland law prohibiting the Union shop, then the parties will substitute an agency shop provision for the Union shop provision if such substitution can lawfully be made. Such agency shop provision, if legal, would require all employees in the bargaining unit to pay the Union an amount equal to Union dues, initiation fees, and assessments.

(C) The Company will within **10** days after written notice from the Union discharge any employee who is not a member of the Union.

(D) The Company agrees to deduct from an employee's payroll check Union dues, initiation fees, assessments, or agency fees for all employees covered by this Agreement, provided that the Union or the employee delivers to the Company a written authorization to make such deductions, signed by the employee, irrevocable for one year or the expiration date of this Agreement, whichever shall occur sooner. The Company shall make deductions for each member or agency fee payer from the first pay of such member or agency fee payer **bi-weekly.**

(E) Such payroll deductions referred to in paragraph (D) of this Article shall be paid electronically to the Secretary Treasurer of the Union **by the 10th of each month.** The Company shall provide to the Secretary Treasurer of the Union with a listing monthly, of all newly hired or laid- off employees.

(F) Should an employee be promoted or transferred to a managerial/salaried classification not covered by this Agreement, the Company shall cease deducting applicable service fees or dues from such employee. When ceasing to deduct applicable service fees or dues for reasons cited in this section, the Company shall submit the names of such employees, and the reasons for no deduction to the Financial Secretary of District Lodge No 4.

(G) Nothing contained in this Article shall be construed to require the Company to violate any applicable law. It is understood and agreed that the Union will defend, save, 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, placing in effect or carrying out of the terms of this Article by the Company.

Section 8 - No Strike - No Lock Out

(A) The Union, (its officers, agents and members) agrees that for the duration of this Agreement it shall not cause, engage or condone any strike (including sympathy strike) slowdown or stoppage of work or any acts of any nature which would interfere with the Company's ability to provide uninterrupted service to the United States Government. If the Company believes a violation of this Section has occurred, the Company shall notify the Union of the alleged violation. The Company agrees that it will not cause or engage in any lockout for the duration of this Agreement.

(B) In the event of a violation of this section, the Union, (its officers, agents, and members) collectively agree that it will use its best efforts to end such prohibited conduct.

(C) In the event of a breach by the Union of the provisions of this section of the Agreement, the Company may abrogate this entire Agreement. Any action by a Union Steward which is not authorized, concurred in, or supported by the Union, will not constitute a breach of this Agreement on the part of the Union for purposes of this paragraph.

ARTICLE II

MANAGEMENT RIGHTS

Except as expressly modified by a specific provision of this Agreement, the Company shall retain the exclusive authority, rights and powers to manage its business and direct the workforce. Such authority, rights and powers include, but are not limited to, the right to hire, assign, transfer, promote, reclassify, layoff, discipline for just cause (including suspension and discharge); determine work schedules, starting times and quitting times, the number of hours and shifts to be worked; the qualifications of employees; to establish and modify rules and regulations not in conflict with the terms of this Agreement; to close down, curtail or move the business or any part of the business, to introduce new or changed methods; to determine the means of service or production; and to otherwise manage the operations and direct the workforce. These rights are not intended to be all inclusive, but enumerate by way of illustration, types of rights which belong to the Company.

ARTICLE III

UNION - COMPANY RELATIONS

Section 1- Union Stewards

(A) Upon execution of this Agreement, the Union shall promptly furnish Program Manager in writing names of the Union Stewards. Thereafter, the Union shall promptly advise the Site Supervisor, in writing, of any change in Stewards. No Steward will be recognized as such by the Company prior to receipt of written notice of notification

(B) It is agreed that a Steward may receive, but not solicit, grievances from employees. For purpose of this agreement, the term "solicit" means the steward will receive grievances from employees and not petition for grievances. However, this does not limit the Steward from notifying the employee(s) that he/she has been grieved due to a breach or violation of this agreement. The Union recognizes and agrees that a Steward will carry out his/her duties with a minimum of interference with the orderly progress of Company work.

(C) At least one union steward shall be assigned to each shift.

(D) It is agreed that since the Stewards have a regular work assignment to be performed, that contacts involving union business with other employees or Stewards, or the Business Representative of the Union will be no more frequent and no longer than the matter for discussion reasonably requires. Where necessary, the Steward's work schedule or assignment will be adjusted where practical, to allow for time to conduct Company-Union business as specified below:

1) To consult with an employee regarding the presentation of a request or clarification concerning this Agreement, complaint, or grievance which the employee desires the Steward to be present.

2) To investigate a complaint or grievance of record before presentation to the appropriate Company Representative.

3) To present a request concerning this Agreement, complaint, or grievance to an employee's Supervisor in an attempt to settle the matter for the employee or group of employees who may be similarly affected.

4) For discussions with Stewards or the authorized Business Representative of the Union on employee complaints or grievances or on matters arising out of the application of this Agreement.

(E) The number and locations of Stewards may be adjusted within reason by Company-Union to compensate for facility and population changes.

(F) The Steward shall secure permission of his/her Company Representative or assigned alternate before leaving his/her workstation, reporting back to his/her Company Representative or assigned alternate upon return to his/her workstation. Permission will be granted unless operation activities are affected. The Company will not unreasonably deny or delay access to the Steward. Upon entering the work area of another Manager's responsibility, the Steward will contact the Manager or assigned alternate before attempting to contact any employee.

(G) It is agreed the Company will pay Stewards for time away from the performance of their normal jobs while acting in their Steward capacity as defined in this Article for up to two (2) hours per week. It is agreed that time away from normal work activities will be reviewed and monitored and shall be addressed by the parties during the period of this Agreement when such an issue is raised by either party. This two (2) hour limit shall not include time spent:

1) To meet by appointment with the Program Manager or other designated representative of the Company, when necessary to adjust grievances in accordance with the grievance procedure of this Agreement.

2) To attend grievance hearings as defined by the Agreement

3) To meet each new employee covered by this Agreement who shall be introduced to the applicable Union Steward by the Company Representative within three (3) workdays after hire.

4) To report safety hazards or make safety recommendations to the management of his/her area.

5) To attend jointly scheduled meetings such as monthly communications meetings, and arbitrations - Each party shall be responsible to compensate their respective representatives and any persons they select to attend such meetings.

6) To attend meetings scheduled by the Company - The Company shall compensate all Union Stewards invited to the meeting. Such meetings may involve periodic or special communications meetings called by management for the purpose of communications of Company events, policies or plans, including training.

7) To attend meetings scheduled by the Company at the request of an employee to conduct an investigative interview that may lead to disciplinary action or to issue disciplinary action.

(H) To ensure the orderly administration of the terms of the labor Agreement, during periods of reductions in force, such employees designated as Stewards shall be considered the most senior employees in their assigned job classification, for purposes of applying Article V, Section 2, of this Agreement.

(I) It is agreed between the parties that should a Steward lose or resign his/her Stewardship while maintaining super-seniority, he/she will remain in place (classification and labor grade while Steward) until another Steward replaces and assumes the duties as a Steward.

(J) On the date the new Steward assumes office replacing the Steward who was maintaining super-seniority; the former Steward's status will be determined by his/her actual seniority. That is, if there is a more senior employee on recall to the job classification and specialty occupied by the former Steward, the more senior employee will be recalled, and the former Steward will be subject to the layoff and displacement provisions of Article V, Section 2 of this Agreement. A steward that is designated as a representative of a shift shall keep the normal working hours of that shift for the duration of his term or until a new steward assumes office. At least one union steward shall be assigned to each shift.

(K) The Site Supervisor shall operating requirements permitting approve an employee to confer with his or her designated Steward to express a question or concern about the application of this Agreement during straight time hours without loss of pay.

(L) The Site Supervisor shall operating requirements permitting approve an employee to attend a Step One or Step Two grievance hearing for a grievance that he or she signed. No more than three employees (including Stewards) from the then working shift may attend a Step One or Step Two grievance hearing, without prior approval of the Program Manager or delegated authority on straight time hours without loss of pay.

Section 2 - Business Representatives and Union Officials

(A) Full time representatives of the Union shall have access to the Company's operations for the purpose of contacting Stewards regarding employee complaints or grievances or matters arising out of the application of this Agreement. Such visits shall be subject to such regulations as may be made from time to time by the Company, the U.S. Military Services, and other government agencies. It is agreed that the Company will not impose regulations which will render ineffective the intent of this provision. Prior to entering the Company's operations, the Business Representative shall notify the Program Manager to agree on the date and time he/she will be on the facility and the department(s) he/she wishes to contact.

(B) If it is necessary for a full time Union Representative to meet with any single employee and one steward to discuss a complaint or grievance, the employee and steward time shall be Company paid providing that he or she first notifies the Program Manager. The contacts on Company time, which are provided for in this Section, will be no more frequent and no longer than the matter for discussion reasonably requires. No discussions will be held with supervision of any section unless the Program Manager has been notified and given an opportunity to be present. Program Manager shall meet upon request with a full time Union Business Representative to discuss the Representatives request to simultaneously meet with more than one employee and a steward.

Section 3 - Bulletin Boards and Posting Notices

(A) It is agreed that the Union will be permitted to post on bulletin boards at locations approved by the customer:

1) Notices of Union recreational affairs.

2) Notices of Union elections and election results.

3) Notices of Union appointments.

4) Notices of Union meetings.
Such other notices as may be mutually agreed upon by the Union and Company.

(B) The Company will provide a bulletin board clearly identified as "Union Business" where only Union notices will be displayed.

(C) The bulletin boards will be prominently displayed in the VX-1 Line Maintenance area with the purpose of being easily accessible by all employees of the facility in which the bulletin boards are maintained.

Section 4 - Information Provided to the Union

The Company will furnish the Union with information required by law.

Section 5 - Official Union Business

It is agreed that the Company shall not be required to pay an employee for any time that he/she is taken away from his/her work to serve the Union in any official capacity or to serve on any Union Committee, except as provided in the Agreement. If such unpaid union activity interferes with the working hours of employees, the Company will allow authorized absence without pay for the hours absent for up to three (3) Union officials, to attend one (1) scheduled Union meeting each month, on a date and during the hours certified by the Business Representative of the Union.

ARTICLE IV

DISCHARGE AND DISCIPLINE

Section 1 - Guidelines for Disciplinary Action Initiated by the Company

Disciplinary action shall be initiated by the Company only for just cause and any penalty imposed shall be consistent with proven offenses.

Section 2 - Furnishment of Copies of Disciplinary Material

It is agreed that to consider that an employee has been disciplined, the employee and the Steward, shall be furnished a duplicate copy of any disciplinary material inserted in their personnel file.

Section 3 -Right to Union Representation

Prior to taking disciplinary action (Verbal counseling, and a written verification of verbal counseling) against any employee in the unit, will be advised of their right to Union representation by a Shop Steward.

Section 4 - Non -probationary employees
Disciplinary action in any form imposed by the Company on non- probationary employees shall be subject to the grievance and arbitration procedure.

Section 5 - Investigative Interviews

There shall be no investigative interview of union members, which an employee reasonably believes could lead to disciplinary action without the Shop Steward being present if requested by the employee. If the employee refuses representation, they shall sign a waiver to that effect and a copy will be provided to the Union.

Shop Stewards shall not be denied the opportunity to represent an employee at investigative interviews if requested by the employee. If a Shop Steward is requested but not available, such investigative interviews will be postponed until a Shop Steward can be present.

Section 6 - Employee Training

The Company and the Union jointly agree that it is important for all employees to maintain all training requirements. Employees will be notified of scheduled training events by the Site Supervisor, Government Unit Training Manager, or other company employee and it will be the
employee's responsibility to attend the training event as scheduled. Any missed training event that is determined to be the employee's responsibility, will be subject to the disciplinary process. It is the employee's responsibility to maintain currency on all training requirements and provide documentation to the Site Manager or Designee with all appropriate training events and qualification upgrades.

Section 7- Roll back of Hourly Wages due to Loss of Qualifications

Employees who lose their CDI/Plane Captain or related qualifications for any reason having to do with negligent maintenance or inspection procedures, will have their hourly wage rolled back to the equivalent of an Aircraft Worker. For employees who have their qualification suspended, the reduction in pay will begin on the first day the qualification is suspended and will terminate on the ending day of the suspension. For employees who have their qualification revoked, the reduction in pay will begin on the first day the qualification is revoked. The employee's pay will be reinstated to the original level when the employee has completed their portion of the recertification process. Employees who have their qualification revoked will be subject to disciplinary action and will have **60** days from the date they are eligible to re-acquire their qualification on the platform they lost CDI or Plane Captain Qualification on, unless the government requests otherwise. The employee must recertify only on the aircraft they lost qualification on unless the government requires recertification on each aircraft. Employees who still fail to complete their portion of the recertification process (i.e. written test, practical test etc.) within that **60**-day time limit will be granted an additional **30** days prior to termination.

- After a full maintenance investigation by the Site Manager and/or Government Quality

Assurance (QA).

- QA determines the identified employee as failing to properly perform his/her duties in accordance with the governing maintenance directives.
- The results of the investigation are provided to the Company and the Union for review and comment.
- The Site Manager and/or Squadron Aircraft Maintenance Officer, with concurrence from the Site Manager, has suspended or revoked the employee's Plane Captain/CDI qualification for a specific time frame.
- If either the Union or Company oppose the results of the maintenance investigation, an independent impartial investigation will be performed by a team comprised of two employees (1 Company and 1 Union designated representative). The results of this investigation will be presented to both the Company and the Union.
- If the investigation finds evidence in favor of the employee, the evidence will be presented to the AMO for adjudication.
- No employee will be financially penalized for any period in which the recertification is delayed because of administrative processing as long as the employee has performed their portion of the certification process within the required 60-day time limit.
- Employees failing to have their 0qualifications reinstated will be subject to suspension without pay pending the Company/Union review.

Section 8 - Qualification Timelines of New Hires

New Hire Plane Captains will have a total of **90** days to qualify on the platform previously qualified on, and an additional **180** days per platform to qualify on platforms not previously certified on. A newly hired CDI will have **30** days to qualify on the platform previously certified on and an additional **45** days to qualify on platforms not previously certified on. Employees failing to attain their Plane Captain qualification on at least one platform within the **90** days, post-hire probationary period may be terminated. Employees failing to attain their CDI qualification on at least one platform within the **90** probationary period may be terminated. However, the Site Manager may at his discretion, provide an additional **30** days at aircraft worker pay to allow for qualification. If the employee attains their qualification within this **30**-day period, the employee's hourly wage will be reinstated to the applicable Mechanic pay grade. If the employee still fails to attain the required qualification the employee will be subject to disciplinary procedures or termination. No employee will be financially penalized for any period in which the qualification is delayed because of administrative processing as long as the employee has performed their portion of the certification process within the initial **90** days or the ensuing **30-day** time limit.

Employees who are hired by the Company or its subcontractors as aircraft workers who have not been previously designated as H-60, E2D or P8 Plane Captain will receive an additional **180** days per platform to qualify on the other two. If previously qualified on two platforms, the employee shall receive an additional **180** days to qualify on the remaining platform. If only previously qualified as CDI on one platform, the employee will receive an additional **30** days per platform to qualify on the other two.

Personnel who fail to attain their qualifications within **180** days will be subject to disciplinary action and given an additional **45** days to attain their qualification. If the employee still fails to attain the required qualification the employee will be subject to disciplinary procedures No employee will be financially penalized for any period in which the qualification is delayed because of administrative processing as long as the employee has performed their portion of the certification process within the initial **180** days or the ensuing **30**-day time limit.

For employees who are promoted from worker to mechanic, they will be provided a total of **90** days from date of promotion to attain the required qualification (CDI) on all three platforms. For promoted employees previously qualified as CDI on one platform, the employee will receive an additional **30** days per platform to qualify on the other two for a total of **60** days. Employees failing to attain their qualifications within the allotted period will have their hourly wage reduced to a worker for the ensuing **30**-day period. If the employee attains their qualification within this **30**-day period, the employee's hourly wage will be reinstated to the applicable Mechanic pay grade. After the **30**-day grace period, if the employee still fails to attain the required qualification the employee will be reverted to aircraft worker and the position will be backfilled with another employee. No employee will be financially penalized for any period in which the qualification is delayed because of administrative processing as long as the employee has performed their portion of the certification process within the initial **30**-day allotted time limit.

For employees who are promoted from worker to Mechanic who have not been previously qualified as CDI, they will be provided **60** days from date of promotion to attain the required qualification (CDI). Personnel failing to attain their qualification within the **60**-day post promotion period
will have their hourly wage reduced to aircraft worker for the ensuing **30**-day period. If the employee attains their qualification within this **30**-day period, the employee's hourly wage will be reinstated to the applicable pay grade. After the **30**-day grace period, if the employee still fails to attain the required qualification the employee will be reverted to aircraft worker. No employee will be financially penalized for any period in which the qualification is delayed because of administrative processing as long as the employee has performed their portion of the certification process within the initial **60** days or the ensuing **30**-day time limit.

Section 9 - Second Incidence of qualification revocation

Employees who have their qualification (Plane Captain or CDI) suspended or revoked for a second incidence of negligence within a **12**-month period will be suspended without pay for up to three days pending Company/Union review for further disciplinary action or termination. Any employee subject to a third suspension or revocation of their qualification will be automatically terminated pending the below conditions are exercised. This disciplinary action will only be undertaken as follows:

- After a full maintenance investigation by the Site Manager and/or Government Quality Assurance (QA)
- QA determines the identified employee as failing to properly perform their duties in

accordance with the governing maintenance directive.

- The results of the investigation are provided to the Company and the Union for review and comment.
- The Site Manager and/or Squadron Aircraft Maintenance Officer has suspended or revoked the employee's Plane Captain/CD qualification for a second or third maintenance malpractice incident.
- If either the Union or Company oppose the results of the maintenance investigation, an independent impartial investigation will be performed by a team comprised of two employees (1 Company and 1 Union designated representative). The results of this investigation will be presented to both the Company and the Union.
- If the investigation finds evidence in favor of the employees, the evidence will be presented to the AMO for adjudication.
- No employee will be financially penalized, suspended, or terminated until the investigative process is complete.

Employees failing to have their qualifications reinstated will be subject to suspension without pay pending Company/Union review for termination.

Section 10 - Loss of Qualification and Adder Pay due to qualification revocation

Loss of Qualifications by any employee who receives additional pay for that qualification will result in their "adder" being revoked until their qualification is regained.

Section 11 - Lapsed Qualifications

Employees who allow their qualification(s) to lapse will be disciplined based on the following schedule:

1. Counseling and given **30** days to get all required qualifications based on Company and GOP requirements.
2. Reduced to the lowest pay within the particular classification and given **30** days to get all the required qualifications based on Company and GOP requirements.
3. Suspended three (**3**) days and given **30** days to get all required qualifications based on Company and GOP requirements upon return from suspension.
4. Termination

Note: When a CDI certification lapses on a platform, they have **30** days to requalify on that platform. If all three lapse simultaneously, then they have a total of **90** days to requalify on all three. When a Plane Captain certification lapses on a platform, they have **30** days to requalify on that platform. If all three lapse simultaneously, then they have a total of **90** days to requalify on all three. The schedule cannot be used if it can be proven by the Employee that they could not obtain their qualifications for reasons beyond their control. However, these concerns must be presented to the Site Supervisor or their designee prior to discipline

Section 12 - Progressive Disciplinary action for Minor Offenses

Disciplinary action for minor offenses shall normally follow a line of progression. The line of progression is as follows:

a. Action - Verbal Warning (documented) - after six (6) months, will not be considered for purposes of progressive discipline.
b. Action - Written Warning/ Administrative Action #1 - after nine (9) months, will not be considered for purposes of progressive discipline.
c. Action -Administration Action #2 (may include suspension up to 3 days) - after twelve (12) months, will not be considered for purposes of progressive discipline.
d. Letter of Termination - Discharge

The progression of discipline shall follow only the same or directly related offenses.

Section 13 - Serious Offenses

Serious offenses shall be dealt with based on their severity and shall normally include at a minimum a suspension without pay or discharge for a first offense. It is understood and agreed that any disciplinary action issued to an employee by the Company shall be issued within ten (10) workdays (**Mon-Fri**) following knowledge by the Company of the occurrence of the alleged violation(s). The above specified time limit may be extended by written mutual agreement between the Company and Union.

If an investigation is necessary prior to imposing discipline, the employee will be placed on an administrative leave with pay during the investigation. This is intended to allow the Company to investigate the issues and determine appropriate disciplinary action.

Section 14 - Items not subject to the Grievance and Arbitration Procedure

Disciplinary action imposed by the Employer shall be subject to the grievance and arbitration procedure, except that (1) if the employee loses their clearance to work on the base, and loses or fails to appeal the loss of clearance to work on the base, or (2), if the employee violates the company's drug and alcohol policy, unless if in the opinion of the Union, the Company has violated its procedures for drug and alcohol testing, then such employee's termination shall not be subject to the grievance or arbitration procedure.

ARTICLEV

GRIEVANCE PROCEDURE AND ARBITRATION

Section 1 - Definition of Grievance

The term grievance as used in this Agreement is a written claim involving the interpretation, application or claim of breach or violation of applicable provision(s) of this Agreement that the Company or an employee has not been able to adjust. The grievance must identify the applicable provision(s) of the Agreement that is claimed to have breached or violated and the remedy sought. All references and procedures in the Article which refer to "employee" grievances refer to the Company as well, as the Company also has the right to file a grievance under this Article.

Section 2 - Grievance Procedure

Grievances will be conducted as follows:

Step One: The parties agree that all complaints and grievances should be resolved, whenever possible, with the Site Supervisor and the employee involved. It is the intent and purpose of the parties to provide a fair and equitable procedure for the orderly settlement of all grievances. Any employee with a complaint or issue should contact the appropriate manager to discuss and resolve the issue. Both parties will make every effort to resolve the issue within five (5) regularly scheduled workdays before it is reduced to writing as described in Step Two of this Procedure. The employee may have their Shop Steward present if desired. The company shall inform the employee of the right to have a Shop Steward present prior to the start of any investigation meeting that could lead to discipline.

Step Two: Any employee believing they have been aggrieved as defined in Section 23.01 must confer with the Site Supervisor and present a written grievance, with their Shop Steward. The Shop Steward, on a form provided by the Shop and agreed to by the Company must reduce the grievance to writing. Such written grievance shall set forth the complaint and remedy sought, the facts on which it is based, the date(s) of occurrence, the applicable Article(s) of the Agreement which is claimed to be the basis for the filing of the grievance, and this, together with any accompanying statement. The form shall be dated and signed by the grievant or the Shop Steward. The written grievance must be presented to the Site Supervisor within ten (10) working days from the date the employee became aware of the incident that gave rise to the grievance. If the employee or Shop Steward fails to present the written grievance within this time limit, the grievance shall be considered settled and no further action can be taken thereon. Both parties will make every effort to resolve the issue. The Site Supervisor shall render their written decision to the Shop Steward and the employee within ten (10) working days after being presented the grievance. If a settlement is reached it will be reduced to writing on the grievance form and the matter shall then be considered closed. If the Site Supervisor fails to provide their written response within this time limit, the grievance shall be forwarded to the next step. Any grievance settlement at Step Two of the grievance process, whether by concession, withdrawal, settlement agreement, or resolution actions occurring due to a failure of either party to abide by the time limits of this section, shall not constitute a precedent binding upon the Company or the Shop, unless the parties agree, in writing that such settlement shall set a precedent binding on future grievances.

Step Three: If not satisfactorily settled as outlined in Step Two (2) above, the written grievance may then be presented to the Director of Field Maintenance Services or their designated representative no later than ten (10) working days after receipt by the Union assigned Union Representative and/or Shop Steward of the decision rendered in step two (2) hereof. The Director of Field Maintenance Services and or designated company representative shall meet with the Union Representative and Shop Steward to resolve the matter and render a written decision thereon within ten (10) working days after said meeting/appeal. If a settlement is reached it will be reduced to written form on the grievance form and the matter shall then be considered closed. If the Director of Field Maintenance Services fails to provide a written decision within this time limit, the grievance shall be forwarded to the next step. Any grievance settlement at Step Three of the grievance process, whether by concession, withdrawal, settlement agreement, or resolution actions occurring due to a failure of either party to abide by the time limits of this section, shall not constitute a precedent binding upon the Company or the Union, unless the parties agree, in writing that such settlement shall set a precedent binding on future grievances.

Step Four: The Business Representative and the Company's representative, or delegated authority shall have authority to discuss between themselves the possible settlement and/or compromise of the grievance, but in any event must move to request an FMCS arbitrator as provided herein within twenty (**20**) days after the Union's appeal to arbitration if no settlement has been reached by that time. This time limit may be extended. Grievances arising out of a suspension (with just cause) without pay or a discharge (with just cause) or class action grievance, shall be submitted directly to Step Three described in Section 2 herein. If the two parties' representatives are unable to reach a settlement, either party may request a list of qualified arbitrators from the United States Federal Mediation and Conciliation Service. The request shall be for a list of seven (7) arbitrators. The Union and the Company shall alternately strike one name from such list (the right to strike the first name having been determined by lot) until only one name remains and that person shall be the arbitrator.

a) It is understood that the time limits specified herein may be extended by mutual written agreement of the parties.

b) The Company and the Union may mutually agree to combine the grievance of an employee and other similarly affected employees to eliminate the need for multiple filings of grievances. If no agreement on this issue is reached either party may request an Arbitrator to combine the grievances and the Arbitrator's decision is final.

c) The Company and the Union may mutually agree in writing to waive any prior step of the grievance procedure and proceed directly to Step Three of the grievance procedure as it is described in Section 2 of this Article.

d) The Union shall have authority, with respect to any employee covered by this Agreement, to decline to process a grievance, complaint, or dispute if in the judgment of the Union such grievance or dispute lacks merit or justification under the terms and conditions of this Agreement or has been adjusted or justified under the terms of the Agreement to the satisfaction of the Union.

e) It is mutually agreed that should an employee be unavailable to sign a grievance form and deliver it to the Company within the time limits specified in Steps One and Two of the grievance procedure, the Union may forward the grievance unsigned. Requests for additional time due to circumstances of the unavailability of the employee to sign will be made to the Site Supervisor and will be granted. The Union must secure the employee signature (or steward on their behalf) prior to the grievance form proceeding through the next step of the grievance procedure

Arbitration

a) The Parties' representative shall make the necessary arrangements to arbitrate the grievance. If the parties' representatives are unable to agree upon the issue, the arbitrator shall determine the issue.

b) The arbitrator shall have the authority to determine the rules of evidence and procedure and to adjourn or continue the hearing from time to time. All expenses incurred by the arbitrator including the fee and expenses which the arbitrator authorized in connection with the arbitration, shall be shared equally by the parties. Costs incurred by the respective parties for their witness(**es**) shall be borne by the respective party.

c) This Agreement constitutes a contract between the parties which shall be interpreted and applied by the parties and by the arbitrator in the same manner as any other contract under the laws of the land. The function and purpose of the arbitrator is to determine disputed interpretation of terms found in the Agreement, or to determine disputed facts upon which the application of the Agreement depends. The arbitrator shall have the authority to interpret and apply the provisions of this agreement. The arbitrator shall not have the authority to amend or modify this Agreement or to establish new terms and conditions of this Agreement. The decision of the arbitrator shall be in writing and shall not be made until both parties have had reasonable opportunity to present their case, together with oral arguments. The parties may mutually agree to oral closing briefs. Said decision shall be given not later than thirty **(30)** days after the submission of the final briefs. It is understood and agreed that a decision of the arbitrator made in accordance with the requirements hereof shall be final and binding on both parties and the employee(**s**).

d) The parties will conduct arbitration cases at a location within twenty-five **(25)** miles of Patuxent River Naval Air Station, Patuxent River, Maryland.

ARTICLE VI

SENIORITY

Section 1 - Basis of Seniority and Establishment of Seniority Rights

(A) All employees shall be considered probationary employees for the first **ninety (90)** days of active employment. Throughout this period, supervision will evaluate the probationary employee as to such factors as, but not limited to, work habits, willingness to accept varied work assignments and training, safety, productivity, quality of work, attendance, and ability to work with others. Upon completion of his/her probationary period, the employee will become a regular employee whose seniority will be retroactive to his/her first day of employment.

Supervisory determinations as to retention, reassignment, or termination of probationary employees anytime during the **ninety (90)** day probationary period are not subject to the Grievance and Arbitration Articles of this Agreement.

(B) For purposes of this Agreement, there shall be two types of seniority, and they are defined as follows:

Company Seniority-For employees covered by the collective bargaining agreement as of the effective date of the Agreement, or employees re-hired within thirty (30) days or less of a break in service, Company Seniority represents all accumulated time for which the employee has served as an employee of the Company in the performance of similar work at any Company site.

For employees hired after the effective date of this Agreement, Company Seniority begins upon the most recent hire date.

Bargaining Unit Seniority - For employees covered by this collective bargaining agreement as of the effective date of the Agreement, Bargaining Unit Seniority is the same as Company Seniority cited above.

For employees hired or transferred after the effective date of this Agreement, Bargaining Unit Seniority begins upon the hire or transfer date at a site covered by this Agreement.

When two (2) or more employees have the same seniority date the employee with the lowest last four digits of the social security number will be deemed to be the most senior.

(C) An employee who re-enters the bargaining unit within six (6) months from a position taken outside the bargaining unit may return to the last classification held, provided a vacancy is open for that classification and he/she meets the definition of fully qualified as defined in Article V, Section 2 of this Agreement and has sufficient bargaining unit seniority to return. For purposes of this paragraph, bargaining unit seniority does not accumulate while outside the bargaining unit.

(D) Seniority for vacation eligibility and benefit determination purposes will not be affected by Article V, Section l(C), above. The employee's bargaining unit seniority would be frozen until such time as the employee returned to the bargaining unit within the six (6) month period contained in Article V, Section l(C) above and would accumulate going forward from the date of return.

(E) An employee who transfers, is reassigned, is promoted, demoted, or has been reclassified within the Bargaining Unit will retain all Seniority.

Section 2 - Promotions, Layoffs and Recall

In the event of a layoff, probationary employees shall be laid off first. In assigning employees to higher-paying jobs, or in the case of layoff due to lack of work, or recall from layoff, the Company shall select those employees who are best qualified to be so promoted, retained or recalled regardless of classification. In making such selection, consideration will be given to such factors as ability, performance and skill. If ability, performance and skills are equal, seniority shall prevail in layoff, promotion and recall. Judgments as to qualifications shall be at the sole discretion of the Company.

Section 3 - Loss of Seniority

Employees shall lose all seniority rights and employment shall cease for any of the following reasons.

a. Resignation

b. Discharge for just cause.

c. Failure to report to work within fourteen (14) days after recall from layoff.

d. Absence due to layoff for twenty-four (24) months.

e. Failure to report to work upon expiration of an approved leave of absence. Exceptions shall be limited to extreme circumstances beyond the employee's control.

f. If the employee gives a false reason for a Leave of Absence or engages in gainful employment with another employer during such leave.

g. If any monetary settlement is made with an employee covering total disability.

h. If an employee falsifies information on his/her application for employment. The falsity may become known at any time after the employee's date of hire.

i. When an employee is absent from work for a period of three (3) consecutive days without prior notification of sufficient reasons to warrant the absence.

j. Failure for any reason, to secure/maintain a government clearance except as provided for in this Agreement.

k. Refusal to take a drug test directed by the Company, as required by Company Policy.

Section 4 - Shift Preference

Shift assignments will be based on employee's possession of qualifications/certifications to perform the assigned work. When two (2) or more employees possess the same qualifications/certifications to perform the work, then the most senior employee will receive the assignment. The Company will have the sole discretion in determining the qualifications/certifications necessary to perform/meet customer requirements.

ARTICLE VII

EMPLOYMENT CONDITIONS

Section 1 - Working Conditions

(A) General

The Company agrees to maintain working conditions in all its operations and working establishments in accordance with Federal law and the laws of the State, County and City of its place of operation.

(B) Safety Rules and Regulations

Employees shall be required to comply with all safety rules and regulations established by the Company and government agencies, and to wear such protective clothing or use such safety equipment as may be required.

(C) Clothing and Safety Equipment

As directed by the Company, protective clothing and safety equipment will be utilized by the employee during his/her performance of jobs requiring such equipment usage.

(D) Acts of Sabotage

Employees will use their best efforts to prevent any acts of sabotage or willful damage to Company property or employee property or materials. To that end, all employees will immediately report to their supervisor any acts of sabotage or willful damage to property or materials, or any threat to sabotage or willfully damaging such property.

(E) Medical Examinations

Should the Company have reason to believe an employee is unable to satisfactorily perform the duties of his/her job classification, such employee may be required to take such medical examination as may be directed by the Company. The Company shall pay for such examination. No employee shall be disciplined or discharged because of such an examination. The Company will select the physician that will conduct the medical examination. In the event the Company requires a medical examination for the purposes of job requirement for non-probationary employees the cost of the examination shall be borne by the Employer.

(F) On-the-Job Injury

An employee injured on the job, who is taken off the job for treatment will receive pay for the remainder of his scheduled workday if the employee's injury is serious enough to preclude his return to work. Where necessary, the Company will furnish transportation as soon as possible for an injured employee to receive medical treatment.

(G) Training

Training and certification for hazardous material handling will be accomplished in accordance with applicable Federal and State guidelines.

(H) Employee Assistance

The Company agrees to provide an Employee Assistance Program (EAP) related to substance abuse. The program will be established at work sites based on duration of the contract, number of employees assigned to the site, the availability of local resources, and in accordance with the following guidelines:

(1) The Company will provide an (800) number which will be posted at each company worksite.

(2) The EAP will provide contacts with local substance abuse counseling agencies and related organizations. The purpose of these contacts will be to obtain assistance in establishing local sources for counseling, education, training, and rehabilitation programs.

(3) Employees seeking assistance will be assured that the strictest possible confidentiality will be maintained at all times regarding their activities.

(4) Employees who voluntarily admit to a drug/alcohol abuse problem will be granted an initial leave without pay to participate in an in-patient rehabilitation program and shall be entitled to Short Term Disability Benefits if eligible, as determined by the short-term disability provider during the leave period. A "Request for Leave of Absence" form will be obtained through Management channels. Additional leaves of absence may be granted.

Section 2 - New Technology

The Company and the Union agree that it is to their mutual benefit and sound economic and social goals 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.

In order that employees can better prepare themselves for the skill requirements of the future and in its fulfillment of its obligation to provide information to the Union, the Company will provide notification to the Union full-time Business Representative, or his designee of Company initiated plans for the introduction of new technology which may affect the employees' employment security. This notification will inform the Union of anticipated schedules of introduction of such new technology and will identify areas of skill impacts, and any training programs associated with those impacts. The Union, and its representatives, will protect the confidentiality of Company sensitive and proprietary information disclosed in the notification. The Company will provide employees in the affected classification(s) in the bargaining unit the opportunity to volunteer for applicable training. The Company will select employees based on factors such as ability, skill, dependability, efficiency and qualifications to attend training and perform the work

involved. If such factors are relatively equal, the most senior employee will be selected. In lieu of layoff, an employee displaced by new technology initiated by the Company will be placed on an open job commensurate with his or her qualifications if any exist.

ARTICLE VIII

EMPLOYEE PRIVILEGES

Section 1-Vacations

(A) Definitions

1) The term "seniority" as used in this Section, shall be the Company Seniority to which an employee is entitled under the provisions of Article V, Section 1 (B) of this Agreement.

2) Pay for each week of vacation for a full-time employee means pay for forty (40) hours at the employee's base rate of pay.

3) Earned vacation credits as used in this Article will be accrued bi-weekly.

(B) Vacations

Employees covered by this agreement shall accrue vacation on a bi-weekly basis based on their length of continuous service.

An employee may carry over up to a maximum of one's year accrual. An employee may elect to cash out any unused vacation hours accrued at the end of each calendar year, up to what has been accrued in the current year, at year's end.

Vacation Benefits for bargaining unit employees on the Active Payroll of the company are as follows:

1) An employee with less than four (4) years Company seniority will accrue **3.69** hours bi-weekly; twelve (12) days per year.

2) An employee with four (4) years or more Company seniority but less than ten (10) years Company seniority will accrue **5.23** hours bi-weekly; seventeen (17) days per year.

3) An employee with ten (**10**) years or more Company seniority but less than twenty (20) years of Company seniority will accrue **6.77** hours bi-weekly; twenty-two (**22**) days per year

4) An employee with twenty (**20**) years or more Company seniority will accrue **8.31** hours bi-weekly; twenty-seven (**27**) days per year.

(C) Vacation Benefits for an Employee who terminates or is Terminated, Laid Off, or who entered the Armed Forces.

Employees accrued vacation balance which has not been used at the time he terminates, is terminated, enters the Armed Forces, is laid off, or who dies shall be paid their base wage for their accrued vacation at the time of termination on the next scheduled check date

(D) **Scheduling Vacation**

1) Consideration will be given to the employee's personal plans and preference for a suitable time which is acceptable, except that no more than one preferred vacation period or date per employee may be scheduled in any one calendar year. The Company shall endeavor to honor vacation requests as scheduled. If a conflict exists, the appropriate Supervisor shall use his best efforts to solve them, however mission requirements must be met.

2) Earned vacation may be taken in consecutive weeks or in one (**1**)-week increments or in one (**1**)-day increments with forty-eight (**48**) hours of advance notice. Once an employee has submitted a vacation request, the supervisor shall notify the employee in writing within twenty-four (**24**) hours after submission of vacation request of the approval/disapproval of vacation.

Section 2 - Military Reserve Training Leave

An employee on the active payroll of the company who is required to engage annually in up to ten (**10**) days of military reserve training shall be granted a leave of absence for the period of "annual training" ("annual training" is not defined as the monthly commitment) and shall be paid the difference between the total pay/allowances received for the training period and the amount of wages the employee would have received for his normal ten (**10**) day work schedule. Normal, for the purposes of this section shall mean an eight-hour day work schedule for each day of training at the employee's base rate of pay, excluding shift differential and any premium pay.

Section 3 - Bereavement Leave

In case of the death of a member of the immediate family of an employee, the employee shall be granted a maximum of four (4) scheduled workdays off paid at their base rate of pay to attend the funeral and tend to administrative details. For purpose of this Article, "immediate family" shall mean legal spouse and brother, sister, child, parent, grandchild, grandparent and step or in- law relations of any of the above. For purposes of this Article, a half- brother or half-sister shall be treated the same as a brother or sister. Employee must provide documentation of the date of death.

If an employee must attend funeral services which include travel greater than 400 miles, and less than 600 miles, one (1) additional day or a total of five (5) days paid at their base rate of pay for immediate family shall be granted. To be granted the additional one (1) day employee must provide documentation of the date of death.

If an employee must attend services which include travel greater than 600 miles, two (2) additional days or a total of six (6) days paid at their base rate of pay for immediate family shall be granted. To be granted the additional two (2) days employee must provide documentation of the date of death.

Section 4 - Leaves Without Pay

(A) Leaves of absence up to thirty (30) days without pay may be granted at the sole discretion of the Program Manager. A request for leave must be submitted on a Request for Leave of Absence form and approved in writing by the Program Manager prior to the effective date of the leave. A copy of the approved or denied request must be given to the employee. A leave of absence may be extended only by the Program Manager or his or her designee. An employee who is denied such a leave by the Program Manager may appeal that denial to the Program Director.

(B) In the case of emergency such as death, serious illness, or injury of a member of the employee's family, a Leave Request may be processed without the employee's signature and subsequent to the employee's departure; however, such emergency leave must be promptly reported, reviewed by the Site Supervisor and forwarded to the Human Resources Office.

(C) For good and sufficient reason, the Company may extend the period of the leave. The leave of absence, properly approved, shall not in any way jeopardize the employee's standing with the Company.

(D) Employees elected or selected to full-time jobs in the local Union or the International Union, which take them from their employment with the Company shall receive leave of absence, without pay or benefit credits. Such employees will continue to retain and accumulate bargaining unit seniority during such leave.

(E) Leaves of absence without pay or benefit credits may be granted at the Company's sole discretion on two weeks written request of the Union to persons designated by the Union for Official Union business to attend conventions and/or educational training.

(F) The Company will comply with all Federal posting requirements and responsibilities under the Family and Medical Leave Act.

(G) Extended military leaves of absence will be administered in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994.

Section 5 - Holidays

(A) Employees shall be granted the following holidays yearly during the life of the agreement:

New Year's Day
Martin Luther King Jr. Birthday
President's Day
Memorial Day
Juneteenth
Independence Day
Labor Day
Columbus Day
Veteran's Day
Thanksgiving Day
Day After Thanksgiving
Christmas Day

- Any additional holiday (or official day of mourning) designated by Presidential Executive Order that is observed at the N.A.S. Patuxent River, MD. Base will be observed in addition to the above.

- Employees will receive the day off at the employees' base rate of pay when VX1 authorizes pay.

- The day off will not be unreasonably denied if the Site Manager confirms that their training goals have been met. The Site Manager shall provide the Union a copy of the training goals set for each month.

(B) Full pay for eight (8) hours at the Employee base rate of pay.

(C) Should any the above-named holidays fall on a Saturday or Sunday, the day observed by the Federal Government shall be considered the holiday. Should any of the above-named holiday fall on an employee's regularly scheduled day off, the holiday will be observed on a regular workday scheduled by the Company.

(D) The Company reserves the right to require employees covered in this Agreement to perform work on holidays or re-scheduled holidays to meet contractual requirements. When such work is required, employees selected shall be given as much advance notice as possible. When such work is required, the employee will be paid their working rate of pay at the rate of time and one half for all hours worked on such day designated as a paid holiday (in addition to the holiday pay required in this article VII, Section 5) provided the employee works eight (8) hours per day or takes a full day of scheduled vacation on each of the other regularly scheduled days of that employee's work week.

Section 6 - Sick Leave

The Company will comply with Maryland Health Working Families Act. Employees will accrue 1.54 hours of sick leave each bi-weekly period.

(A) Employees can carryover up to 64 hours from year to year.

(B) Sick leave is not a vested benefit. In the event an employee is terminated for any reason, there will be no payout of accrued sick leave.

(C) An employee is allowed to use earned sick leave under the following conditions:

1. To care for or treat the employee's mental or physical illness, injury, or condition.
2. To obtain preventative medical care for the employee or the employee's family member.
3. To care for a family member with a mental or physical illness, injury, or condition.
4. For maternity or paternity leave; or
5. The absence from work is necessary due to domestic violence, sexual assault, or stalking committed against the employee or the employee's family member and the leave is being used: (1) to obtain medical or mental health attention; (2) to obtain services from a victim services organization; (3) for legal services or proceedings; or (4) because the employee has temporarily relocated because of the domestic violence, sexual assault, or stalking.
6. Employees are permitted to use earned sick in increments of .1 hour. Employees are required to give as much notice as possible but no less than before the start of their shift of the need to use earned sick leave when it is foreseeable.

(D) A family member includes a spouse, child, parent, grandparent, grandchild, or sibling.

Section 7 - Lunch Periods

All employees covered in this Agreement shall be granted a minimum of two paid fifteen (15) minute breaks, one in the middle of the first half of the shift and one in the middle of the second half of the shift, and an unpaid lunch break of thirty (30) minutes in the middle of the shift. The timing of such lunch and break periods may be occasionally adjusted to meet customer requirements.

Section 8 - Jury Duty

(A) When an employee is absent from work in order to serve as a juror or to report to the court in person in response to a jury duty summons, or to serve as a witness at the request of the Company, he shall be paid for eight (8) hours at the employee's base rate for that day no more than 5 days in lieu of reporting to work, except when such a duty is scheduled on the employee's regularly scheduled day off or when the employee is excused from jury duty by 10 AM or earlier. Employees released from jury duty by 10 AM will report to work on first shift to complete their eight (8) hour day when serving in St. Mary's or Calvert County.

To receive pay under this section the employee must deliver to the Site Supervisor the summons calling him for such duty within three (3) working days after it is received by him.

(B) In no case will payment be made for jury duty performed on the sixth or seventh day of an employee's standard workweek or for hours more than the employee's regular scheduled work shift.

(C) An employee must promptly notify his Site Supervisor of any notice the employee receives to report for jury duty and must provide the Company with a statement filed by an official of the court certifying the employee's service as a juror or appearance in court for that purpose, and the compensation paid, excluding transportation allowance. Certification from the court clerk must be obtained and turned into the payroll section for all days the employee is required to appear.

(D) In no event shall payment under this Article be made to an employee who is on non-scheduled compensatory or approved time off.

Section 9 - Uniforms

The Company will provide uniforms: eleven **(11)** shirts, eleven **(11)** pants, or any combination of pants and shorts and either two **(2)** jackets or (2) coveralls for all employees per contract year. The cost of laundering these items provided by the Company will be borne by the Company. If the employee selects jackets, he or she may wear coveralls provided that such coveralls are paid for by the employee; the same color as those provided by the Company; and maintained by the employee in a neat and clean condition. The Company will provide-patches which the employee may affix to such coveralls. To maintain a professional appearance while promoting comfort and practicality, the following guidelines are established regarding the wearing of blue shorts:

- Employees are allowed to wear blue shorts during periods designated by management.
- Shorts must be made of suitable material, clean, and in good condition.
- Shorts should adhere to a length that is deemed appropriate for the workplace. The length must range from one inch above the knee, to one inch below the knee.
- Any shorts that display graphics, logos, or messages must be approved by management prior to wear.
- The wearing of shorts may be restricted in specific areas or during specific events, such as formal meetings, client visits, or safety- sensitive operations at the discretion of management.
- Supervisors are responsible for ensuring compliance with this dress code. Employees who fail to adhere to these guidelines may be asked to change attire to maintain a professional workplace environment.

Discontinuance: The dress code, including the allowance for shorts, will be reviewed annually by both management and union representatives to ensure it meets the needs of employees while maintaining professional and safety standards. It is understood that wearing shorts is a privilege and may be discontinued at Managements discretion. Prior to any changes Management will notify the Union of their compelling need to change the practice.

(A) Company provided uniforms will be worn during working hours.

(B) All employees covered under this Agreement shall be allowed to tastefully display a Company and customer approved Union logo patch on their shirts, jackets and coveralls during working hours.

(C) Employees covered under this Agreement shall be allowed to wear tee shirts provided by the Union with one Union logo, not to exceed three and one-half (3 and 1/2) inch in diameter worn on the pocket area or sleeve.

(D) Employees covered under this Agreement may wear solid colored tee shirts to work provided he or she has in his or her possession a standard collared uniform shirt to wear as directed by the Company.

(E) Employees may wear only those ball caps provided by the Company.

Section 10 - Safety Shoe Allowance

The Company will provide employees who are required to wear Safety shoes at work a safety boot/shoe reimbursement allowance of up to one hundred sixty-five (**$165.00**) per year, with the Company's expense reimbursement form and receipts with date of purchase, signed by the employee and site supervisor, submitted within **7** days to the Company's Corporate office. Safety Shoes shall only be worn at the worksite.

Section 11 - Costs of Examinations Related to Employment

All examinations related to employment, whether requested/directed by the Company, (Medical Exams, Respiratory Exams, Chest X-rays, Physical Exams, Hearing Tests, CDL License Testing, License Exams, Passport) shall be at the Company's expense unless otherwise defined by the Company's new hire Offer Letter. The Company shall make provision for all exams to be taken during the employee's normal or adjusted hours of work without loss of pay.

Section 12 - Employee Benefits

The benefits provided and/or offered to employees covered by this Agreement are detailed in Appendix B, Benefits, of this Agreement.

Section 13 -Temporary Duty Assignments (TDY)

A. Employees who are temporarily assigned away from the work site, to which they are permanently assigned to perform work for the Company, will be reimbursed for transportation, lodging, and meal expenses in accordance with the Joint Travel Regulations (**JTR**) and the Company's travel policy.

B. Employees will receive **75%** of their expected per diem prior to the start of the detachment, but only if the detachment will be at least **2** weeks long. Employees shall turn in their per diem claim paperwork and receipts with date of purchase to their Site Supervisor within **7** days of the returning from the detachment.

C. The Company will cover all deposits with regards to hotels and rental cars.

D. It is the employee's responsibility to claim all travel advances on their expense reports with receipts.

E. Reimbursement of expenses will be made by a separate check if the expenses are claimed on an expense report. The timing of the reimbursement is based on the employee's timely completion of an expense report and normal administrative processing of the expense report. Per Diem claimed on the employee's time sheet will be reimbursed through the normal pay cycle on the employee's paycheck.

F. If the employee travels by personally owned vehicle (POV) or company provided vehicle, and the use of such conveyance is Company-directed, the actual time of travel from departure to arrival at the worksite or quarters will be used for the travel time. Travel time shall not exceed eight (**8**) hour a day for up to five (**5**) travel days. Special authorization must begiven to exceed the five (**5**) day requirement. Travel time is considered time worked for the purpose of computing overtime.

G. Employees on TDY assignment will be paid their normal classification working rate of pay.

H. When an employee covered under this agreement is placed in a detachment coordination position where the scope of the detachment is aircraft maintenance related to facilitate the maintenance coordination responsibilities, he/she shall be paid two dollars (**$2.00**) per hour differential above the employee's base rate of pay for all hours worked when the detachment involves more than three (**3**) employees. Employees will coordinate with the Program Management office to purchase any allowable expenses the group should incur to facilitate the Duty Assignment. The employee is responsible for submitting proper receipts with date of purchase for expenditures.

I. Employees deployed overseas will be provided a binding Foreign Service Agreement (FSA) to sign which outlines the terms and conditions of employment during deployment such as pay, per diem, duration and location of deployment.

ARTICLE IX

PAY PROVISIONS

Section 1-Wages

(A) Definitions:

An employee's "base rate", for purpose of this Agreement, shall be the straight time hourly rate of pay applicable to that employee's classification provided for in Appendix A. An employee's "working rate", of this agreement, shall be the "base rate" plus any differential or premium pay.

It is understood that monetary adjustments, including wages, differential and premium pays, group insurance, and pension contributions will become effective on the first full pay period after the effective date **October 1st of each year of the Agreement**.

Section 2 - Overtime

(A) The Company reserves the right to require employees covered in this Agreement to perform overtime work to meet contractual requirements. When such overtime is required, employees selected shall be given one day advance notice when possible. The parties recognize that most overtime is circumstance driven and such notice may not be possible to meet contractual requirements.

(B) No overtime will be worked by an employee unless it has been authorized by the proper supervisory personnel of the Company.

(C) When overtime is assigned, employees will be compensated at a rate of one and one half (1½) times their working rate of pay for all hours worked or traveled more than forty (**40**) hours in their normal pay week. For the purpose of this Section, hours worked includes paid vacation and paid holidays.

(D) Overtime shall be subject to policies established for each Work Center. The parties shall establish overtime policies while keeping fairness in the distribution of overtime to qualified personnel.

Section 3 -Hours and Days of Work

(A) 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 work for any period.

(B) The standard workday will consist of twenty-four (24) consecutive hours beginning at **0001** hours and ending at **2400** hours (the calendar day).

(C) The pay week shall begin at **0001** hours on Saturday and end at **2400** hours Friday except for mid-shift. In the event the pay week is changed by the Company, the Company will provide its employees and the Union with thirty (30) days' notice.

(D) Changes to the normal Monday through Friday work week for the purpose of seven (7) day coverage required by the customer will be implemented. Employees will be given **two weeks'** notice before being assigned to such a changed schedule.

(E) Hours Adjustments - The parties agree that work schedules may need to be temporarily altered to meet the needs of employees from time to time on an exception basis only. To accommodate partial day absences that are anticipated an employee may request to alter his/her regularly scheduled hours of work within a workweek. For example, an employee may plan to work two extra hours on Monday to leave two hours early for a personal commitment on Tuesday. Work schedule modifications may only occur with prior notification and prior approval of the applicable Site Supervisor operating requirements permitting in each instance.

Section 4 - Pay Period

(A) Pay shall be issued to employees within eight **(8)** days after the last day of the pay period and shall represent the earnings of the employee from Saturday, the beginning of the first week through Friday the evening of the second week.

(B) Pay periods will be bi-weekly.

(C) In the event the Company accounting department changes pay periods, the Company will provide the Union and employees a thirty **(30)** day notice of such a change.

Section 5 - Promotional Increases

When an employee is promoted to a higher paid job classification his/her base rate will be adjusted to the base rate shown in Appendix A on the date the employee begins work on the new job.

Section 6 -Temporary Promotions

Employees who are temporarily promoted by the Company to a higher paid job classification will have his/her base rate adjusted to the rate of pay in effect for the higher paid job for all time spent working in said classification.

Section 7 -Effective Date of Economic Improvements

All economic improvements in this Agreement are effective **October 1, 2025,** unless otherwise specified.

Section 8 -Premiums

(A) **Shipboard Premium:** An employee assigned to a ship at Sea (not at a dock) will receive a **20%** premium of base pay for hours worked up to **40** hours per week.

(B) **Secured Area Premium:** Cleared Employees required to work in an area (identified by the government and company) with secured, restrictive access and movement for the purpose of maintaining classified equipment shall receive a premium of **$1.20** per hour for all hours worked.

(C) **Aircraft Engine Turn Qualifier:** An employee (excluding pilots) certified by a Ground Flight Representative shall receive a premium of **$0.50** for all hours worked.

(D) **CDI, CDQAR:** Employees (excluding inspectors) certified as CDI or CDQAR shall receive a premium of **$0.75** for all hours worked. Employees certified as CDI on the H-

60, E2D, and P8 platforms simultaneously shall receive **$1.00** for all hours worked.

(E) All job openings involving the premiums above except for Shipboard Premium will be filled according to Article V, Section 2.

(F) **Plane Captain Premium:** An employee certified as Plane Captain on two or more different type/model aircraft shall receive a premium of **$0.30** for all hours worked. An employee certified as Plane Captain on the H-60, E2D, and PS type/model aircraft simultaneously shall receive **$1.00** for all hours worked.

(G) **Aircraft Engine Turn Qualified:** An employee (excluding Pilots) certified as engine turn qualified on three or more (two of which are multi-engine and one single engine) different type/model aircraft shall receive a premium of **$0.50** for all hours worked. To meet the premium requirement, APU qualification will count as an engine.

(H) **Shift Lead:** Employees acting as Shift Leads will receive **$1.50** for all hours worked.

Management reserves the right to determine the number of certifications required to support this contract.

An employee reporting for work in the absence of reasonable prior notification not to report will be given a minimum of four (4) hours of work. An employee scheduled for or called in to work on one of his or her scheduled days off will be given a minimum of four (4) hours of work. An employee who is scheduled to report to work early for a GSE Class and or physicals etc. will be able to complete the remainder of his/her 8 hour shift unbroken. The above provisions apply except in cases beyond the Company's control.

Section 10 - Shift Differential

(A) Employees who are required to work a day shift as their regular working hours will not be paid a shift differential for regular hours worked.

(B) Employees who are required to work a day shift as their regular working hours who are asked to work an off-shift will receive a shift differential for hours worked per paragraph (C) below.

(C) An employee who is required to start his or her workday on an off-shift between Noon and 5:59 AM shall receive a shift differential of one-dollar fifty cents **($1.50)** per hour for up to forty **(40)** hours of such off-shift hours

Section 11 - Compressed Work Schedule

(A) The Company at the request of the customer shall implement a Compressed Work Schedule plan in any area designated by the customer. The work week in an area designated for a Compressed work schedule will be defined as commencing at 11:00 AM on Friday and operating through 10:59 AM on the following Friday. In such a designated Compressed Work Schedule area, half of the employees at each such applicable area alternately work a Schedule A work week and a Schedule B workweek while the other half of the employees alternately work a Schedule B and Schedule A workweek. Although the actual start and end times above may vary an example of the Compressed Work schedule is as follows in a calendar week:

(1) A Schedule A: Nine (9) hours per day Monday, Tuesday, Wednesday and Thursday.

(2) A Schedule B: Nine (9) hours per day Monday, Tuesday, Wednesday and Thursday and eight (8) hours on Friday.

(B) When a paid holiday occurs on a day in which an employee is scheduled to work a nine (9) hour day in a designated Compressed Work Week area, such an employee will be given an opportunity to make up one (1) hour of paid work during the week in which the holiday occurs.

Section 12-Tardy at the Gate

In the event that an employee can provide verifiable proof that he or she was delayed at the base gate due to circumstances beyond his or her control the employee will be permitted to make up the lost time at the end of the shift on that day operating requirements permitting. Provided the employee does provide such verifiable proof, he or she will not be charged with unauthorized absence.

Section 13 - Inclement Weather

In the event of an emergency condition and normal work operations are suspended, due to inclement weather, employees shall receive the day off with pay at the employees' base rate of pay. When operations are suspended for consecutive days, the employees will receive their base rate of pay for all days.

ARTICLE X

JOB DESCRIPTIONS

Section 1 - Application of Job Descriptions

(A) Current job descriptions remain in effect and describe typical and normal requirements. These requirements are characteristic of the job and illustrate a level of difficulty of work and are not intended to list or describe all work operations or tasks done within the classification. These requirements do not fit all specific individual work assignments.

(B) All jobs covered by this Agreement will be required to qualify on all on all three of the following type/model aircraft H-60, E2D, and P8 at the direction of the Site Manager, or organization and may be required to provide OJT and/or production instruction/direction to lesser skilled employees, will be required to maintain applicable certifications, qualifications and licenses. Will be required to become qualified on different equipment/systems, work shift work, overtime, travel (domestic, international and shipboard), pass physical requirements, demonstrate applicable oral and written communication skills and obtain/hold a security clearance at an applicable level and/or maintain visit request status. All work is to be performed in accordance with applicable military, commercial or company procedures.

(C) If, during the term of this Agreement, it becomes necessary for the Company to establish new job classifications within the bargaining unit, the Company and the Union shall mutually agree upon the proper rate range for the new position. Operations shall not be delayed through failure to immediately agree upon a wage rate applicable to such job classification. In the event the parties fail to come to an agreement on the wage rate of a new job, the matter shall be submitted to binding arbitration under the applicable article of this Agreement and the Arbitrator shall have the authority to establish the rate of pay for any new job classification challenged under this Article.

SIGNATURE PAGE.

In witness thereof the parties hereto have caused this Collective Bargaining Agreement to be executed by their authorized agents Jan 9, 2025.

For the Union:

Mark M. Duval

Mark M. Duval
Assistant Directing Business Representative
IAM District 4

Joseph Huffnagle

Joseph Huffnagle
Union Negotiator

For the Company:

Victor David

Vic David
Director of USN and USMC Contracts
PKL Services Inc.

DocuSigned by:
Robert Bowden
079D1264A7C1468...

Robert Bowden
CFT Program Manager
4M HR Logistics

DocuSigned by:
Catherine Parker
AA630D9406F741D...

Catherine Parker
Director of Human Resources
PKL Services

DocuSigned by:
Michelle Ames
5828354F1EB043E...

Michelle Ames
Sr. Director of Accounting PKL Services

Appendix A

Basic Wage

Rates

JOB CLASSIFICATIONS	Current	Effective 10/1/25 6%	Effective 10/1/26 5%	Effective 10/1/27 4.00%
A/C Mechanic	$48.47	$51.38	$53.95	$56.10
A/C Worker	$39.82	$42.21	$44.32	$46.09

Appendix B

COMPANY EMPLOYEE BENEFITS PLANS

Section 1. - Group Insurance

Effective April 1, 2016, the Company will provide each covered full-time Employee with the amount of the Flexible Benefits Credits specified below. Employees may use these credits on a pre-tax basis under Internal Revenue Code Section 125 to purchase coverage for themselves and eligible dependents from any of the Group Insurance Plans offered by Strategic Technology Institute, Inc. (STi) including Medical, Dental, Vision, Short Term Disability and Long-Term Disability Insurance. Life Insurance, Accidental Death and Dismemberment Insurance and Dependent Life and AD&D Insurance cannot be purchased pre-tax. Any coverage costs more than the Company provided credits will be paid by the Employees via pre-tax payroll deductions. Any excess credits will be paid to the Employee as additional taxable income.

Flexible Benefit Credits

Effective	**10/1/2025**	**10/1/2026**	**10/1/2027**
	$8.00	**$8.10**	**$8.20**

The hourly Flexible Benefit credit will be paid for all hours paid, including overtime hours worked.

Section 2 - I.A.M. National Pension Plan

(A) The Company shall contribute to the I.A.M. National Pension Fund, National Pension Plan to a maximum of forty **(40)** hours per work week for which employees in all job classifications covered by this Agreement are entitled to receive pay under this Agreement as follows:

Effective	**10/1/2025**	**10/1/2026**	**10/1/2027**
	$3.40	**$3.40**	**$3.40**

(B) The Company shall continue contributions based on all hours paid up to forty (40) hours per week.

(C) Contributions for a new, temporary, probationary, part-time and full-time employee shall be payable from the first day of employment. Contributions for new employees shall begin after they completed probation with retro payment back to date of hire.

(D)The Union and Company adopt and agree to be bound by, and hereby assent to, the Trust Agreement, dated May 1, 1960, as amended, creating the I.A.M. National Pension Fund and the Plan rules adopted by the Trustees of the I.A.M. National Pension Fund in establishing and administering the foregoing Plan pursuant to the said Trust Agreement, as currently in effect and as the Trust and Plan may be amended from time to time.

(E) The parties acknowledge that the Trustees of the I.A.M. National Pension Fund may terminate the participation of the employees and the Company in the Plan if the successor collective bargaining agreement fails to renew the provisions of this pension Article or reduces the Contribution Rate. The parties may increase the Contribution Rate and/or add job classifications or categories of hours for which contributions are payable.

(F) This Article contains the entire Agreement between the parties regarding pension and retirement under this Plan and any contrary provisions in this Agreement shall be void. No oral or written modification of this Agreement shall be binding upon the Trustees of the I.A.M. National Pension Fund. No grievance procedure, settlement or arbitration decision with respect to the obligation to contribute shall be binding upon the Trustees of the Pension Fund.

Section 3 - Tuition Reimbursement

An employee satisfactorily completing an outside training course, which has been preapproved in writing in accordance with the Tuition Reimbursement policy by the Company prior to the employee beginning such course, will be reimbursed up to **$5,250** dollars for work related courses at eighty percent **(80%)** of the tuition, books and supplies, provided the employee obtains a grade of "**C**" or better.

Tuition Reimbursement Policy:

The Company will reimburse an employee up to a maximum of **$5,250.00** per year for continuing education through an accredited program that either offers growth in an area related to his or her current position or that may lead to promotional opportunities. This education may include college credit courses, continuing education unit courses, seminars and certification tests that are job-related.

An employee must secure a passing grade of "**C**" or its equivalent or obtain a certification to receive any reimbursement. Expenses must be validated by receipts and a copy of the final grade or certification received.

Eligibility

Full-time, regular employees who have completed six-months of employment are eligible under this policy.

Procedures

To receive reimbursement for educational expenses, employees should follow the procedures listed here:

- Prior to enrolling in an educational course, the employee must provide his or her manager with information about the course for which he or she would like to receive reimbursement and discuss the job-relatedness of the continuing education.
- A tuition reimbursement request form should be completed by the employee, and the appropriate signatures obtained.
- A copy of the tuition reimbursement request form must be submitted to HR. The employee will maintain the original until he or she has completed the educational course.
- Once the course is successfully completed, the employee should resubmit the original tuition reimbursement request form with the reimbursement section filled out, including appropriate signatures, as well as receipts and evidence of a passing grade or certification attached.

Letter of Understanding #1

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 Benefit Systems, Inc. (EBS).

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 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 provisions 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.

The parties will meet and confer after the effective date of the Collective Bargaining Agreement to discuss the most efficient method of implementation.

For the Union: Mark M. Duval

For the Company: Victor David

LETTER OF UNDERSTANDING #2

The parties recognize that ongoing, open and constructive dialogue is beneficial to a productive labor-management relationship. To this end, it is agreed that during the term of this agreement, the parties will hold twice yearly meetings for the purpose of discussing issues affecting the collective bargaining relationship. The attendees shall be determined by each party but shall include at least one (1) Member of management from the Home Office of 4M HR Logistics and PKL Services Inc. and one (1) member from the 1AM International Union. The meetings shall be scheduled at mutually convenient times and at a mutually convenient location.