

**COLLECTIVE BARGAINING
AGREEMENT**

Between

L-3 VERTEX AEROSPACE CFS

Contract Field Services

N.A.S. Lemoore, CA

and

**THE INTERNATIONAL ASSOCIATION OF
MACHINISTS**

AND

AEROSPACE WORKERS, AFL-CIO

DISTRICT LODGE 725

LOCAL LODGE 727-N

Effective:
September 5, 2008 to July 1, 2010

TABLE OF CONTENTS

PREAMBLE		1
ARTICLE 1	- Intent & Purpose	2
ARTICLE 2	- Management Rights	3
ARTICLE 3	- Union Recognition	4
ARTICLE 4	- Representation/Stewards	5
ARTICLE 5	- Deduction of Union Fees and Procedure	6
ARTICLE 6	- Non-Bargaining Unit Personnel	8
ARTICLE 7	- Seniority	9
ARTICLE 8	- Leaves of Absence	11
ARTICLE 9	- Holidays	12
ARTICLE 10	- Vacation	13
ARTICLE 11	- Hours of Work and Overtime	14
ARTICLE 12	- Absence from Work	16
ARTICLE 13	- Government Security/Responsibility	17
ARTICLE 14	- No Strike No Lockout	18
ARTICLE 15	- Benefit Plans	19
ARTICLE 16	- Retirement	21
ARTICLE 17	- Discharge and Discipline	22
ARTICLE 18	- Grievance & Arbitration	23
ARTICLE 19	- Paid Personal Time	25
ARTICLE 20	- Installation of New and Revised Job Classification	26
ARTICLE 21	- Bereavement Leave/Jury Duty	27
ARTICLE 22	- Wage Rules	28
ARTICLE 23	- Safety Equipment	29
ARTICLE 24	- Temporary Alternate Work	30
ARTICLE 25	- General	31
ARTICLE 26	- Training	33
ARTICLE 27	- Duration	34
APPENDIX A	- Wages	35

PREAMBLE

This Agreement is made and entered into this 5th day of September, 2008, by and between L-3 Vertex Aerospace LLC and its Contract Field Services operation at N.A.S. Lemoore, California (hereinafter referred to as the Company) and the International Association Of Machinists And Aerospace Workers, District Lodge 725 (hereinafter referred to as the Union).

Article 1.00 INTENT AND PURPOSE

- 1.01 It is the intent and purpose of the Company and the Union to set forth herein the entire Agreement with respect to wages, hours, and working conditions as relates to the government contract covered by this Agreement.
- 1.02 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, the efficiency and economy of operations and the continued employment under conditions of reasonable hours, compensation and working conditions as contained herein so that operations will 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 with due regard to competitive conditions.
- 1.03 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 employee's grievances to be settled in a timely manner; and to provide that there shall be no interruptions and/or impeding of operations during the term of this Agreement.
- 1.04 The Union recognizes that the Company is a contractor to the U.S. Navy contract 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 requirements that the U.S. Navy may impose on the Company and its employees to the degree necessary, subject to rebuttal by either or both parties through the grievance and arbitration procedures and/or the courts, if deemed necessary.
- 01.05 There shall be no discrimination by the Company or the Union against any employee because of race, sex, creed, religion, national origin, age, disability, veteran status or other status protected by applicable federal, state or local law or regulations.
- 01.06 There shall be no discrimination, interference, restraint, or coercion, by the Company or any of its agents against any employee because of Union membership or because of acting as an officer of or in any other bona fide activity on behalf of the Union.
- 01.07 Nothing in this agreement shall prohibit the Union from fulfilling its legal obligation of representation.

Article 2.00 MANAGEMENT RIGHTS

Except as otherwise specifically provided in this Agreement, the Union recognizes and agrees that the management and control of the Company's business, operations, work force and facilities are exclusively vested in the management of the Company. The Company has the right to plan, direct and control the Company's business, methods, operations and work force; to hire, promote, transfer, and layoff employees and demote, discipline for just cause, suspend or discharge employees; and the right to determine the work to be performed, size of the workforce, schedules of work, and all services, processes and standards required by the customer or other Government agencies; and the right to make reasonable rules not in conflict with this agreement. It is not intended by the above recitation to limit any of the usual functions of management or to define all such functions. All matters which are not specifically covered by this agreement are solely functions and responsibilities of management. The Company will confer with the Union on effects as required.

Temporary Surge Accommodation: Due to the nature of the contractual work to be performed, employees may be brought in from other locations to perform specific assignments at Lemoore NAS IDIQ as the need arises, so long as there are no employees in the classification in which the work is to be performed on layoff, who are qualified to perform the assignments. Such action shall not cause the layoff any employee within the classification in the bargaining unit who is qualified to perform the work. The Company shall meet with the Union and inform them of the reasons for such work and expected duration. The use of this provision will be limited to specific documentable needs as directed by the customer and will be kept to a minimum. Bargaining unit employees will be offered first right of refusal for any weekend overtime offered, except as directed by the customer.

Article 3.00 UNION RECOGNITION

- 3.01 The Company recognizes the Union, as certified by the National Labor Relations Board in case no. **32-RC-5544**, as the exclusive representative of all Production and Maintenance employees working on government contract number N68936-06-D-0024 and all follow on or successor contracts for the same and/or similar work as follows:

Unit: All full-time and regular part-time aircraft mechanics, sheet metal mechanics and painters employed by the employer, and working under Indefinite Delivery/Indefinite Quantity (IDIQ) contracts with the US Navy, at its Lemoore Naval Air Station, Building 180, facility, Lemoore, California excluding all managerial and administrative employees, employees working under Contract Field Team (CFT) contracts with the US Navy, office clerical employees, all other employees, guards, and supervisors as defined in the Act.

Additionally, the team lead position is excluded from the bargaining unit. The ratio shall be one (1) team lead for every fifteen (15) employees. Further, in overtime situations, any bargaining unit work performed by the team lead shall be kept to a minimum, if possible.

- 3.02 The Company acknowledges the Union's rights specially designated by the terms of this Agreement, as the employees representative, the Union recognizes its duty to cooperate in any reasonable manner with the Company to support its efforts to assure a fair days work by each employee, to cooperate in combating any practices, which decrease efficiency and to maintain standards of quality and service.
- 3.03 Union Bulletin Boards. The Company will provide Union bulletin boards (or part of a bulletin board) parallel to Company bulletin boards for the Union to post official business of the Union. Legitimate Union notices are defined as:
- a. Meeting notices
 - b. Official Union election results
 - c. Notices of Union appointments
 - d. Union social events
 - e. All notices not listed above must be approved by Management.
- 3.04 Additions to the work force, in accordance with Article 03.01, (to include new or revised classifications) will become bargaining unit employees, provided such jobs are within the bargaining unit.

Article 4.00 REPRESENTATION/STEWARDS

- 4.01 The Union will select one (1) Union Steward and one (1) Alternate Union Steward from among the full-time employees within the bargaining unit who have completed their probationary period with the Company. The Alternate Union Steward will act in the absence of the Union Steward.
- 4.02 Upon execution of this Agreement, the Union shall promptly furnish the Site Supervisor in writing, the names of the Stewards and shall thereafter promptly advise the Company, in writing, of any change. No Steward will be recognized by the Company prior to receipt of such written notice of appointment.
- 4.03 Reasonable time off from work shall be authorized to permit the Steward to carry out his/her responsibilities under the grievance procedure to employees in his/her area of representation, providing such time off will not unduly interfere with the assigned work duties of the Steward or the employee involved. Such time from work during straight-time work hours shall be authorized without loss of pay or benefits.
- 4.04 The Steward shall secure the permission of his/her supervisor before leaving his/her work-station for purposes of processing grievances, reporting back to his/her supervisor upon return to his/her work station. The Steward shall not be denied such permission without good cause. If permission is denied, the supervisor and steward will mutually establish an alternate time at which the Steward can carry out his/her processing of the grievance
- 4.05 Subject to existing security regulations, the Business Representative or other authorized Representatives of the Union shall have access to the Company's work areas during working hours for the purpose of investigating grievances that have arisen, attending meetings in accordance with the grievance procedure, and ascertaining whether or not this Agreement is being observed. Before doing so, he/she shall report to the Supervisor or other authorized Company Representative, who shall permit said Representative to enter the Company's premises, provided that such rights shall be exercised reasonably and will not interfere with the normal conduct of the Company's operations. Authorized Representatives of the Union may be escorted by a Company Representative at all times they are on Company premises.
- 4.06 The Company will excuse Union negotiators from their normal work duties for a reasonable amount of time to prepare for negotiations and for actual negotiations, with reasonable notice from the Union.

Article 5.00 DEDUCTION OF UNION FEES AND PROCEDURE

5.01 Fees Deduction. The Employer will deduct an amount equivalent to Union monthly membership dues, initiation fees, and reinstatement fees from the wages of employees provided the employees have executed a written authorization provided by the Union. The authorization and assignment is voluntarily made in consideration for the cost of representation and collective bargaining and is not contingent upon present or future membership in the union.

5.02 All employees who are members of the Union in good standing and those employees who may hereafter become members, shall, as a condition of employment, remain members of the Union in good standing during the term of the agreement.

5.03 Current Authorizations

Subject to the foregoing, any deduction authorizations executed by employees prior to the effective date of this agreement, which are on that date current and in effect, shall be considered valid and in full force and effect under and subject to the terms and provisions of this agreement.

5.04 Deduction Procedure

Deductions will be made from an employee's wages each bi-weekly pay period , provided:

- (a) That the Union has delivered to the Company not later than the 24th day of the preceding month the written authorization provided above.
- (b) The employee is on the Company payroll on the first day of the month.
- (c) That the employee is in the bargaining unit on the first day of the month.
- (d) That the Union has certified to the Employer in writing not later than the 24th day of the preceding month the dollar amount to be deducted from each employee's wages.

5.05 Pick-up Deduction

In the event an employee's wages earned during a payroll period in any month, after mandatory and other authorized deductions, are insufficient to cover the authorized Fees Deduction, the Employer will deduct the amount owing from the next payroll period in which wages due are sufficient, after mandatory and other authorized deductions are made unless advised in writing by the Union not to make such Pick-up Deduction. The Employer will only make Pick-up Deductions for any unpaid fees up to but not exceeding the eight- (8) payroll deduction periods immediately preceding the date the Pick-up Deduction is attempted in accordance with this provision.

5.06 Remittance and Statement to the Union

The Employer shall, on or before the 10th day of the following month, furnish to the Union Secretary-Treasurer a written statement for the preceding month covering the following:

Total amount of fees deducted; Name and payroll number of employees from whose wage, deductions have been made; Name and payroll number of employees from whose wage, no deductions were made; The Employer shall, at the same time, remit to the Union Secretary-Treasurer its check for the amounts so deducted.

5.07 Cancellation of Deduction Authorizations

Employees wishing to cancel their individual dues deduction authorization and assignment may do so at the following times:

1. In the year the current Labor Agreement expires, not less than five (5) calendar days nor more than twenty (20) calendar days prior to the expiration date of the contract.
2. Cancellation to become effective as of the first day of the calendar month following the end of such irrevocable period of the dues deduction authorization and assignment on file with the Company and the Union.

5.08 The Union shall indemnify and hold the Company harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the company for the purpose of complying with any provisions of this Article.

5.09 During the “in process” or orientation day, for each new hire, the Company will permit the Union Steward, a 15-minute period to talk to the new hire.

Article 6.00 NON-BARGAINING UNIT PERSONNEL

6.01 Non-bargaining unit personnel may temporarily perform the work of, or with, unit employees, provided such work does not result in layoff, reduction of hours or earning opportunities or benefits. Such temporary work may be performed under the following conditions:

- a. For the purpose of instructing and training employees.
- b. Under emergency conditions. The term “emergency” as used in this provision is defined to mean any unforeseen combination of circumstances, which would require immediate action.
- c. Up to two (2) hours on any shift when an employee fails to report to work, and other qualified employees are not available in the classification on the shift in the overtime group. The two (2) hour time limitation may be extended by mutual agreement of the parties.
- d. Lack of necessary skills required to complete a specific task.
- e. Work normally performed by team leads, except as limited by Article 3.01.

Article 7.00 SENIORITY

- 7.01 Seniority is defined as the length of continuous service on the Contract at N.A.S. Lemoore, California with the current, predecessor and or successor contractors. In the event that employees begin their employment on the same day, the employee having the social security number with the lowest last four (4) numbers shall be considered as having the most seniority for tie breaking purposes.
- 7.02 Employees shall be considered probationary for a period of ninety (90) calendar days of active employment from date of hire on the Contract. During this period, the Company may release such probationary employee as it finds advisable and such action shall not constitute a grievance.
- a. Employees who may be transferred into the N.A.S. Lemoore, California contract will have their seniority based upon their date of hire into this contract or their most recent date of hire with the Company, whichever is lesser. It is agreed and understood that such an employee shall retain the earlier date of hire with the Company only for the purpose of benefit accruals.
 - b. The Company will post a seniority list at least once every twelve (12) months, (once a year), and will provide the Union a copy upon their request.
- 7.03 It is the intention of the company to maintain a productive, qualified workforce at all times, even through periods of reduction in force. Therefore, the senior qualified employee, by job classification, will be kept. Recall will be conducted in reverse order of the layoff.
- 7.04 An employee loses seniority when he/she:
- a. Discharged for just cause and is not reinstated.
 - b. Voluntarily resigns from the Company.
 - c. Is laid off for a period greater than twelve (12) months.
 - d. Fails to report within five (5) workdays after receipt of a registered recall notice from lay-off. If the employee being recalled is currently employed by another employer the employee will be allowed to give a courtesy two weeks notice to the other employer before being required to return to work. Also, if the employee fails to respond to a recall notice due to their failure to notify the company of a change of address while on layoff.
 - e. Is absent three (3) consecutive work days without reporting or contacting the Company with a reason sufficient to justify the absence.
 - f. Fails to report upon expiration of an approved leave of absence.
 - g. Accepting other employment while on approved leave of absence without prior permission of the Company.

- 7.05 The Company will post all job openings, (promotions/transfers) at N.A.S. Lemoore, California, for a period of a minimum of five (5) working days. The selection for the job will be awarded to the senior qualified person. Employees on vacation or approved leave may bid on job openings through their Union Steward.
- 7.06 Employees assigned to work in a lower rated classification on a temporary basis, will continue to be compensated at the wage rate of their higher rated classification. Employees who perform work in a higher classification for any portion of the shift will be paid the highest wage rate for time worked in the higher classification.
- 7.07 The Company will notify the Union and the employees affected of pending layoffs at least five (5) work days prior to layoff, if possible to do so.

Article 8.00 LEAVES OF ABSENCE

- 8.01 **MILITARY LEAVE:** Military leaves of absence will be granted to employees covered by this Agreement for periods of short term active duty when called to active duty for service with a reserve unit of the Armed Forces or the National Guard. Such short-term active duty (30 days or less) shall include annual active duty training. Such employees shall receive differential pay between their military base rate and their Company base rate of pay exclusive of any premiums for up to ten (10) scheduled working days per calendar year. Employees must present a copy of their orders to the Company as soon as possible. Upon return from active duty, employees shall immediately, upon receipt of the military pay statement, provide to the Company a copy to serve as the basis for compensation. Employees required to report for military active duty in excess of thirty (30) consecutive days shall be reinstated in accordance with current applicable state and federal law concerning active military service.
- 8.02 **PERSONAL MEDICAL LEAVE:** Leave of absence for legitimate personal health reasons for the employee, spouse, child or parent will be granted to an employee, who has worked at least 1250 hours within the twelve (12) month period prior to the date of requested leave commencing, for a period of up to a maximum of twelve (12) calendar weeks when supported by medical certification provided by the employee. While on such leave of absence for personal medical reasons, the employee shall notify the Company as to his potential of returning to work following each visit to the physician of record. All such leave paid and unpaid shall be considered part of the twelve (12) weeks in compliance with the Family Medical Leave Act and Company policy. All leaves of absence will be in accordance with state of California and federal laws.
- 8.03 Limited unpaid personal leaves of absence may be granted by the Company upon request of employees who have completed their probationary period. Such leaves shall be for not less than five (5) workdays and not more than thirty (30) calendar days. Request for unpaid personal leave of absence must be made in writing and must receive approval by the Company. Accrued vacation must be used before any leave will be approved. The Company may approve a maximum of two (2) extensions. However, if the employee does not return to work after the personal leave of absence, the employee shall be terminated.
- a.) Vacation credits are not earned while on a leave of absence under the provisions of this article. b.) Health insurance may continue for a maximum of sixty (60) days provided the employee pays his/her portion of the premium at least ten (10) days prior to the next month's insurance coverage.
- 8.04 Leaves of absence without pay for Union business will be granted to Bargaining Unit employees of the Company, not to exceed two (2) weeks, who are elected or appointed by the Union, to attend such functions as conferences, conventions, and union educational courses, provide at least five (5) workdays advance notice is given in writing to the Company, if possible to do so. However, not more than two (2) employees may be on such leave at any time.

Article 9.00 HOLIDAYS

9.01 The Company observes the ten (10) holidays listed below:

New Year's Day	Labor Day
Martin Luther Kings Day	Columbus Day
Presidents Day	Veteran's Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

9.02 An employee who is not required to work on one of the designated holidays mentioned above will be compensated for the holiday at his straight time rate, provided he is on the active payroll on the day of the holiday and has worked his last scheduled work day before the holiday and his next scheduled work day after the holiday, except an employee off on such day with an excused absence or with prior permission of the employer, will be compensated for the holiday.

9.03 Any additional holiday (or official day of mourning) designated by Federal Government mandate or Presidential Executive Order that is observed at the N.A.S. Lemoore, California base will be observed in addition to the above.

9.04 Any observed holiday stated above that falls on a Saturday or Sunday, will be observed under the same schedule observed by the Federal Government.

9.05 Any employee required to work on any of the above holidays will be paid for hours worked at one and one-half times his normal straight time rate, plus eight (8) hours straight time for the holiday.

9.06 When a holiday, as defined in this agreement, falls within an employee's vacation period, such holiday shall not be charged as vacation hours. However, the employee may elect to take an additional day off.

Article 10.00 VACATIONS

- 10.01 For vacation purposes, all employees will be entitled to paid vacation which will be based upon years of service on this CFS contract at Naval Air Station, Lemoore, California or with the Company, whichever is earlier and each anniversary date thereafter, shall be the reference point for accrual of vacation. Paid vacation entitlement will be as follows:
- 10.02 Each employee shall be entitled to vested vacation as follows:
- Two (2) weeks vacation after one (1) year of service.
- Three (3) weeks vacation after five (5) years of continuous service.
- Four (4) weeks of vacation after fifteen (15) years of continuous service.
- 10.03 Employees are requested to make their vacation request as far in advance as reasonable. The Company will continue to respond to such requests as quickly as possible.
- 10.04 Employees transferring to the bargaining unit after the date of ratification of this Agreement shall retain their original date of hire with the Company for the purpose of accrual of vacation credits.
- 10.05 It is understood and agreed that final approval of vacation requests rests exclusively with the Company to assure orderly operation of work schedules.
- 10.06 Vacation pay shall be computed at the employee's straight time hourly rate including appropriate premiums.
- 10.07 Employees must use vacation time in increments of no less than one hour.
- 10.08 Employees will be reimbursed for vacation time anytime during the year, when it is taken, provided such time has been accrued.
- 10.09 Any vacation time not taken at the employees anniversary date, will be paid back to the employee after 240 hours accumulation. Employees may carry over and accumulate up 240 hours. Vacation carried over in excess of the 240 hours will be paid out.
- 10.10 All unused earned vested vacation shall be paid out to the employee upon termination from the Company.
- 10.11 When a holiday, as defined in this agreement, falls within an employee's vacation period, such holiday shall not be charged as vacation hours. However, the employee may elect to take an additional day off.

Article 11.00 HOURS OF WORK/OVERTIME

- 11.01 The Company shall determine shift assignments based on business needs of the organization. Shift starting times are as follows:

1st Shift starting time will be between 4 am to 10 am

2nd Shift starting will be between 10 am to 8 pm

3rd Shift statting will be 8 pm and 4 am.

Note: Shift premiums shall be paid at a rate of \$0.30 per hour all hours worked on the 2nd shift and \$0.35 per hour on the 3rd shift.

Employees will work Monday through Friday with Saturday and Sunday as their two normally scheduled consecutive days off.

During the course of this labor agreement, the Company may request from the Union consideration for a four, ten-hour days schedule.

- 11.02 The working hours at the facility shall be properly posted on the bulletin board. The starting time for any shift shall not be changed without forty-eight (48) hours notice. Such notice shall be given to the effected employees.
- 11.03 When employees are changed from one shift to another, they shall be notified by properly posted bulletins at least seven (7) calendar days in advance of the starting time of the new shift to which they are assigned. Such notice shall be given to the effected employee. However, if it becomes necessary to change an employee from one shift to another or the starting time of a shift due to operating conditions, or for an employee out due to illness or injury, he shall be given as much notice as possible.
- 11.04 The Company will permit all employees to take a fifteen (15) minute paid rest period the first half of their shift and a fifteen (15) minute paid rest period during the second half of their shift. Breaks may be extended as directed by the customer. An employee who is required to work overtime will be allowed a fifteen (15) minute break for every two (2) hours of overtime worked in a day. This break will occur at the beginning of the overtime period.
- 11.05 Each employee shall have an unpaid lunch period of thirty (30) minutes during his shift.
- 11.06 Lunch periods shall begin not earlier than four (4) hours after the start of each shift, and not later than five (5) hours after the start of each shift. If the employer requests the employee to work through such lunch period, the employee shall be paid for the time worked. An employee who is required to work overtime will be allowed a one-half (½) hour lunch break after four (4) hours of overtime worked in a day.

- 11.07 The Company shall determine when and by whom overtime, as requested by Customer, will be worked. No overtime will be assigned without the approval of proper supervisory personnel of the Company. Before requiring employees to work overtime, the Company will request volunteers from among the employees holding the designated job classification and qualifications in which the overtime is to be worked. If not enough volunteers are obtained, the supervisor shall make the decision of who works overtime based operational requirements.
- 11.08 Overtime shall be paid for hours worked in the work week in excess of eight (8) hours per day or forty (40) hours per week at one and one-half (1½) times the employees straight time hourly rate.
- 11.09 It is the duty of every employee who, for any reason, will be absent from work for a scheduled work shift or who expects to report for work late to notify their site supervisor of the reasons for such absence or tardiness as far in advance of the scheduled starting time as possible, indicating when they expect to report for work.
- If unable to talk with their site supervisor, the employee shall leave a message on their supervisor's voice mail stating the date, time of call and reason for his absence.
- 11.10 All time worked shall be considered time worked for the purpose of overtime calculation.
- 11.11 Paychecks will be delivered to employees by noon on Friday, under normal circumstances. The Company and Union agree to encourage employees to take advantage of direct deposit of their paychecks.
- 11.12 The payroll work week begins at 12:01 am on Friday and ends at 12:00 midnight on Thursday.

Article 12.00 ABSENCE FROM WORK

- 12.01 Employees shall not leave work prior to the completion of their scheduled hours without prior permission from proper supervisory personnel.
- 12.02 Employees shall not be absent from work without notice to their Supervisor, except in cases of illness, injury or reasons beyond the control of the employee. Giving a false reason for an absence shall be cause for disciplinary action.
- 12.03 It is the duty of every employee who, for any reason, will be absent from work on a scheduled workday, or who expects to report for work late, to notify the Company. Such notice shall be at least thirty (30) minutes prior to the start of the shift or no later than or up to two (two) hours after start of shift .
- 12.04 The Company shall provide a copy of Section A17 of the SOP (disciplinary guide) to all employees.
- 12.05 Should an employee not have proper cause for failing to report for work or failing to report on time or for failing to report the reason, therefore as provided herein, such failure may be considered for disciplinary action.

Article 13.00 GOVERNMENT SECURITY/RESPONSIBILITY

- 13.01 The Company and all representatives of the Union having access to the premises and all employees are required to comply with applicable Government security regulations when performing work for the Government. The Company and the Union agree that security information will be revealed only to persons properly cleared and required by the Government to have the information.
- 13.02 The Union and the Company recognize that employees covered hereby are performing services for the U.S. Government in U.S. Government facilities and by use of U.S. Government equipment. The Company is not authorized to maintain, modify or repair such government facilities and equipment, except as contractually directed. It shall be the site supervisors responsibility to work with the proper base personal to ensure a safe and healthful environment.
- 13.03 Each employee shall be responsible for the reasonable care of the customer and/or Company furnished property or material and will notify the Company of any sabotage, or willful damage to Company, customer or employee property or material.
- 13.04 It is understood by and between the parties hereto that, as a necessary condition 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 U.S. government on government work. Failure to apply, maintain or gain a security clearance and/or the denial or permanent loss of required clearances and unescorted entry authorization by such governmental agency may be cause for release from the Company, due to inability to meet job requirements.
- 13.05 The Company will reinstate the seniority of an employee whose denied security clearance is reinstated by the U.S. government provided, such reinstatement occurs within forty-five (45) days from the original date of denial. Any employee whose seniority is reinstated under this provision will be reinstated in his previously held occupational title. In those cases where reinstatement occurs later than forty-five (45) days, the employee will be reinstated to the previously held occupational title where a vacancy exists, or any lower classification he/she is qualified in where there is a vacancy so long as such reinstatement does not occur more than six (6) months from the date the employee left the Company. It is understood and agreed that determinations by the Government as to an individual's suitability for access due to security reasons are not reviewable via the Grievance/Arbitration procedures provided in this Agreement.

14.00 NO STRIKE - NO LOCKOUT

14.01 It is expressly understood and agreed that the business of the Company is directly related to the important and vital work of the United States Government and that efficient and uninterrupted services must be furnished by those agencies who have need of and make use of the capabilities of the Company. Therefore, the parties agree that during the term of this Agreement:

- a. The procedure provided for herein, for the settlement of grievances arising under this Agreement, may serve as the means for the settlement of disputes that may arise between the Parties. However, nothing in this section, or any other section of this Agreement, limits the Company's or the Union's right to seek and receive legal and equitable relief in the event of the breach of the no strike - no lockout provision, including but not limited to, injunctive relief prohibiting any lockout, strike, sympathy strike, sit down, work stoppage, stay in, slow down, refusal to work, picketing, or any other action which would interfere with any of the operations of the Company.
- b. The Union (its officers, and/or agents and/or members) shall not authorize, encourage, sanction, or take part in any strike, sympathy strike, sit down, work stoppage, stay in, slow down, refusal to work, picketing or any other action which deliberately interferes with any of the operations of the Company.
- c. Any employee or employees, individually or collectively, who shall cause, encourage, or take part in any violation of this article, or any activities prohibited by this article, may be immediately discharged, or subject to other disciplinary actions as the Company may unilaterally consider appropriate. Any such disciplinary action shall be subject to the grievance procedure and arbitration procedure as defined herein. If it is determined under the established grievance/arbitration procedure that such an employee(s) did participate in such an action, in violation of this provision, the disciplinary action taken shall not be altered. If the decision under the grievance and arbitration procedure is that such an employee or employees did not participate in such acts, the redress shall be as determined by the grievance/arbitration procedure and limited to "making whole" the individual employee involved, if warranted.
- d. In the event of a violation of this article, the Union (its officers, agents and members) individually and collectively agree that it will use its best efforts and end such prohibited conduct, taking actions including:
 1. Requesting through personal contact or meeting with employees that they comply with the Agreement and not take part in any such prohibited conduct.
 2. Immediately notify all employees in writing that such prohibited conduct is in violation of the Agreement.
 3. Requesting those employees violating this Agreement to return to work and/or otherwise fully comply with the terms of this Agreement.
 4. Make every other reasonable effort to have employees cease such acts as prohibited.

The Company agrees that it will not engage in any lockout of employees during the term of the Agreement.

Article 15.00 BENEFIT PLANS

15.01 Group Medical, Dental & Vision Plans

The Company will, beginning with the effective date for economic items, maintain and contribute to the cost of health care insurance for full time bargaining unit personnel. It is agree that the Company may change vendors or plan design of health care, dental care, vision care, life insurance and AD&D etc. coverage for employees and insured dependents during the life of this agreement. The reason or reasons for such change will be explained by the Company. Any such benefit change will provide the same coverage/design as the incumbent plan or as close thereto as possible. Should there be a significant change in the plan benefits or increase in the rates, the Company and Union will meet to resolve any resulting issues. Changes to plan may only be made by mutual agreement of the Company and the Union.

An employee is eligible the first day of the month after the completion of thirty (30) days employment. Effective April 1, 2009, the Company will offer the Blue Cross EPO plan. A L-3 Vertex Aerospace Benefits booklet will be provided. Premiums are based on 26 pay periods per year, as follows:

COVERAGE CATEGORY	APRIL 1, 2009	JANUARY 1, 2010
Employee only	\$29.54	See below
Employee and spouse	\$59.08	See below
Employee and child(ren)	\$55.70	See below
Employee and family	\$88.62	See below

Effective January 1, 2010, all employee insurance premiums shall increase on a 78/22 % cost sharing basis.

Opt-out Option: Employees may choose to not be covered by any Company offered Health and Welfare Plan. Employees who choose this option will pay no premiums and will receive \$800.00 per year, payable each pay period, and will be required to provide proof of alternate medical insurance coverage.

If any opt-out employee desires dental and vision coverage, the premiums are based on 26 pay periods, as follows:

Employee: \$5.54
Employee & Spouse: \$11.77
Employee & Child: \$12.23
Family: \$19.38

15.02 The Company will provide life insurance in the amount of \$25,000 with AD&D at no cost to the employee.

- 15.03 Other benefits as outlined in the L-3 Vertex Aerospace Benefits 2007 Booklet include:
Voluntary life insurance with AD&D
Employee Assistance Program.
- 15.04 Fringe Benefit Rate: Defined as the minimum Employer Contributions towards providing Group Health Insurance, Life Insurance, Accidental Death and Dismemberment Insurance, Paid Personal Time, Military Duty, Jury Duty Pay, Bereavement Leave Pay and retirement Benefit Plan(s) under this agreement. The costing of such fringe benefits is an average rate per hour computed on the basis of total hours paid less overtime by service CBA employees employed on the contract.

The rate is as follows:

\$ 3.24 per hour effective April 1, 2009

\$ 3.33 per hour effective April 1, 2010

Should the Company's actual annual cost per hour be less than the amount listed above in a calendar year, the Company will contribute a sum equal to the difference into the Company's 401(k) account for each employee on the payroll at year end. The Company will notify the Union of annual results of fringe benefit costs

Article 16.00 RETIREMENT

- 16.01 The Company will provide all full-time employees covered by this Agreement with an IRS approved savings plan and in accordance with the Plan document. Effective April 1, 2009, the contribution shall be 3.0% of their base compensation per calendar year paid by the Company. Such plan is considered a 401(k) Plan.
- 16.02 Employees will be 100% vested with all company contributions.
- 16.03 The employee may also contribute up to 25% of their earnings (or more as per L-3 Corporate Master Savings Plan Document) to the maximum amount of \$15,500.00, including IRS allowable catch ups into the 401 (k) and take advantage of the associated income tax deferment.

Article 17.00 DISCHARGE AND DISCIPLINE

- 17.01 It is understood and agreed the Company may only discipline or discharge any employee covered hereby for just cause. Should an employee feel such action improper and in violation of the employee's rights under this Agreement, the employee shall be extended all the rights and privileges accorded by the Grievance and Arbitration procedures contained herein, provided the employee has completed the probationary period defined in the seniority article of this Agreement.
- 17.02 A letter of warning or reprimand, shall no longer have any future effect after a period of one (1) year. A letter of suspension, shall no longer have any future effect after a period of eighteen (18) months. A letter of warning or reprimand for workplace violence shall no longer have any future effect after a period of two (2) years.
- 17.03 It is understood and agreed that any disciplinary action issued to an employee by the Company shall be issued within twenty (20) calendar days following knowledge by the Company of the occurrence of the alleged violations. The above specified time limit may be extended by written mutual agreement of the parties.
- 17.04 In all cases where an employee is being discharged, suspended, or will be receiving a written warning notice or written reprimand, the employee shall be advised of his/her right to Union representation and to have a Union Steward present. The Company will honor such requests. In cases involving suspension or discharge, the employee shall be provided a reasonable amount of time to discuss the matter with his/her Union Steward prior to leaving the premises, except in the cases where a Steward is not available at the site, or the continued presence of the employee would be disruptive.

Article 18.00 GRIEVANCE AND ARBITRATION

18.01 It is the intent of this Article to establish a means for prompt adjustment of working problems and personal grievances at the job level by conference between the Supervisor and the employee involved, provided the Union Representative has been given an opportunity to be present. If not resolved at this informal level, a formal written grievance shall be filed. The grievance shall contain a full statement of the grievance and the facts upon which it is based, the Contract section alleged to have been violated and the action, remedy or adjustment sought. In grievances filed on behalf of individual employees, the grievance shall be signed, by the affected employee, prior to Step 1 of the Grievance Procedure. Grievances shall be processed according to the steps and time limits specified. These time limits may be extended upon written mutual consent of the parties.

18.02 Except for payroll adjustment, no grievances shall be filed or processed based on facts or events, or omissions within the employee's knowledge which have occurred more than twenty-three (23) working days (thirty working day while on travel) before such grievance is filed. Both parties agree to exert an earnest effort to settle such grievance promptly through the following steps:

Step 1. The employee involved shall first confer with his Supervisor in order to amicably settle the matter, provided the Steward has been given an opportunity to be present. Any and all grievances shall be handled during normal working hours without any unnecessary interruption of work. If the dispute is not resolved amicably then the employee or Steward may file a grievance. Within three (3) work days after receipt of grievance the Supervisor shall submit a written answer to the affected employee or Steward.

Step 2. If the grievance is not settled in STEP 1, the Union Steward may take the written grievance and submit it to the Company's Site Supervisor or designee within five (5) work days of receipt from 1st Step answer. The Union and the Company will attempt to settle/resolve the issue. Both the Union Steward and Site Supervisor or designee shall either meet in person or by telephone within five (5) working days. If the issue is not resolved, the Site Supervisor or designee has ten (10) days to submit his/her answer, to the Union Steward.

Step 3. If not settled/resolved at Step 2, the Union may submit the grievance to the Company's Field Services Operations Manager or designee within five (5) working days. The Company's Field Services Operations Manager or designee and the Union's Business Representative or designee will meet in person or by telephone conference within ten (10) work days and attempt to resolve any grievance. If unable to resolve the grievance, the Field Services Operations Manager or designee shall submit a written answer to the Union within five (5) work days.

Step 4. The Union's Business Representative may submit, within ten (10) work days following the Company's Step 3 answer, written notice to the Company Manager of Labor Relations of its intent to arbitrate. The Union will request the Federal Mediation and Conciliation Service to submit an arbitration panel of seven (7) names to each party. The remaining arbitrator after alternating strikes will be the arbitrator. The Union will notify the Arbitrator of his selection and will coordinate schedules between the Company, Arbitrator and Union. The cost of the Arbitrator will be shared equally among the parties. The Company and the Union will continue to attempt to resolve the grievance prior to arbitration.

The arguments before the Arbitrator will be oral, written or both. The Arbitrator shall not have the authority to add to, subtract from, modify, alter or change any of the terms of this Agreement. The Arbitrator's authority is to interpret and apply provisions of this Agreement. The Arbitrator shall be bound entirely by the records presented in the form of evidence presented at the hearing and the Collective Bargaining Agreement. The parties may file post-hearing briefs. The Arbitrator shall render his decision within thirty (30) days of the close of the hearing or receipt of the briefs. The Arbitrator's decision shall be in writing. The award shall be delivered or mailed to each party.

The decision of the Arbitrator shall be final and binding on all parties. In cases of cancellation, the party requesting cancellation shall pay all fees and costs of the Arbitrator. In cases where the cancellation is the result of a compromise settlement, fees of costs of the Arbitrator shall be shared equally by the parties. The Arbitrator may record the proceedings or request a court reporter. Such costs, if any, shall be borne by the Arbitrator.

No more than one (1) grievance shall be submitted to the same Arbitrator, unless mutually agreed by the parties.

All time limits shall be strictly adhered to and may only be extended by mutual agreements of the parties.

- 18.03 Any monetary award shall be limited to the actual loss incurred by the grievant, less such other compensation, including wages, commissions, worker's compensation and unemployment compensation, as the grievant may have received or which may be due to the grievant for the designated award period. In no event shall the Company be penalized or in any way be liable for any monetary award or grievance settlement prior to sixty (60) days preceding the date of filing of the grievance.

Article 19.00 PAID PERSONAL TIME

- 19.01 Employees who have completed their probationary period will be entitled to twenty-four (24) hours of Paid Personal Time after their initial 90 days of service. Additionally, employees covered by this Agreement will be entitled to sixteen (16) hours unpaid Personal Time per year, after one (1) year of service.
- 19.02 Personal Time must be taken in increments of at least one (1) full hour.
- 19.03 Employees who terminate employment or are laid off are not eligible to receive pay in lieu of earned Paid Personal Time or unused Paid Personal Time.
- 19.04 When an employee is summoned for jury duty, he will notify the Company as soon as possible and will not be required to work and will be excused for the entire day(s) he is required to report and be available.

Article 20.00 INSTALLATION OF NEW AND REVISED JOB CLASSIFICATIONS

- 20.01 When new bargaining unit jobs are required that cannot be properly encompassed within an existing job specialty, the Company will notify the Union of the requirements and will negotiate with the Union the rate of pay prior to the Company establishing the new classification, qualifications and rate of pay. If there is a failure of the parties to reach a mutual agreement the new classification shall be paid the average percentage differential between the appropriate Area Wage Determination and the other classification. If no ready classification exists on the current AWD the new classification and its rate of pay will be based on similar or required tasks performed. Example; If the average % differential between the AWD and the other established classification contained in the CBA is 3% the the new classification is established at 3% above the AWD.
- 20.02 The Company has the right to determine the job classifications. Copies of job classifications shall be retained in the Site Supervisors office and shall be made available upon request. The current job classifications shall remain in effect during the term of this Agreement.

Article 21 BEREAVEMENT LEAVE AND JURY DUTY

- 21.01 Bereavement leave will be granted up to twenty (24) hours paid to attend the funeral of immediate family members as follows:
Mother, father, or legal guardian, sister, brother, spouse, daughter, son, stepdaughter or stepson, grandparents, grandchild, mother-in-law, father-in-law.
- 21.02 Employees may use vacation or PPT time, for which they are eligible, for extended travel for bereavement.
- 21.03 Jury duty employees absent due to jury service will be paid their straight time rate of pay including premiums on their regular pay schedule. Employees shall provide verification of service upon request. This pay shall not exceed thirty (30) days in any twelve (12) month period. In no event shall jury pay for time lost be made for jury duty performed on the employee's regularly scheduled day off, holidays as defined herein or for hours in excess of eight (8) hours per regular work day or hours in excess of forty (40) per week. Employees required to serve on jury duty will be considered to be on day shift for all days served on jury duty and will not be required to return to work on either the swing or graveyard shift.
- 21.04 When an employee is summoned for jury duty, he will notify the Company as soon as possible and will not be required to work and will be excused for the entire day(s) he is required to report and be available.

Article 22.00 WAGE RULES

- 22.01 The Company shall pay the scale of wages included in Appendix A made a part hereof.
- 22.02 For the purpose of this Agreement, an employee's straight time hourly rate of pay is defined as the employee's base hourly rate of pay as listed in Appendix A plus all premiums and differentials agreed to in this Agreement.
- 22.03 Employees temporarily promoted to a higher job classification shall receive the rate of the job classification they are temporarily assigned to. They shall, upon return to their prior classification, assume the rate held prior to the temporary assignment as directed. An employee temporarily assigned to a lower paying job will continue to receive their normal rate of pay.
- 22.04 When a temporary or regular situation occurs, such as loss of funding, or transfer of work on the site, that would cause a reduction in any job classification, the junior employee(s) in the classification, will be offered the opportunity to displace the least senior employee(s), in descending order of pay grade. Senior qualified employees may bump into another job classification provided they have previously held the position with CFS.

Article 23.00 SAFETY EQUIPMENT

- 23.01 Employees shall be provided with required safety gear; including protective hearing protection, head gear, safety glasses, goggles and gloves. The Company will comply with all state worker's compensation as applies to on-the-job injuries. It is the intent of the Company to maintain safe and healthy conditions as necessary to protect employees from injury, and it is the desire of the parties to maintain high standards of safety in order to eliminate, as far as possible, industrial accidents and illnesses.

Article 24.00 TEMPORARY ALTERNATE WORK

- 24.01 With the approval of the customer the Company may provide a Temporary Alternate Work (TAW) program to Bargaining Unit employees who are unable to perform their normal work assignments due to an on-the-job illness/injury. The intent of which is to assist Bargaining Unit employees, by providing them with an opportunity to continue gainful employment under the provisions of the Collective Bargaining Agreement, but not to impede the recovery process of their illness or injuries, provided the Company has the work available and is able to accommodate the employee's medical restriction.
- 24.02 The TAW assignment may be Bargaining Unit or non-Bargaining Unit work. The employee will receive his standard contractual hourly wage and benefits regardless of work performed. The employee's start time will be in accordance with the Collective Bargaining Agreement. Employees on TAW will not displace other employees or adversely affect their seniority.
- 24.03 The Company, including the Site Supervisor, Human Resources personnel and corporate Worker's Compensation personnel will continue the Company's practice of working with employees and their physicians to attain the intent of this Article.

Article 25.00 GENERAL

- 25.01 It is understood and agreed that this Agreement shall supersede any and all agreements, existing or previously executed between the Company and any individual covered by this Agreement.
- 25.02 The waiver of any breach of any of the provisions or terms of this agreement by either party does not constitute a precedent for future waiver or enforcement of such breach.
- 25.03 In the event that any provision of this Agreement shall be or becomes invalid by reasons of any Federal, State, county, municipal or, military law or regulation or a court of competent jurisdiction, it shall be suspended while such law, regulation or court decree is in force and the remaining provisions of the Agreement shall not be affected thereby.
- 25.04 Employees covered by this Agreement shall be governed by all Company rules, regulations and policies in place at the signing of this agreement. The Union must be notified of new work rules before they are implemented.
- 25.05 The parties acknowledge that during the negotiations which resulted in this Agreement, each had the right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from collective bargaining and that the agreements arrived at by the parties are set forth in this Agreement. Therefore, the parties, for the life of this Agreement, agree that the other shall not be obligated, except as provided in this Agreement, to bargain collectively with respect to any subject referred to or covered in this Agreement. Furthermore, the parties waive the right and each agrees that the other shall not be obligated to bargain collectively with respect to any subject matter not referred to or covered by this Agreement, even if such subject may not have been known or contemplated of any of the parties at the time this Agreement was negotiated or signed.
- 25.06 Neither the Company nor the Union will limit, segregate or classify employees in any way to deprive any individual employee of employment opportunities or otherwise discriminate against any individual with respect to hiring, compensation, terms or conditions of employment, because of race, religion, sex, age, national origin, veteran status, union membership, color or that prohibited by state, federal or municipal law, including the American's with Disability Act (ADA) and Family Medical Leave Act (FMLA).
- 25.07 The Company will be in compliance with all applicable federal and state regulations. Nothing in this Agreement will constitute a waiver of such regulations.
- 25.08 The Union reserves the right to grieve unreasonable work rules.
- 25.09 The Company will be in compliance with all applicable federal and state regulations, including safety shoe regulations and replacement of employee tools. Nothing in this Agreement will constitute a waiver of such regulations.

- 25.10 SUBSTANCE ABUSE POLICY: A program, including random drug testing, will be maintained as well as all actions necessary to comply with the Drug Free Workplace Act and all Lemoore Naval Air Station regulations.
- 25.11 IAM & AW logo (up to two and one half inches diameter) may be added to Company uniforms on the sleeve opposite the Company provided American Flag. The Company logo shall appear on the left breast side of the shirt.

Article 26.00 TRAINING

- 26.01 As determined by the Company, bargaining unit employees may be transferred to other assignments within the bargaining unit for the purpose of direct training of employees in the operation and/or maintenance and/or equipment involved.
- 26.02 All employees within a classification will be offered training by seniority and qualifications in accordance with the customer needs.
- 26.03 If an employee is transferred by the Company for direct training purposes to a job paying a higher rate, the employee will continue to receive the pay rate being paid the employee prior to the date of assignment, until qualified.
- 26.04 The Company will determine the need and the number of employees to be trained and will arrange such direct training as appropriate subject to customer funding. The Company will ensure that employees receive adequate training to perform their assigned duties as determined by the customer needs.

Article 27.00 - DURATION

- 27.01 These articles constitute the complete Agreement between the Company and the Union. Neither changes nor amendments to this Agreement shall be effective unless such changes or amendments are reduced to writing and signed by appropriate representatives of the parties. Any additions, deletions, changes, amendments or waivers whatsoever affecting the terms of this Agreement shall only be discussed by mutual agreement of both parties in writing and shall otherwise not be subject to negotiation. Further, provided that any such modification to this Agreement shall be mutually agreed upon and signed by authorized representatives of both parties and shall be terminated with this Agreement.
- 27.02 This Agreement shall be effective September 5, 2008, with economic items being effective April 1, 2009, and shall continue in full force and effect through July 1, 2010, and thereafter from year to year unless sixty (60) days written notice is given by either party to the other, prior to the expiration date of this Agreement. Such notice will be sent registered mail and will state its intent to amend, modify or terminate the Agreement.

For L-3 Vertex Aerospace CFS

For the IAM&AW

Ken Demarko
Sr. Director Labor Relations

Frank Santos
Area Space Coordinator

Linda Mandel
Director of Human Resources

John Fox
Business Representative/Organizer

Juan Velez
Sr. Program Manager

Jon Gratton
Negotiating Committee Member

Chuck Adams
Manager, Labor Relations

Thomas Anderson
Negotiating Committee Member

APPENDIX A

	CURRENT	RATE	RATE
	RATE	4/1/2009	4/1/2010
Aircraft mechanic	\$18.16	\$20.00	\$20.80
Painter	\$17.19	\$18.40	\$18.80
Machinist	\$18.57	\$18.95	\$19.35
Aircraft helper	\$14.13	\$14.45	\$14.75

No employee's wages will be reduced as a result of the signing of this Agreement.