

COLLECTIVE BARGAINING
AGREEMENT

between

L-3 COMMUNICATIONS VERTEX
AEROSPACE, LLC

T-1A COMBS PROGRAM

Pensacola NAS Florida

and

INTERNATIONAL ASSOCIATION

OF

MACHINISTS AND AEROSPACE
WORKERS

Local Lodge No. 2777

EFFECTIVE DATE: September 16, 2009 – July 31, 2010

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1.00 - INTENT, PURPOSE & PREAMBLE

- 1.01 This Agreement is made and entered into this 16th day of September, 2009, by and between L-3 Communications Vertex Aerospace, LLC (hereinafter referred to as the "Company") and the International Association of Machinists and Aerospace Workers, AFL-CIO, and its Local No. 2777 (hereinafter jointly and severally referred to as the Union).
- 1.02 References in this Agreement to the "contract" are meant to refer to the Government Contract with the Company. References to the "CBA" or the "Agreement" are meant to refer to this Collective Bargaining Agreement.
- 1.03 It is recognized by this Agreement to be the duty of the Company, the Union and the employees to cooperate fully, both individually and collectively, to perform faithfully the obligations imposed by this Agreement.
- 1.04 It is understood whenever 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.

2.00 - MANAGEMENT RIGHTS

- 2.01 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 for just cause to demote, discipline, suspend or discharge employees; and the right to determine the work to be performed, schedules of work and all services, processes and standards and to meet the requirements of any law, regulation, contractual requirement, or other stated requirement of the customer or other Government agencies; and the right to make reasonable rules concerning attendance, work procedures and standards, drug abuse, alcohol abuse, safety, security, cameras and other rules, that are not in conflict with this Agreement, by which all employees shall abide. 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.
- 2.02 When new Bargaining Unit jobs are required that cannot be properly encompassed within an existing job classification, the Company will notify the Union of the requirements and will establish the duties and responsibilities of the job, and the rate of pay for the job, and will inform the Union thereof. Should the Union disagree with the rate of pay, it may grieve the rate of pay under the grievance and arbitration procedures established in this Agreement. The issue for the Arbitrator in such cases shall be "What is the appropriate rate for the job classification?", and the Arbitrator's decision shall be limited to either the specific rate proposed by the Company, or the specific rate proposed by the Union.
- 2.03 The Company has the right to subcontract out work where the Company determines that such work cannot be performed by employees covered by this Agreement due to lack of skills, tools, equipment or availability of manpower, or as required by its contracting customer. The Company agrees that, during the term of the Agreement, no work currently performed by the employees in the bargaining unit will be subcontracted.
- 2.04 Any requirement of the customer or base commander regarding clothing, uniforms, tools, machinery, use of facilities, identification, security, hours of work, access to the base or parts thereof, methods or procedures of the work to be performed, or any other requirements related to the conduct of the Company's contractor employees, shall be accepted by the parties, without recourse to the grievance procedure, provided that documentation is presented to the Union, and shall become part of the accepted and enforceable rules and regulations governing the conduct of bargaining unit employees.

3.00 - UNION RECOGNITION/MEMBERSHIP/BULLETIN BOARDS

- 3.01 The Company recognizes the Union, as certified by the National Labor Relations Board, in case number 15-RC-8706 dated the 17th day of August 2007, as the sole and exclusive representative for the purpose of Collective Bargaining for all Aircraft Repairmen "A", Quality Control Inspectors and Supply Clerks at the T-1A COMBS facility, excluding all office clerical employees, professional employees, guards and supervisors as defined by the Act.
- 3.02 The Company acknowledges the Union's rights specifically designated by the terms of this Agreement, as the employee's representative. The Union recognizes its duty to cooperate in any reasonable manner with the Company to support its efforts to assure a productive workforce, to cooperate in combating any practices which decrease efficiency and to maintain standards of quality and service to the customer.
- 3.03 Union Bulletin Boards. The Company will provide one (1) Union bulletin board for the Union to post official business of the Union, as provided by the Business Representative of Chief Steward. Legitimate Union notices can include:
- a. Meeting notices
 - b. Official Union election results
 - c. Notices of Union appointments
 - d. Union social events

All notices not listed above must be approved, in advance, by Management. Should the bargaining unit expand, the Company and Union shall meet to consider adding additional bulletin boards.

- 3.04 Neither the Company nor any of its agents shall interfere with, restrain, intimidate or coerce its employees because of dues paying membership or nonmembership in the Union. Neither the Union nor its members or anyone acting for or on behalf of the Union shall interfere with, restrain, intimidate or coerce any employee who does not wish to belong to the Union nor shall they solicit membership or engage in other Union activities on Company time; breaks and meal periods are excepted, except for those activities specifically provided for by this Agreement.
- 3.05 Employees covered by this Agreement may, at their own discretion, become and remain members in good standing of the International Association of Machinists and Aerospace Workers (the Union) following ninety (90) days of employment.

4.00 - AGENCY SHOP

- 4.01 Membership in the Union is not compulsory. Employees in the bargaining unit must, as a condition of continued employment, be either a member of the Union and pay Union dues or pay an agency fee to the Union equal to the monthly Union dues.
- 4.02 The Union will provide a form for the written authorization of dues deductions.
- 4.03 Each employee in the bargaining unit shall, beginning on the 31st day following execution of this Agreement or the 31st day following his/her employment, rehire, reinstatement, reemployment, recall, transfer or regression into the bargaining unit, as a condition of continued employment in the bargaining unit, execute and deliver to the Company a payroll deduction authorization or pay directly to the Union an amount of money equal to the Union's regular and usual initiation fee, reinstatement fee, and its regular, uniform and usual monthly dues.
- 4.04 Upon written demand from the Union, the Company will terminate an employee within the bargaining unit who fails to tender the sum due the Union within thirty (30) days from the date such sum is due provided the Union informs the Company and the employee in writing and allows him/her an additional fifteen (15) days after the thirtieth (30th) day of delinquency. If the employee fails to resolve his/her delinquency within this fifteen (15) day period and after notification to the company by the Union, the Company will terminate the employee.
- 4.05 Remittance and Statement to the Union: The Company shall, on or before the 15th day of each 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. The Company shall also remit to the Union Secretary-Treasurer its check for the amounts so deducted.
- 4.06 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.

5.00 - NO STRIKE - NO LOCKOUT

5.01 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 to 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, has been created to serve as a means for the settlement of disputes that may arise between the Parties under this Agreement. However, nothing in this section, or any 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 this "no strike - no lockout" clause, 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.
- d. In the event of a violation of this article, the Union, (its officers, agents and members) individually and collectively agree tht it will use its best efforts and end such prohibited conduct, take actions including:
 1. Requesting through personal contact, or by 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 reasonable effort to have employees cease such prohibited acts.

5.02 The Company agrees that it will not engage in any lockout of employees during the term of the Agreement, providing the Union is in full compliance with the provisions of this article.

6.00 - REPRESENTATION/STEWARDS

- 6.01 The Union will elect one (1) Chief Steward and one (1) Steward, from among the full-time employees within the bargaining unit who have completed their probationary period with the Company and who are currently assigned to the shift in question. The Chief Steward shall be assigned to the first shift and the Steward shall be assigned to the second shift.
- 6.02 Upon execution of this Agreement, the Union shall promptly furnish the Site Manager 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. Should the bargaining unit expand, the Company and Union shall meet to discuss the addition of Stewards.
- 6.03 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. Overtime pay shall not be authorized or permitted for any Steward's time in the handling of Union business.
- 6.03.a An authorized 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. A 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 grievances.
- 6.04 Subject to existing security regulations, the authorized Business Representative shall have access to the Company's work areas during working hours for the purpose of investigating grievances and attending meetings in the administration of the Collective Bargaining Agreement. Such Business Representative will contact the Site Manager who shall permit the Business Representative to enter the Company's premises, provided such right is exercised reasonably and does not interfere with the normal conduct of the Company's operations.
- 6.05 The Steward shall be empowered to adjust employee grievances as provided for in the grievance procedures, so long as such adjustments are not in conflict with the terms of this Agreement.

7.00 - GRIEVANCE AND ARBITRATION PROCEDURE

- 7.01 The procedure provided herein for the settlement of grievances shall serve as a means for the settlement of all disputes that may arise out of the interpretation and application of expressed provisions of this Agreement. A grievance is defined as an alleged violation of the specific terms and provisions of this Agreement. All grievances must contain a specific statement of the Article(s) and Section (s) of the Agreement that is (are) alleged to have been violated. Consideration and discussion of grievances shall be limited by the parties to the question of whether the Article(s) and Section(s) specified has been violated and, if so, what the proper remedy may be. Any grievance that does not specify such a specific contract clause shall be null, void, and invalid and shall not be considered by the Company.
- 7.02 Nothing in this Agreement shall prevent an employee, individually or through his Steward, from discussing any problem or question with his supervisor, or other Company official, and there shall be no formal grievance until the matter has been reduced to writing as provided in Step II below. The Union agrees that neither the Steward nor other Union officials shall solicit grievances.
- 7.03 A formal grievance must be filed by an employee with or through his Steward, within five (5) work days after the date the employee became aware of or should reasonably have become aware of the action, incident or occurrence giving rise to it, otherwise, it may not be further processed in the grievance procedure. Claims for money, pay or reimbursement shall not be valid, for a period of more than twenty (20) work days prior to the date of filing such grievance, or the date on which the grievance arose, whichever is most recent.
- 7.04 The grievance form, as supplied by the Union, shall contain the following information:
- a. Name(s) of the employees involved;
 - b. Approximate date of alleged grievance;
 - c. Date of first discussion of grievance with the Supervisor;
 - d. Date of Supervisor's answer;
 - e. Nature of grievance;
 - f. Date of presentation of written grievance;
 - g. Section or sections of the agreement alleged to have been violated; and
 - h. Proposed remedy.
- 7.05 It is the intent of both parties to resolve questions of interpretation of the Agreement with as little disruption of operations as possible, as quickly as is

practical, and at the lowest level of the organization possible. Therefore, the parties agree to adopt and follow the procedure below;

- 7.06 STEP I. An employee having a question or complaint concerning interpretation or application of this Agreement, or the pay he/she has received hereunder, shall first, discuss the matter with his/her immediate supervisor, and the two shall make every effort to understand and reach agreement on the question. Should the parties be unable to reach agreement on the resolution of the matter the employee shall be allowed to discuss the matter with his/her Shop Steward.
- 7.07 STEP II. If the matter has not been resolved in Step I, the employee shall present such grievance, in writing, stating the specific provision(s) of the Agreement alleged to have been violated and the specific resolution requested, or shall have his/her Steward present the grievance to his/her supervisor. All grievances must be signed by the grievant. A formal grievance may not be filed unless an attempt is first made to solve the matter verbally. The supervisor and the Steward shall endeavor to arrive at a satisfactory adjustment of the grievance, in accordance with the terms and conditions of this Agreement. If they are unable to resolve the matter, the supervisor shall endeavor to render his decision, in writing, within five (5) work days after receipt of the formal written grievance.
- 7.08 STEP III. If the decision of the supervisor in Step II is not satisfactory, the grievance may then be appealed, in writing, to the Site Manager or his designee. Such appeal is to be filed no later than five (5) work days after receipt of the decision rendered in Step II hereof, or the last day on which such decision was due, whichever is sooner, otherwise such decision shall be final and the employee shall have no further recourse under this Agreement. The Site Manager or designee shall endeavor to provide a written decision within five (5) work days after receipt of such appeal.
- 7.09 STEP IV. If a satisfactory resolution cannot be reached as provided under Step III or if an answer has not been received under Step III within five (5) work days, the Union Steward may submit the grievance to the Program Operations Manager by mail, facsimile, or e-mail.
- A meeting/telephone conference shall be scheduled by the Program Operations Manager or designee to discuss the grievance with the Union Business Representative within ten (10) work days following submission of the grievance by the Steward. The Program Operations Manager shall endeavor to submit a written answer to the Union Business Representative within fifteen (15) work days after the meeting/telephone conference is held.
- 7.10 If no satisfactory adjustment or settlement is reached according to the procedure herein established, such grievance may then be appealed to arbitration. The Union will notify the Company of its decision to appeal the case to Arbitration, in writing, to the Company's Corporate Labor Relations Representative or his designee within ten (10) work days after receipt of the Company's Step IV

grievance answer. Failure to file such appeal within the stated time shall result in the Company's Step IV answer being accepted as the parties' final agreement on the grievance.

- 7.11 The parties, within fifteen (15) work days of receipt of the notice of desire to arbitrate, will request the Federal Mediation and Conciliation Service (FMCS) to submit a list of seven (7) arbitrators. Such request to the FMCS shall be originated by the party requesting arbitration. Within ten (10) work days of receipt of the list of arbitrators, the parties shall select one (1) of the seven (7) as an arbitrator. Failing to mutually agree to an arbitrator, each party shall alternately strike off a name until one (1) name remains on the list.
- 7.12 The written decision of the arbitrator shall be final and binding on all parties. The losing party in the Arbitration, as determined by the Arbitrator, shall pay all the costs and fees of the Arbitrator.
- 7.13 **POLICY GRIEVANCES.** It is understood that the Chief Steward may file grievances on behalf of the Union's interests under this agreement. Therefore, if a grievance pertains to the Company's interpretation of the intent and purpose of the application of a specific article and section of this agreement, the grievance may be filed by the Chief Steward on behalf of the Union. Further, if a grievance relates to the policy and affects numerous employees, the grievance shall be consolidated and filed by the Chief Steward on behalf of a group of employees. Otherwise, grievances shall be filed and signed by the employee involved or affected.
- 7.14 The Company and the Union shall each pay its own fees, costs and expenses incidental to the arbitration, including those of their representatives and witnesses.
- 7.15 The Arbitrator's powers shall be limited to the application and interpretation of this Agreement and he/she shall have no authority to add to, subtract from, modify or amend in any way, the terms or conditions of this Agreement. The Arbitrator shall not substitute his/her judgement for that of management, but shall only rule on whether the action taken was within the parameters of this Agreement and management rights.
- 7.16 It is understood and agreed that any of the steps of the grievance and arbitration procedure may be waived and/or any of the time limits extended by mutual written Agreement of the parties.
- 7.17 It is understood and agreed that an employee covered hereby may be represented by the shift Steward, at any and all conferences with the Company arising from the processing of any formal grievance, provided, however, that such representation shall be limited at any one time to no more than (1) Steward who is employed by the Company.

- 7.18 Nothing in this Agreement shall prevent supervisory or other Company officials from discussing any matter with an employee. However, if disciplinary action is anticipated to be taken, the employee shall have the right to Union representation.
- 7.19 Each grievance shall be arbitrated separately and by a different arbitrator unless the parties mutually agree to the contrary.

8.00 - DISCHARGE AND DISCIPLINE

- 8.01 It is understood and agreed the Company may only discipline or discharge any employee covered hereby for just cause. Should an employee feel action taken by the Company was improper or in violation of the employee's rights under this Agreement, the employee may grieve under the Grievance and Arbitration procedures contained herein, provided the employee has completed the probationary period defined in the seniority article of this Agreement.
- 8.02 It is understood and agreed that any disciplinary action issued to an employee by the Company shall be issued promptly following knowledge by the Company of the occurrence of the alleged violation, and adequate time for the Company to adequately investigate the matter.
- 8.03 The Company has the right to establish reasonable work rules and regulations, not in conflict with the terms of this Agreement, with such additions and revisions thereto, as are made by the Company. Employees shall be subject to such rules and regulations and any violations shall be considered cause for disciplinary action.
- 8.04 The Union will be notified of any new revised rules and regulations and policies. The extent of any penalty levied against an employee for an alleged violation of the rules and regulations and policies is subject to the grievance procedure.
- 8.05 In all cases of discharge, suspensions, or where written warning or reprimand notices are given to employees of the bargaining unit, the Chief steward, or the designated representative, will receive a copy of said notices within three (3) business days. 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 may request the presence of his/her Union Steward. Such requests will be honored by the Company. In cases involving suspension or discharge, the employee shall be provided a reasonable amount of time to discuss the matter with his/her Steward, or the Chief Steward, prior to leaving the premises, except in cases where a Steward of the Chief Steward is not available at the site, or the continued presence of the employee is disruptive. Prior to deciding on the discharge of an employee, the company will first have suspended the employee for a period not to exceed five (5) work days. Within that period and before the Company makes its decision final, a discussion will be held with the Union during which time the Union may present any facts or other information which it wishes the Company to consider.
- 8.06 In cases of layoff, dismissal, or suspension, the employee and Chief Steward shall be given a copy of the notice, as applicable, if the employee is available to be presented with such copy. If the employee is not available, a copy of the notice will be sent to the employee by certified or registered mail to the employee's last known address and a copy shall be given to the Chief Steward. The employee

shall have the right to appeal the action shown on the notice, provided the employee files a written grievance with the Company in accordance with the grievance procedure in this Agreement.

- 8.07 A documented verbal warning shall not be used for purposes of progressive discipline after a period of six (6) months.
- 8.08 A written warning shall not be used for purposes of progressive discipline after a period of twelve (12) months, *unless mutually agreed to be reviewed and removed after a period of six (6) months from the date of issue.*
- 8.09 A letter of suspension shall not be used for purposes of progressive discipline after a period of twelve (12) months.
- 8.10 An incident of workplace violence shall have no time limits.
- 8.11 During the period of a written warning or suspension, an employee is not eligible to bid on a promotional opportunity under Article 9.

9.00 - SENIORITY

- 9.01 **DEFINITION.** Defined as the length of continuous service at the T-1A Program, Pensacola NAS. In the event that more than one employee begins their employment on the same day, the employee having the social security number with the lowest last four (4) digits will be considered as having the most seniority.
- 9.02 **PROBATION.** Employees shall be considered probationary for a period of ninety (90) calendar days of active employment from date of hire on the T-1A Program. During this period, the Company may discharge or release such probationary employee as it finds advisable and such action shall not be subject to the Grievance and Arbitration procedure.
- 9.03 **TRANSFERS.** An employee who is transferred from another government contract onto this contract will have their seniority based upon their date of hire onto this contract. It is agreed and understood that such an employee may retain any earlier date of hire with the Company, but only for the purpose of benefit accruals.
- 9.04 **LAYOFF.** The Company will provide two (2) weeks advance notice of any layoff. When reducing the work force, employees will be laid off in the reverse order of seniority among the employees in the affected job classification. Employees laid off from one job classification will be allowed to "bump down" to a lower paying job classification, provided they have the qualifications to perform the work in the lower classification, thereby displacing the least senior employee in the lower paying job classification.
- 9.05 **PROMOTIONS.** Employees may be promoted on the basis of qualifications, performance and seniority to jobs which may become available and for which the employee has expressed an interest by signing a job notice that will be posted by the Company. Whether or not an opening exists in any job classification and/or shift will be at the sole determination of management.
- 9.06 **RECALL.** In increasing the work force subsequent to a lay off, the Company will recall employees to their previous classification in reverse order in which they were laid off. An employee will be subject to recall for a period of up to twelve (12) months from the date of lay-off. Employees will be responsible for maintaining their current address and telephone number with the Company. Failure to do so shall relieve the Company of the obligation to recall the employee.
- 9.07 **SHIFT PREFERENCE.** In each affected job classification, employees may exercise seniority within the job classification to bid a shift preference at the following times each year: January 1, April 1, July 1 and October 1. The posting will be available on the 15th of the month preceding, and shall remain posted for 7 calendar days. The Company will, as soon as practical, post the shift roster. The parties recognize that operational needs may require requisite qualifications be spread among the various shifts and that, in some cases, a shift bid may be denied

in good faith. The Company will, at all times, endeavor to recognize the principle of seniority.

Employee(s) within the same classification on different shifts who agree to exchange shifts for a period of time shall be allowed to swap shifts with pre-approval of management.

- 9.08 An employee loses seniority and all contractual rights hereunder, that are not specifically provided and reserved for terminated employees, when he/she:
- a. Is discharged for cause and is not reinstated.
 - b. Voluntarily resigns or retires from the Company.
 - c. Is laid off for a period greater than twelve (12) months.
 - d. Fails to report within five (5) work days 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.
 - 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 notify the Company of a change of address or telephone number while on layoff.
 - g. Fails to report upon expiration of an approved leave of absence.
 - h. Accepts other employment while on approved leave of absence without prior permission of the Company.

10.00 - TRAINING

- 10.01 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.
- 10.03 If the employee is transferred by the Company for direct training to a job paying a higher rate, the employee will continue receive the pay rate being paid to the employee prior to the date of the assignment, until determined qualified by the Company.
- 10.04 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 shall first consider training senior employees in the classification affected by new technology.
- 10.05 In the event of a reduced workload in a classification, the Company may, at its option, arrange direct training of affected employees in other classifications. Such direct training will be offered by seniority.

11.00 - HOURS OF WORK/OVERTIME

- 11.01 **WORKWEEK.** A workweek will normally consist of five (5), eight (8) hour days, Monday through Friday and two (2) consecutive days off, unless mutually agreed otherwise between the Union and the Company. There is no guarantee of hours of work per work day, work week or payroll period.
- 11.02 **SHIFT CHANGE.** When employees are changed from one shift to another, they will normally be notified at least two (2) calendar days in advance of the starting time of the new shift to which they are assigned. 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, the employee shall be given as much notice as possible.
- 11.03 **BREAKS.** Due to the nature of the work performed and the availability of paid time, during normal work hours, when employees are not required to perform any of the normal duties of their job classification, no scheduled breaks will be provided. Employees are expected to be available to work when and as needed to meet customer and supervisory requirements, and to take their breaks during the time that is available to them. Should the bargaining unit expand, the Company and Union shall meet to consider designated break times.
- 11.04 **MEAL BREAK.** Each employee shall have an unpaid meal break period of thirty (30) minutes during his/her shift.
- a. Meal periods shall begin not earlier than three and one-half (3 1/2) hours after the start of each shift, and not later than five and one-half (5 1/2) hours after the start of each shift.
- b. An employee who is required to work overtime will be allowed a one-half (1/2) hour meal break after four (4) hours of overtime worked in a day.
- 11.05 **OVERTIME ASSIGNMENTS.** The Company shall, in all cases, determine whether there is a need for overtime work. No overtime will be assigned without the approval of proper supervisory personnel of the Company. Before requiring employees to work scheduled 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 qualified volunteers are obtained, the least senior qualified employee(s) shall be required to work the overtime. If more employees than are required volunteer, senior employees will be allowed to work the available overtime. Employees working unauthorized or unapproved overtime will be subject to disciplinary action.
- 11.06 **HOLDOVER.** Holdover time is defined as overtime for work in progress that is overtime of a time sensitive nature arising from unforeseen circumstances, unplanned problems and/or to support unscheduled customer requirements. Overtime in a holdover situation will be assigned to those qualified employees already on the clock and performing the work and such work shall not be subject to the requirements of Section 11.05 above.

- 11.07 REPORT IN. Employees reporting for their regularly scheduled work shift shall be provided a minimum of four (4) hours work or four (4) hours pay at their regular rate of pay, except in cases where work is unavailable due to acts of God, national emergency or circumstances beyond the control of the Company. If an employee reports and requests to leave work prior to completing the available four (4) hours of work and the supervisor approves such request, the employee will be paid only for hours actually worked.
- 11.09 CALL-BACK, CALL-IN. Employees called back to work by management, after they have left the site on a scheduled work day, shall be provided a minimum of two (2) hours work or two (2) hours pay at the applicable rate of pay. Employees calling in to work on a day that is normally scheduled off will be provided a minimum of four (4) hours work or four (4) hours pay at the applicable rate of pay.
- 11.09 OVERTIME PAY. Overtime shall be paid for hours worked in excess of forty (40) hours per payroll week, at one and one-half (1 1/2) times the employee's straight time hourly rate, as required by law.
- 11.08 PAYROLL WEEK. Hours worked on the employee's sixth (6th) and/or seventh (7th) day in his/her assigned payroll week will be paid at one and one-half (1 1/2) times the effective straight time hourly rate if the employee had worked more than forty (40) hours that work week. The payroll week will start at 12:01 a.m. on Saturday and continue through 12:00 midnight on the following Friday night.
- 11.10 SHIFTS. The starting times for the work day will be as follows:
- 1st shift 0400-1200
 - 2nd shift 1200-1800
 - 3rd shift 1800-0400

The parties recognize that the above starting times may be exceeded in order to meet customer request or needs. Shift differentials will be paid based on the starting time of the shift, regardless of the ending time of the shift.

- 11.11 ABSENCES. 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 supervisor or Site Manager 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 his/her supervisor or Site Manager, the employee shall leave a message on his supervisor's voice mail stating the date, time of call and reason for his/her absence.

12.00 - PREMIUM PAYMENTS

12.01 Shift premiums shall be paid as follows:

Employees assigned 2nd and 3rd shift per Article 11.10: \$0.35 per hour.

13.00 - TEMPORARY ALTERNATE WORK

- 13.01 The Company may provide a Temporary Alternate Work (TAW) Program to bargaining unit employees who are unable to perform their normal work assignment due to an on the job illness/injury. The intent of such a program 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 impede the recovery process of their illness or injuries. The program will operate provided the Company has the work available and is able to accommodate the employee's medical restriction(s).
- 13.02 The TAW assignment may be bargaining or non bargaining work. The employee will receive his/her standard contractual hourly wage and benefits regardless of work performed. The employees' start time will be in accordance with the work to be performed, as determined by the Company. Employees on TAW will not displace other employees or adversely effect their seniority.

14.00 - SHIFT ASSIGNMENT

- 14.01 The Company and the Union agree to the principle that shift preference consideration for available jobs should be given to the senior qualified employee regarding time served in each classification. The parties recognize, however, that it is impossible to operate efficiently without senior employees in a particular classification on any shift and/or location, and that seniority cannot be the sole determining factor in shift assignments. Accordingly, efficiency permitting, shift assignments will be made as follows.
- a. When the Company determines that a job opening is available it will post the opening. Senior qualified employees who sign the posting for transfer to another shift, shall have preference to available openings whenever practical.
 - b. In the absence of senior volunteers for transfer, the Company will normally transfer from one shift to another shift the least senior qualified employees in the classification to the available openings.

15.00 - NON-BARGAINING UNIT PERSONNEL

- 15.01 It is understood and agreed that non-bargaining unit personnel will not normally perform work of employees covered by this Agreement. Work performed by supervisors will not reduce work or overtime hours or result in the replacement of bargaining unit employees. In all cases, supervisors may perform work under the following conditions:
- a. For instructing and training employees.
 - b. Under emergency conditions, i.e., an unforeseen combination of circumstances that require immediate action.
 - c. To prevent injury to employees or damage to property.
 - d. When a supervisor is required to maintain personal qualifications and proficiency as required by the customer.

16.00 - UNIFORMS

- 16.01 Employees will be required to wear the uniforms designated by the Company. The cost of such required uniforms shall be incurred by the Company.
- 16.02 The Company will provide five (5) sets of uniform pants and uniform shirts to each employee. Thereafter, the company will provide 3 (three) sets of uniforms on an annual basis.
- 16.03 The Company will provide one (1) jacket to each employee after 30 days of hire.
- 16.04 Employees may wear an approved IAM patch, at the employee's expense, and the placement shall be approved by the Business Representative and the Company.
- 16.05 The Company shall reimburse employees up to sixty-five (\$65.00) dollars toward the cost of safety shoes on an "as-needed" basis.

17.00 - WAGE RULES

- 17.01 The Company shall pay the scale of wages included in Appendix “A”, made a part hereof.
- 17.02 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”.
- 17.03 Employees promoted or temporarily assigned to another job classification shall receive the rate of that job classification or continue at their present rate, whichever is greater. If temporarily assigned, they shall, upon return to their prior classification, assume the rate held prior to the temporary assignment.
- 17.04 Any employee for whom the Company is required to garnish wages for the purpose of paying child support shall be charged a per-pay-period fee of \$2.00, in accordance with state law, and such fee shall be deducted from the employee's regular pay for the term of the garnishment.

18.00 - HOLIDAYS

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

New Year's Day	Labor Day
Martin Luther King, Jr. Day	Columbus Day
Presidents Day	Veteran's Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

18.02 An employee who is not required to work on one of the designated holidays mentioned above will be compensated for the holiday at eight (8) hours 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 or days with prior permission of the employer, or due to personal illness/injury, will be compensated for the holiday.

18.03 Should any of the listed holidays fall on a Saturday, it will be observed on the previous Friday. If any of the listed holidays falls on a Sunday, it will be observed on the following Monday.

18.04 Any employee who is required to work on any of the above listed holidays shall be paid at the rate of one and one-half (1 1/2) times his regular hourly rate for all hours worked on the holiday, in addition to their normal holiday pay. When senior qualified volunteers are insufficient in number to accomplish the necessary work, the junior qualified employees will perform such work on the holiday.

19.00 - VACATIONS

19.01 Each employee shall be entitled to vacation as follows:

Two (2) weeks vacation after one (1) year of service.

Three (3) weeks vacation after five (5) years of service.

Four (4) weeks after **eleven (11)** years of service.

Employees may use vacation beginning the first day of the month following the anniversary date on which their vacation is earned per the schedule above.

19.02 Employees are requested to make their vacation request as far in advance as reasonable. Vacation shall be scheduled and paid in increments of 1 hour (1 hour (and thereafter .1 increments). Requests for vacation leave in excess of eight (8) hours shall be submitted to the employee's supervisor at least one (1) week (7 calendar days) in advance of the requested starting date. Request for vacation in excess of forty (40) hours must be submitted a minimum of fourteen (14) calendar days in advance of the requested starting date. Vacation leave requests of eight (8) hours or less must be requested three (3) work days in advance of the requested starting date. An employee shall receive a response to his/her vacation request within three (3) work days. Permission shall not be unreasonably withheld.

19.03 Paid vacation hours will be considered as time worked for the purpose of computing overtime. When a holiday, as defined in this Agreement, falls within an employee's vacation period, such holiday hours shall not be charged as vacation hours.

19.04 Vacation earned during a current anniversary year will be paid to a qualified employee upon that employee's termination during that current anniversary year.

19.05 It is understood and agreed that final approval of vacation requests rests exclusively with the Company to assure orderly operation of work schedules.

19.06 Vacation pay shall be computed at the employee's straight time hourly rate to exclude shift and all other applicable premiums in effect at the end of the payroll period immediately preceding the requested vacation period. In the event of a change of contractors L-3 Communications Vertex Aerospace, LLC, will pay out all earned but unused vacation upon separation from the Company.

19.07 Employees may carry over a maximum of 160 hours from one anniversary year to the next.

19.08 Employees may sell back vacation during the first two weeks of January each year.

20.00 - PERSONAL PAID TIME

- 20.01 Paid Personal Time (PPT) will be accrued to the individual employee's account at the rate of .77 hours for each credited work week. PPT accrual records will be made available to employees upon request. Seniority employees may accrue PPT up to a maximum of forty (40) hours per year and bank up to a total of one hundred twenty (120) hours from one year to the next.
- 20.02 PPT will be considered as time worked for the purpose of computing overtime.
- 20.03 Employees who are prevented from reporting for work by reason of sickness or injury shall notify their supervisor of same within one-half (½) hours of their scheduled shift start time giving the reason for the absence. PPT hours will not be paid in cases of unauthorized absence or tardiness or on an employee's regularly scheduled days off.
- 20.04 Requests for PPT for reasons other than sickness or injury must be requested for approval by the employee's supervisor at least one (1) day in advance. Such notice may be waived by the employee's supervisor.
- 20.05 Unused PPT shall not have any monetary value upon termination of employment for any reason, EXCEPT that employees who voluntarily terminate employment after submitting a two (2) week advance written notice or have been placed on lay off for more than thirty-one (31) days are eligible to receive pay for all accrued unused Paid Personal Time.

21.00 - GROUP INSURANCE

21.01 Group Medical & Dental Insurance

The Company will, during the life of the bargaining agreement, maintain and contribute to the cost of health care insurance for full time bargaining unit personnel. It is agreed that the Company may change vendors or plan design of health care, dental care, life insurance and/or STD and LTD insurance 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. An employee is eligible the first day of the month after the completion of thirty (30) days employment.

a. MONTHLY PAYMENTS- GROUP MEDICAL/DENTAL/VISION PLANS

	Effective: <u>8/1/2008</u>	<u>1/1/2010</u>	<u>1/1/2011</u>
Employee Only	\$ 78.62	\$ 84.91	\$ 97.00
Employee + One	\$135.00	\$145.80	\$198.60
Employee + Family	\$189.00	\$204.12	\$288.00

b. OPT-OUT OPTION. Employees may choose to not be covered by any Company offered Health & 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.

21.02 LIFE INSURANCE. Employees may purchase optional life insurance/accidental death and dismemberment insurance (AD&D) (to the extent such coverage is available). Employees may purchase dependent life by payroll deduction. Proof of insurability and approval by the insurance carrier is required prior to purchasing any optional life insurance/AD&D and dependent life insurance.

21.03 SHORT TERM DISABILITY. The Company will make available for employee purchase via payroll deduction optional short-term disability insurance (STD) as defined in the Summary Plan Description for employees. The STD insurance provides a combined benefit of sixty percent (60%) of the employee's monthly compensation (to a maximum of \$450 per week) for up to twenty-six (26) weeks (provided coverage is available).

21.04. LONG TERM DISABILITY. The company will make available for employee purchase via payroll deduction optional long-term disability insurance (LTD).

21.05 The Company will provide life insurance in the amount of \$20,000, with AD&D, at no cost to the employee.

22.00 - LEAVES OF ABSENCE

22.01 **MILITARY LEAVE:** The parties agree to provide bargaining unit employees with military leave and reemployment in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 as it may be amended from time to time.

22.02 **JURY DUTY:** Employees absent due to jury service shall be paid at their current rate of pay less any payment received by the court exclusive of transportation and meal cost. This pay shall not exceed thirty (30) days in any twelve (12) month period. To be eligible for jury duty pay, the employee must present a statement from a court official attesting to the dates and times of such service and the fee or compensation paid by the court less transportation and meal cost. In no event shall such 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) per regular work day or hours in excess of forty (40) per week.

Employees on jury duty will not be considered for overtime assignments during the work week(s) during which they are serving.

Employees required to appear in any court in behalf of the U.S. Government or the Company shall be compensated for all time spent in the appearance.

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.

22.03 **BEREAVEMENT LEAVE:** Any employee will be granted time off with pay to attend the funeral of family members as follows:

Three (3) work days in the case of immediate family members defined as mother, father, sister, brother, spouse, daughter, son, mother-in-law, father-in-law, stepchildren, stepbrother and stepsister.

Two (2) work days in the case of other family members limited to brother and sister-in-law, grandmother, grandfather, great grand mother, great grand father, or grandchildren and great grandchildren.

22.04 **PERSONAL LEAVE:** Upon written application from an employee, the Company may grant a leave of absence without pay to employees for personal reasons up to a maximum of thirty (30) days, where good cause is shown. During the period of absence, the employee shall not engage in gainful employment without written approval from the Company. The leave may be extended or renewed for additional periods of time for reasons which, in the opinion of the Company, are satisfactory. Seniority shall continue to accumulate during a personal leave of absence.

- 22.05 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.
- 22.06 Seniority shall not accrue during any leave of absence exceeding sixty (60) days, except as provided by law.

23.00 - SAVINGS PLAN

- 23.01 The Company will provide all full-time seniority employees covered by this Agreement with an IRS approved 401(k) savings plan and in accordance with the Company's Plan document. Effective June 1, 2008, the Company contribution shall be 3.0% of each employee's base compensation per calendar year. Payments will be made every payroll period, and the employee is immediately vested. No contributions shall be made for employees on short term disability, worker's compensation, or any unpaid absence or leave of absence.
- 23.02 Benefits, terms and conditions as set forth in the summary plan document shall apply.
- 23.03 The employee may elect to contribute up to twenty-five percent (25%) of their base compensation, into the IRS approved 401(k) savings plan.

24.00 - GENERAL

- 24.01 **AGREEMENT.** 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.
- 24.02 **WAIVER.** The waiver or 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.
- 24.03 **SAVINGS CLAUSE.** Should any part hereof, or any provision herein contained, be rendered or declared invalid by reason of any existing or subsequently enacted legislation or regulation or by reason of any decree of a court of competent jurisdiction, such invalidation of such parts of this Agreement shall not invalidate the remaining portions hereof and the said remaining portions shall remain in full force and effect.
- 24.04 Within thirty (30) days, the Company and Union shall meet to negotiate new contract language to replace the particular clause(s), which was invalidated by federal or state legislation.
- 24.05 The Company shall furnish the Union and Chief Steward with a copy of the collective bargaining agreement, drug free workplace policy and disciplinary guide in computer pdf format.
- 24.06 **ZIPPER CLAUSE.** 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.
- 24.07 **OUTSIDE PERSONNEL.** Due to the nature of the work to be performed, personnel from other locations may be brought in to perform short term specific assignments, when there are no qualified employees on lay-off in the classification(s) of work affected and so long as such action does not cause the lay-off of any qualified employees from the affected classification.
- 24.08 The provisions of this Agreement shall be binding upon the Company and its successors, assign or future purchasers.

- 24.09 The Company shall provide suitable water coolers and ice for flight line personnel.
- 24.10 **SAFE CONDITIONS.** The Company shall maintain safe and healthful conditions including safety equipment as is necessary to protect employees from injury, i.e., goggles and wet weather gear. It is the desire of both parties to this Agreement to maintain high standards of safety in the operations of the Company in order to eliminate, as far as possible, industrial accidents and illnesses.
- 24.11 **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 Pensacola Naval Air Station regulations.

25.00 – SECURITY

- 25.01 Union recognizes that the Company may now have, or may incur in the future, obligations with respect to the security of information and materials under contract with the Government. The Union agrees that nothing contained in this agreement shall place the Company in violation of security requirements with the Government.
- 25.02 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.*
- 25.03 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 U.S. government an/or non-receipt of a required clearance.
- 25.04 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.

26.00 - DURATION

- 26.01 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 and shall not be subject to Arbitration or negotiation except by mutual agreement. Further, 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.
- 26.02 This Agreement shall be effective the **16th day of September, 2009**, and shall continue in full force and effect through the 31st day of **July, 2010**, and thereafter from year to year unless sixty (60) days written notice of the party's desire to renegotiate the Agreement 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.

L-3 Comm.Vertex Aerospace LLC

IAM & AW Local Lodge No. 2777

Chuck Adams
Manager, Labor Relations

Tony Wirth
Business Representative

Paul Romel
T-1A Site Manager

Vic Alexander
Negotiating Committee

APPENDIX A

Title	Current Rate	Oct 1, 2009	Jun 1, 2010
CLERK, SUPPLY	\$13.75	\$13.75	\$14.25
CLERK, SUPPLY	\$16.75	\$16.75	\$17.00
AIRCRAFT REPAIRMAN "A"		\$21.80	\$21.80
QUALITY CONTROL INSPECTOR		\$24.17	\$24.17