

COLLECTIVE BARGAINING AGREEMENT

By and Between

PEXCO, LLC - YAKIMA

and

**INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS, AFL-CIO
DISTRICT LODGE 751, LOCAL LODGE 1951**

DECEMBER 01, 2010 – NOVEMBER 30, 2014

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1 **COLLECTIVE BARGAINING AGREEMENT**

2 **OF**

3 **DECEMBER 01, 2010**

4 **BETWEEN**

5 **PEXCO LLC - YAKIMA**

6 **AND**

7 **INTERNATIONAL ASSOCIATION OF MACHINISTS**
8 **AND AEROSPACE WORKERS, AFL-CIO**
9 **DISTRICT LODGE 751, LOCAL LODGE 1951**

10 **PREAMBLE**

11 THIS AGREEMENT, dated December 01, 2010, made and entered into by
12 and between Pexco LLC - Yakima Plant (hereinafter referred to as "the
13 Company"), and the International Association of Machinists and Aerospace
14 Workers District Lodge 751, affiliated with the IAM International (hereinafter
15 referred to as "the Union").

1 **ARTICLE 1**
2 **BARGAINING UNIT**

3
4 **Section 1. Union Recognition.**

5 The Company recognizes the Union as the sole and exclusive bargaining
6 agent for the unit certified in NLRB Case No. 19-RC-14917 which includes all full-
7 time and regular part-time extrusion operators, fabricators, maintenance
8 employees, quality control employees, tool and die employees, CNC
9 programmers, die developers, shipping clerks, color specialists, production
10 assistants, shipping and receiving employees, die cleaners and leads employed
11 by the Company at its Union Gap, Washington facility, excluding all other
12 employees, guards and supervisors as defined in the Act.

13
14 **ARTICLE 2**
15 **UNION SECURITY**

16
17 **Section 1. Union Membership.**

18 All employees within the bargaining unit shall become members of the
19 Union in good standing within thirty-one (31) days following the beginning of
20 such employment or within thirty-one (31) days following the execution of this
21 Agreement, whichever is later, and shall thereafter maintain their membership in
22 good standing in the Union during the life of this Agreement, as a condition of
23 continued employment.

24
25 **Section 2. Satisfaction of Obligation.**

26 Employees who are required to maintain membership in good standing in
27 the Union may satisfy that obligation by timely tendering to the Union an amount
28 equal to the Union's regular and usual monthly dues and initiations.

1 **Section 3. Failure to Satisfy Obligations.**

2 In the event an employee who, as a condition of continued employment,
3 is required to become a member of the Union in good standing therein, but does
4 not do so within the required time periods, the Union will notify the employee
5 and the Company in writing of such employee's delinquency. The Company
6 agrees to advise such employee within seventy-two (72) hours of receipt of such
7 notice that his/her employment status with the Company is in jeopardy and that
8 his/her failure to meet his/her obligation within seven (7) work days after notice
9 from the Union will result in his/her termination of employment. The Company
10 will not terminate an employee for failing to meet his/her Union security
11 obligations until requested in writing by the Union, with copy to the affected
12 employee, that the Company do so. Such requests for discharge shall be made
13 by registered mail from the Directing Business Representative to the Human
14 Resources Department in Yakima, WA (or his/her designee). Upon receipt of
15 such written request, the Company must terminate the employee before the next
16 shift. The Union will provide adequate notice to the employee of his/her financial
17 obligations to the Union per the law and this Agreement.

18
19 **Section 4. Checkoff.**

20 The Company agrees for the term of this Agreement, upon receipt of a
21 written assignment and authorization, in a form satisfactory to the Company and
22 the Union, voluntarily executed by an employee, to deduct from their pay once
23 each month Union dues in the amount specified in such assignment or
24 authorization, and to pay the monies thus deducted to the Union official
25 designated by the Union in a timely manner. The Union shall indemnify and hold
26 the Company harmless against any and all claims, demands, suits or other forms
27 of liability that may arise out of or by reason of action taken or not taken by the
28 Company for the purpose of complying with any of the provisions of this Article.
29 It is understood that after one (1) year from the date of its execution any

1 assignment or authorization shall be revocable by an employee in accordance
2 with the terms of the written authorization.

3
4 **Section 5. Guide Dogs of America and Machinists Non-Partisan Political**
5 **League.**

6 The Company further agrees for the term of this Agreement, upon receipt
7 of a written assignment and authorization applicable to each deduction, in a form
8 satisfactory to the Company and the Union, voluntarily executed by an employee,
9 to deduct from their pay once each month his/her voluntary contribution to
10 Guide Dogs of America or the Machinists Non-Partisan Political League in the
11 amount specified in such assignment or authorization, and to pay the monies
12 thus deducted to such specified organizations on a monthly basis, in one (1)
13 check, the total amount deducted along with the name of each contributing
14 employee, his/her Social Security number and the amount deducted from his/her
15 paycheck. A contributing employee may revoke his/her contributions to Guide
16 Dogs of America or the Machinists Non-Partisan Political League by providing
17 written notice to Company, such revocation to be effective immediately.

18
19 **Section 6. Employer to Notify Union of New Hires or Re-Hires.**

20 The Company mutually agrees to notify the Union within one (1) week of
21 hire date the name, address, phone number, date of hire, classification, and rate
22 of pay of any new hire or re-hire into the bargaining unit via United States Mail,
23 facsimile or email.

24
25 **ARTICLE 3**
26 **UNION REPRESENTATIVES**

27
28 **Section 1. Union to Furnish List of Representatives.**

29 The Union shall inform the Company in writing of the names of its
30 Representatives and Stewards who are accredited to represent it, which

1 information shall be kept up to date at all times. Only persons so designated will
2 be accepted by the Company as representatives of the Union.

3

4 **Section 2. Access to Plant.**

5 Upon mutual agreement between Company (Human Resource officials or
6 Plant Manager) and Union representatives as to scheduling, the designated
7 Agent of the Union shall have reasonable access to the Company's facility during
8 normal working hours; provided, however, that there is a member of senior
9 management on site during such visit and there is no interruption of the
10 Company's working schedule. The Company will not impose regulations which
11 exclude the Business Representative from the plant or render ineffective the
12 intent of this provision.

13

14

ARTICLE 4

15

MANAGEMENT RIGHTS

16

17 **Section 1. Management Rights**

18 Nothing in this Agreement shall be construed to limit or impair the right of
19 the Company to exercise its discretion in determining whom to employ, the
20 services to be performed, the methods of service, the methods, materials and
21 equipment to be used and the discontinuance of any service or product, or
22 method of service or operation; to introduce new equipment, machinery or
23 processes and to change or eliminate existing equipment, machinery or
24 processes; and to automate processes or operations; to discontinue, transfer or
25 relocate, temporarily or permanently, in whole or in part, the conduct of its
26 business or operations; to close or sell its facility or any part thereof; to
27 determine the size, composition and competency of the workforce, including the
28 number of shifts required and the number of employees assigned to any
29 particular shift or operation; to select, hire, train, direct, control, promote, layoff
30 and transfer employees, and to discipline, suspend and discharge employees for

1 just cause; to establish, expand, change, reduce, combine, transfer, alter, or
2 abolish jobs, job classifications, departments, operations and the job content of
3 any job, job classification, operation or department; to require overtime and to
4 determine the amount of overtime necessary to be worked; to determine the
5 amount of work to be performed during the employee's regular workday, to
6 require all work to be performed in a satisfactory and workmanlike manner and
7 to establish standards of performance. Thus, the Company retains all of the
8 rights, privileges and prerogatives which it would have in the absence of this
9 Agreement, except to the extent that such rights, privileges and prerogatives are
10 specifically and clearly abridged by express provisions of this Agreement.

11
12 **Section 2. Work Assignments.**

13 Notwithstanding any other provision of this Agreement, the Company may
14 assign to any employee work which is not normally performed by the employee,
15 whenever and wherever in the sole discretion of the Company it is reasonable to
16 do so for the purpose of efficient operations. Employees shall be obligated to
17 perform the work assigned to them by management.

18
19 **ARTICLE 5**

20 **WAGES**

21
22 **Section 1. General Wage Increases.**

23 General wage increases will be granted as follows:

- 24
25 (A) Effective December 01, 2010, all employees will have their
26 hourly base rates increased by forty cents (\$0.40) per hour;
27
28 (B) Effective December 01, 2011, all employees will have their
29 hourly base rates increased by forty cents (\$0.40) per hour;
30

1 (C) Effective December 01, 2012, all employees will have their
2 hourly base rates increased by forty cents (\$0.40) per hour;

3
4 (D) Effective December 01, 2013, all employees will have their
5 hourly base rates increased by fifty cents (\$0.50) per hour.
6

7 **Section 2. Starting Pay.**
8
9

10 Job	Entry Level Rate	Entry Level Rate	Entry Level Rate	Entry Level Rate
11 Category	12/01/2010	12/01/2011	12/01/2012	12/01/2013
12 A	\$11.12	\$11.27	\$11.42	\$11.57
13 B	\$12.44	\$12.59	\$12.74	\$12.89
14 C	\$13.39	\$13.54	\$13.69	\$13.84
15 D	\$14.33	\$14.48	\$14.63	\$14.78
16 E	\$15.28	\$15.43	\$15.58	\$15.73
17 F	\$16.35	\$16.50	\$16.65	\$16.80
18 G	\$17.15	\$17.30	\$17.45	\$17.60
19 H	\$18.05	\$18.20	\$18.35	\$18.50
20 I	\$18.95	\$19.10	\$19.25	\$19.40
21 J	\$19.85	\$20.00	\$20.15	\$20.30
22 K	\$21.65	\$21.80	\$21.95	\$22.10

23
24 The job titles within each job category are specified in Appendix A.
25

26 When necessary to fill vacant positions, the Company may offer such
27 applicant a starting wage above the entry level rate for the job category in which
28 the employee is to be hired.
29
30

1 **Section 3. Pay Days.**

2 Pay days for employees under this Agreement on all shifts shall be on or
3 before Friday of every second week.

4
5 **Section 4. Leads.**

6 The regular rate of pay for a Lead 1 shall be the individual's base pay per
7 hour plus one dollar sixty-five cents (\$1.65). Employees who fill in for Leads for
8 more than four (4) hours shall be paid their base pay plus one dollar (\$1.00) for
9 each hour worked as a Lead.

10
11 **Section 5. Temporary Work Assignments.**

12 Employees who work temporarily for more than four (4) hours in a job
13 category with a higher rate of pay than their own job category shall be paid at
14 the entry rate of pay or at their current rate plus fifty cents (\$0.50), whichever is
15 higher, for the job in which they are working temporarily for all hours worked in
16 that job. Employees who are required by the Company to work in a job in a
17 lower Job Category than their own shall be paid their regular rate for all hours
18 worked in such lower Job Category.

19
20 **Section 6. Promotions and Job Bidding.**

21 Employees will not be eligible to bid on a job until they have successfully
22 completed their probationary period as specified in Article 10, Section 2.
23 Employees who successfully bid to a job in a higher Job Category will, upon the
24 commencement of the new job, receive either the entry level rate for the Job
25 Category in which the new job falls or an one dollar (\$1.00) per hour increase,
26 whichever is greater. Employees shall be allowed only one (1) successful lateral
27 job bid (i.e., within their Job Category) in a twelve (12) month period. Employees
28 will be allowed only one (1) successful downward job bid (i.e., to a job in a lower
29 Job Category) in a twenty-four (24) month period.

30

1 **Section 7. Shift Differential Pay.**

2 Employees who are regularly assigned to a fixed afternoon or evening
3 shift shall receive forty cents (\$0.40) per hour in addition to their regular hourly
4 pay for each hour worked on such shift.

5 **Section 8. Production Bonus Plan.**

6 The Company shall implement a Production Bonus Plan as set forth in
7 Appendix B to this Agreement. The terms of the Plan are not subject to
8 reopening during the term of the Agreement unless both parties agree to such
9 reopener or the Company has made significant investments in process or
10 machinery which could materially affect the metrics set forth in the Plan.
11 However, the parties agree that they shall meet intermittently to exchange
12 information, suggestions and ideas concerning the Plan.

13
14 **ARTICLE 6**
15 **HOURS OF WORK**
16

17 **Section 1. Hours of Work.**

18 The Company and the Union agree to established hours of work, work
19 schedules, shifts and work days for the employees covered by this Agreement
20 and any other schedules agreed upon by both parties. The employer may from
21 time to time change established hours, schedules, shifts and work days when
22 necessary to meet production requirements upon advance notice of fourteen
23 (14) calendar days to the Union. The Company will make a reasonable effort to
24 fix twelve (12) hour shift schedules on a calendar rotation of ten (10) weeks.

25
26 **Section 2. Overtime.**

27 Employees shall be paid overtime pay in accordance with applicable law.
28 The parties agree that in calculating the number of hours worked in a work week
29 under this paragraph, only hours actually worked by the employee shall be counted.

1 The employer shall designate one (1) bulletin board on which to post
2 notices to employees that overtime will be scheduled and the employer shall use
3 its best efforts to post such notices at least three (3) days prior to the day when
4 overtime is to be worked.

5
6 Seniority as used in this paragraph shall refer to unit seniority. The
7 senior, qualified employee in the department and job classification where the
8 overtime need exists who volunteers for overtime shall be first selected. If there
9 are not enough qualified volunteers to fill the overtime requirements, the
10 Company shall designate the junior qualified employee in the department and
11 job classification where the overtime requirement exists. On the next occasion
12 where overtime is required in the same department and job classification, the
13 next most junior employee shall be designated and on the following occasion the
14 employee who is third from the bottom of the seniority list shall be designated
15 and so on until all of the employees in the job classification at issue have been
16 required to work overtime. Any employee who has worked twenty-four (24)
17 hours or more of overtime in the fourteen (14) days preceding the Company's
18 need for overtime work may turn down the overtime assignment and the
19 Company shall call upon the next most junior qualified employee on the list to
20 perform the overtime work available. Designated overtime may not be
21 scheduled on either end of any pre-approved vacation.

22
23 **Section 3. Alternate Work Schedule.**

24 The Company may establish a weekend shift during which employees shall
25 work up to three (3) twelve (12)-hour shifts and, employees working at least thirty-
26 six (36) hours during such weekend shift shall be paid for forty (40) hours of work
27 at their regular, straight-time hourly rate. Employees on the weekend shift who
28 work less than thirty-six (36) hours will be paid by the hour and shall not receive the
29 four (4) hour premium pay unless the short fall in hours worked from thirty-six (36)
30 are hours paid for vacation, holidays, jury duty, bereavement leave or personal days

1 under this Agreement. Abuses in the use of benefit hours to obtain premium pay
2 pursuant to this Section shall result in disciplinary action. Employees working the
3 weekend shift shall accumulate benefits like other employees employed pursuant to
4 this agreement. The Company agrees to notify and meet with the Union to
5 negotiate any modifications of this alternative work schedule. For twelve (12) hour
6 weekend shifts, any hours worked over thirty-six (36) hours in a work week will be
7 paid at time and one-half the employee's regular rate.

8
9 **Section 4. Call Back Pay.**

10 Employees called in outside of their regular schedule because of
11 emergencies as determined by the Company shall be entitled to a minimum of
12 four (4) hours pay at their regular rate (unless such hours exceed forty (40) in a
13 work week). If such employee is already at work when notified of the need to
14 continue working, such employee shall not be entitled to a guaranteed minimum
15 number of hours.

16
17 **Section 5. Report Time.**

18 If an employee reports to work as scheduled, he/she shall receive a
19 minimum of four (4) hours pay at his/her regular rate of pay, excluding
20 premiums. Report time will not apply in case of emergency shutdowns arising
21 out of any condition beyond the Company's control. An employee who leaves
22 work of their own volition, or because of incapacity (other than work related
23 injury or work related illness) or is discharged or suspended for cause after
24 beginning work, will be paid only for the number of hours actually worked during
25 that shift. An employee who leaves work because of incapacity due to industrial
26 injury shall receive full pay for their shift, excluding premiums.

27
28 **Section 6. Rest Periods.**

29 Employees will receive proper rest periods during and between shifts in
30 accordance with applicable law.

1 **ARTICLE 7**
2 **ATTENDANCE**
3

4 **Section 1. Attendance.**

5 Employees are required to have clocked in and be at their work stations
6 ready to begin work at the scheduled time for the beginning of their respective
7 shifts. Employees may not clock in more than seven (7) minutes in advance of
8 the beginning of their shift. It is understood and agreed that violations of the
9 attendance policy will result in disciplinary action as set forth in Section 5 of this
10 Article.
11

12 **Section 2. Definition of Terms.**

13 Absence: An absence is the failure by an employee to attend his/her
14 regularly scheduled shift of work or work for which the employee volunteered or
15 was otherwise scheduled by management, unless the reason for such failure is:
16

- 17 A. Vacation, holidays, jury duty, funeral leave, leaves of
18 absence granted in accordance with the terms of this
19 Agreement;
- 20 B. When required to attend Court or a legal proceeding
- 21 C. Absences caused by injury suffered in the course of
22 employment
- 23 D. Personal Days

24 Tardy: An employee is tardy when he/she fails to be at their work station,
25 on time up to thirty (30) minutes, as scheduled, or when an employee is not at
26 their work station after lunch or other scheduled breaks in accordance with the
27 applicable schedule or when an employee clocks out before the end of their
28 scheduled shift without prior approval of their Supervisor or designated backup.

1 Employees must clock in in time to be able to be at their work stations, ready for
2 work, in accordance with their work schedule.

3 Late: An employee is late when he/she fails to be at their work station
4 after thirty (30) minutes but no more than two (2) hours from the start time of
5 their scheduled shift.

6 **Section 3. Notification Requirements.**

7 Employees who will be absent or tardy or late are required to notify the
8 Company as soon as possible, but no later than one (1) hour prior to the
9 beginning of the employee's scheduled shift or work assignment. If, as a result
10 of emergency circumstances beyond the employee's control, the employee
11 cannot provide at least one (1) hour notice, the employee shall give the
12 employer as much notice as possible, explain to the Company the reasons for the
13 absence and lack of notice, and the Company agrees to consider such
14 circumstances when determining what, if any, action should be taken as a result
15 of the lack of notice. Employees will be required to provide their names, the
16 reason for their absence, and their expected date and time of return to work. In
17 addition, the employee shall leave a phone number where the employee can be
18 reached. Employees should notify management an hour or more prior to their
19 starting time of their expected absence or tardiness or lateness, in order, as
20 follows:

21

- 22 A. The On Shift Supervisor; and, in his/her absence, then
- 23
- 24 B. The Department Manager or any other management
- 25 employee at the facility; and, in their absence, then
- 26
- 27 C. The receptionist

28

29

1 D. Employees are expected to attempt to notify the individuals
2 described above and failure to attempt to do so may be
3 grounds for disciplinary action. However, if the employee is
4 unable to speak with any of the individuals described in A, B
5 or C above, the employee shall leave a voicemail providing
6 the information specified.

7
8 E. The above notification policy is to be followed unless
9 otherwise instructed by the Department Manager.

10
11 The office phone number is: (509) 248-9166. The after hours,
12 (weekend) and night number for the plant is: (509) 248-9957.

13 **Section 4. Points for Absences/Tardiness.**

14 The Union and the Company agree that the attendance policy at the plant
15 shall be a "no fault" policy. The levels of offense and points assessed will be as
16 follows:

17
18 No Call, No Show: Employees who fail to report to work on scheduled
19 workdays or days for which they have signed up to cover vacation or work
20 overtime, and do not call the Company in accordance with Section 3 above, will
21 be assessed five (5) points.

22 Failure to clock in or out: Employees who fail to clock in or out for their
23 shift or lunch breaks will be assessed one-half (0.5) point.

24
25 Full day of absence: Employees who miss a full day of work will be
26 assessed one and one-half (1.5) points. If an employee does not work for at
27 least one (1) hour of their shift before leaving, the employee will receive the full
28 one and one-half (1.5) points for the day's absence. A signed "Time-off

1 Request" form must be turned into Payroll within twenty-four (24) hours after
2 the return of the employee.

3
4 Tardiness: When an employee is tardy, the employee will be assessed
5 one-half (0.5) point (not to include clocking out before end of shift).

6
7 Lateness: When an employee is late, the employee will be assessed one
8 (1) point.

9
10 Early Departure: If leaving early is authorized by a supervisor, the
11 employee will be assessed one-half (0.5) point. For unauthorized early
12 departure the employee will be assessed one (1) point.

13
14 Use of Unscheduled Personal Days: No points will be assessed if the
15 employee follows the notification policy. After an employee exhausts their
16 company sponsored personal days, the employee then receives one and one-half
17 (1.5) points per day.

18
19 **Section 5. Disciplinary Action.**

- 20 4.5 Points in a 12-month period - Verbal Warning
21 6.0 Points in a 12-month period - Written Warning
22 9.0+ Points in a 12-month period - Disciplinary Probation pursuant
23 to a Last Chance Written Warning

24
25 1.5 Points accumulated in the sixty (60) day period following the
26 Last Chance Written Warning - Termination. If an employee
27 successfully completes the disciplinary probationary period
28 referenced above but accumulates points thereafter such that the
29 employee reaches 9.0+ points within a twelve (12) month period -

1 disciplinary probationary period pursuant to a Last Chance Written
2 Warning.

3
4 The twelve (12) month measuring period shall be on a twelve (12) month
5 rolling period.

6
7 **ARTICLE 8**
8 **GRIEVANCE/ARBITRATION PROCEDURE**
9

10 **Section 1. Definition.**

11 The term "grievance" shall mean a claim that there has been a violation of
12 or a disagreement over the interpretation a specific term of this Agreement.
13 Disciplinary action taken under this Agreement will be for "just cause."
14

15 **Section 2. Time Limits.**

16 The Company shall not be required to consider or process any grievance
17 not presented in Step 1 within fourteen (14) calendar days of the date of the
18 alleged violation. All time limits are of the essence and cannot be extended
19 unless by written mutual agreement between the Company and the Union. Any
20 grievance shall be considered as settled on the basis of the last answer of the
21 Company if not appealed to the next step or to arbitration within the time limits
22 set forth in this Article, unless waived in writing.
23

24 **Section 3. Grievance Steps.**

25 Step 1. (Verbal). Any employee having a grievance shall first bring it
26 to the attention of their immediate supervisor. Such grievance shall
27 be noted on a form to be prepared and signed by the grievant and his
28 supervisor. A Union steward may be present if requested by the
29 Company or the employee. The supervisor will provide the employee

1 with a written answer to the grievance within five (5) calendar days
2 of the date the grievance was presented by the employee.

3
4 Step 2. (Written). The immediate supervisor's written decision will
5 be final and binding unless the Union forwards, in written form, a
6 grievance to the Department Manager, within seven (7) calendar days
7 of the Union's and employee's receipt of the supervisor's written
8 decision. Such grievance shall be directed to the Department
9 Manager and shall state the facts on which the grievance is based,
10 reference the specific contract Articles allegedly violated and the
11 requested remedy. Within seven (7) calendar days of his/her receipt
12 of the grievance, the Department Manager or his/her designee will
13 meet with the aggrieved employee and the Union steward or
14 designee in an effort to adjust the grievance and the Department
15 Manager shall give a written answer to the Union within five (5)
16 calendar days after the meeting.

17
18 Step 3. (Pre-Arbitration). The Department Manager's written
19 decision at Step 2 will be final and binding unless, within seven (7)
20 calendar days of the receipt by the Union and the employee of that
21 decision, the grievance is appealed in writing to the Plant Manager.
22 Such appeal shall be directed to the Plant Manager and shall state the
23 facts on which the grievance is based, reference the specific contract
24 Articles allegedly violated and the requested remedy. If so appealed,
25 within fourteen (14) calendar days of the Plant Manager's receipt of
26 appeal, the Plant Manager or his/her designated representative will
27 meet with the aggrieved employee and the Union Business
28 Representative and designated Human Resource representative. The
29 Plant Manager or his/her designated representative will give a written
30 answer to the Union and employee within seven (7) calendar days

1 from the date of such meeting. All parties attending such meetings
2 shall have available someone with full authority to make final and
3 binding settlements.
4

5 Step 4. (Arbitration). The decision of the Plant Manager at Step 3
6 will be final and binding unless, within ten (10) calendar days of the
7 Union's and employee's receipt of the Plant Manager's written
8 decision, the grievance is appealed in writing to arbitration. Such
9 appeal shall be directed to the Plant Manager and shall state the facts
10 on which the grievance is based, reference the specific contract
11 Articles allegedly violated and the requested remedy. An impartial
12 arbitrator shall then be appointed by mutual agreement of the parties
13 or, failing such agreement within seven (7) calendar days, a request
14 shall be initiated to the Federal Mediation and Conciliation Service to
15 submit a panel of seven (7) names from which a selection shall be
16 made by the parties striking one person on the panel alternately with
17 the last person remaining to serve as the impartial arbitrator. The fees
18 and expenses of the arbitrator and any other joint expense incurred in
19 connection with the arbitration proceedings shall be shared equally by
20 the Company and the Union. The decision of the arbitrator will be final
21 and binding on the Company, the Union, the Union's membership and
22 the aggrieved employee or employees.
23

24 **Section 4. Authority of Arbitrator.**

25 The jurisdiction and authority of the arbitrator shall be confined exclusively
26 to the interpretation of this Agreement. The arbitrator shall have no authority to
27 add to, detract from, alter, amend or modify any provision of this Agreement. The
28 arbitrator shall not substitute his/her judgment for that of the Company where this
29 Agreement has specified whose judgment will be used or the matter involved has
30 been reserved to the Company.

1 **Section 5. Separate Proceedings.**

2 Unless otherwise mutually agreed to by the Company and the Union, each
3 grievance appealed to arbitration shall be the subject of a separate and distinct
4 arbitration hearing and decision.

5

6 **Section 6. Terminations.**

7 In the case of termination, suspension, or alleged forced resignation, the
8 Union may skip Step 1 and may begin the grievance procedure at Step 2.

9

10 **Section 7. Union Determination.**

11 The Union shall make the final determination as to whether or not any
12 grievance involving employees in the bargaining unit shall be processed and
13 whether or not any grievance shall be settled.

14

15

ARTICLE 9

16

LEAVES OF ABSENCE, PERSONAL DAYS, JURY DUTY, BEREAVEMENT

17

LEAVE

18

19 **Section 1. Leave of Absence.**

20 A leave of absence may be granted to any employee who has completed six (6)
21 months of service for any reason deemed satisfactory to the Company or as
22 required by law. Except in emergency situations, a request for a leave of
23 absence must be made in writing to the Human Resource Department or one's
24 supervisor prior to the beginning of the leave.

25

26 **Section 2. Medical Leave.**

27 The Company will comply with the Family Medical Leave Act (FMLA). To
28 be eligible for medical leave, an employee must have been employed by the
29 Company:

30

- 1 (i) for at least twelve (12) months; and
- 2 (ii) worked for at least one thousand two hundred and fifty (1250)
- 3 hours during the twelve (12) month period immediately preceding
- 4 the commencement of the leave.

5

6 If an employee remains unable to return to work after exhausting their

7 allotment of FMLA leave, his/her job may be filled and the employee shall be

8 placed on inactive status for a period of twelve (12) months (including, but not in

9 addition to, their exhausted FMLA leave time). If a job opening occurs during

10 the twelve (12) month period for which such employee is eligible to bid, he/she

11 may bid on such job. If, during the twelve (12) month period, the employee is

12 unable to return to work for any reason or the employee has not successfully bid

13 into a job opening, the employment of such employee shall be terminated at the

14 conclusion of the twelve (12) month period.

15

16 The parties further agree that employees intending to take FMLA leave

17 must exhaust any personal days and vacation allowance concurrent with the use

18 of FMLA leave. For example, an employee who takes fourteen (14) days of

19 FMLA leave must, as part of that leave, use whatever personal days or vacation

20 days the employee has up to the fourteen (14) days of the FMLA leave.

21

22 **Section 3. Accumulation of Seniority.**

23 Seniority shall continue to accumulate during leaves of absence of twelve

24 (12) months or less.

25

26 **Section 4. Military Leave.**

27 The Company shall provide military leave and related benefits in

28 accordance with applicable law.

1 **Section 5. Personal Days.**

2 Personal Days are intended for the use in connection for a medically related
3 issue or personal matter. These days will be used prior to unpaid time being
4 granted to the employee. You may not use personal days if you are receiving
5 workers compensation.

- 6
- 7 • Employees will receive forty (40) hours of personal time each calendar
8 year. Unused personal days will be cashed out at the end of the calendar
9 year. Employees whose employment is terminated, whether voluntary or
10 involuntary, will not be paid for their unused personal days.

- 11
- 12 • New hires will receive a prorated portion of their personal days upon
13 successful completion of their probationary period.

- 14
- 15 • For all personal time not used by December 31, hours will be paid at their
16 normal rate of pay.

- 17
- 18 • Personal days can be scheduled two (2) days in advance and approved by
19 managers based on workload and employees seniority.

20

21 Personal days also may be taken in no less than two (2) hour increments on
22 either end of shift.

23

24 **Section 6. Bereavement Leave.**

25 Three (3) days at eight, ten or twelve (8-10-12) hours/per day of
26 bereavement leave with pay will be granted to an employee on the active payroll
27 for a minimum of ninety (90) calendar days who, because of death in his/her
28 immediate family, takes time off from work during his/her assigned work
29 schedule. Such pay shall be at his/her regular rate of pay, for each such day off;
30 however, such pay will not be applicable if the employee receives pay for such

1 days off under any other provisions of this Agreement. Bereavement leave must
2 be taken on consecutive workdays as selected by the employee within three (3)
3 calendar days before or after the funeral following the death (or evidence of
4 belated notification of death). For purposes of this Section the "immediate
5 family" is defined as follows: spouse, mother, father, mother-in-law, father-in-
6 law, children, brother, sister, son-in-law, daughter-in-law, brother-in-law, sister-
7 in-law, great-grandparents, grandparents, grandchildren, stepmother, stepfather,
8 stepchildren, stepbrother, stepsister, half brother, half sister, and spouse's
9 grandparents. In addition, an employee will be granted bereavement leave for a
10 stillborn child if the employee provides a certificate of fetal death which has been
11 certified by the attending physician.

12

13 **Section 7. Jury Duty.**

14 When an employee is required to attend jury duty on their regularly
15 scheduled working day, he/she shall receive pay for their regularly scheduled
16 shift at their rate of pay, excluding premiums. Employees shall receive holiday
17 pay if a holiday occurs while on jury duty. Employees on jury duty are required
18 to return to work if four (4) or more hours of time is left in their regularly
19 scheduled work shift at the time the employee is released from jury duty.

20

21 When an employee is subpoenaed as a witness in a case in which he/she
22 is not a party, he/she shall receive eight, ten or twelve (8-10-12) hours pay at
23 his/her regular rate of pay each day. Employees subpoenaed to testify in any
24 proceeding are required to return to work if four (4) or more hours of time is left
25 in their regularly scheduled work shift at the time the employee is excused by
26 the Court from further attendance.

27

28 Time spent on jury/witness duty is not to be counted as absenteeism for
29 purposes of disciplinary action or adjusting vacation.

30

1 In cases where seniority dates are the same, the higher seniority will be
2 determined by the earliest day and month of birth. For example, the seniority of
3 an employee born in February will be deemed ahead of the seniority of another
4 employee hired on the same day but born in April.

5
6 **Section 2. Probation Period.**

7 All new employees shall be considered probationary for a trial period of not
8 more than ninety (90) days which period may be extended by the Employer by
9 notice to the employee and with agreement from the Union. If, after this
10 probationary period the employee shall be retained, seniority shall run from the
11 first day the employee started to work. During the probationary period an
12 employee may be discharged for any reason which, in the opinion of the
13 Management, is just and sufficient, without said discharge being the subject of the
14 grievance or arbitration procedure provided herein.

15
16 **Section 3. Termination of Seniority.**

17 An employee's seniority shall be broken and terminated by:

- 18
- 19 1. Discharge for just cause
 - 20 2. Voluntary quit
 - 21 3. No work or layoff for more than eighteen (18) months
 - 22 4. Failure to respond to a notice of recall as specified in this Agreement
 - 23 5. Unauthorized leave of absence or failure to return to work after
24 leave has expired
 - 25 6. Absence without notice for three (3) consecutive days
 - 26 7. Accepts employment elsewhere while on leave of absence
 - 27 8. Continuous period of absence due to illness or disability for more
28 than twelve (12) months
- 29
30

1 **Section 4. Seniority List.**

2 The Company agrees to maintain a list or file of its employees in the order
3 of their seniority. The Company further agrees to keep this list up-to-date and
4 provided to the Union quarterly. The Company will not have any financial liability
5 for any discrepancies in the seniority list which has not been reported in writing
6 by the Union and the Company provided a reasonable opportunity to correct.

7

8 **Section 5. Layoffs.**

9 Should the Company determine that it needs to lay off employees in a
10 particular department, employees identified for layoff shall have the right to
11 bump less senior employees. Total amount of department and position seniority
12 will determine your seniority for bumping. The most senior person with the total
13 amount of department and position seniority may have the right to bump. In
14 applying this section, including "bumping rights", the Company shall first
15 consider the skills, abilities and experience necessary to staff the jobs remaining
16 after the layoffs in the particular department affected. Once the Company
17 determines the number of employees to be retained in the department affected
18 and the skills, abilities and experience necessary to staff such positions, the
19 Company will review the skills, abilities, experience and employees' both in and
20 outside of the affected department to determine which employees should be
21 retained based on those criteria. Should the Company determine that the skills
22 and abilities of the employees under review are relatively equal, the Company
23 will lay off such employees in reverse bargaining unit seniority order. As
24 provided below, actions under this Section shall be subject to Article 8, Grievance
25 and Arbitration Procedure.

26

27 **Section 6. Recall.**

28 The Company shall rehire employees laid off for less than eighteen (18)
29 months in the same manner and using the same criteria as used to determine
30 which employees would be laid off or retained as described in the paragraph

1 above except that when seniority is considered, the most senior employee will be
2 recalled.

3 In the event of a recall, the laid off employee shall be given notice of
4 recall by certified mail sent to the address on file at the Company. Within five
5 (5) work days after receipt of such notice, the employee must report for work,
6 unless otherwise specified in the written notice of recall. It is the responsibility
7 of the employee to notify the Company in writing of any change in address and
8 to pick up the certified mail notice of recall within five (5) work days of the
9 mailing of such notice. An employee who fails to comply with the above
10 provisions shall be considered a voluntary quit and shall lose all seniority rights
11 under this Agreement.

12

13 **Section 7. Job Opportunities.**

14 The Company shall determine the skills and abilities required for any
15 individual to fill a job at the Yakima plant. All bargaining unit positions will be
16 posted for bid for eight (8) calendar days prior to the cutoff date for applications
17 for such position. If one or more of the internal employee applicants are
18 qualified to step in and perform the job at issue with only minimal training and
19 that the skills and abilities of qualified employee applicants are relatively equal,
20 the Company will hire the senior, qualified employee applicant based on
21 bargaining unit seniority. If none of the employee applicants possess the
22 necessary skills and abilities to step in and perform the job at issue with only a
23 minimum of training, the Company may seek applications and hire individuals from
24 other sources. Employees who have not successfully completed the probationary
25 period may not bid on available openings.

26

27 **Section 8. Temporary Labor.**

28 The use of temporary labor may not cause or prolong the layoff of
29 incumbent full-time or part-time employees. Any temporary employee whose

1 employment exceeds nine (9) months will automatically be included in the
2 bargaining unit. Upon request, records of hours worked by temporary
3 employees will be made available for inspection and copying by the Union.

4
5 **ARTICLE 11**
6 **DRUG FREE WORK PLACE**

7
8 **Section 1. Statement of Purpose and Policy.**

9 The Company maintains a drug and alcohol free workplace. All employees
10 have the responsibility to report and be at work in a fit condition to perform their
11 jobs without unnecessary risk to themselves or other individuals. Therefore, the
12 Union and the Company agree that the unlawful use, manufacture, dispensation,
13 possession, purchase, sale or distribution of illegal drugs on Company property
14 or Company time is strictly prohibited.

15 Similarly, unauthorized use, possession, dispensation, purchase, sale or
16 distribution of prescription drugs or alcohol on Company property or on an
17 employee's work time is not allowed. In addition, being under the influence of an
18 illegal drug or alcohol while at work or on Company premises is strictly prohibited.

19
20 **Section 2. Notice and Consent to Drug and/or Alcohol Testing.**

21 All individuals seeking and currently holding positions with the Company
22 must complete and sign the Acknowledgement and Consent to Test authorization
23 form. Any applicant who refuses to sign the form will be denied employment
24 and will not be permitted to reapply for six (6) months from the date of
25 application. Any employee who refuses to sign the form will be terminated
26 without recourse to the grievance and arbitration provisions of this Agreement.

1 **Section 3. Use and Possession.**

2 Illegal Drugs

3 The use, possession, sale, purchase, or distribution of illegal drugs, or
4 having a measurable quantity of an illegal drug in one's system while at work,
5 performing services for the Company, or while on the Company's premises, is
6 prohibited. Any employee who is found to have violated this paragraph, whether
7 by test results or otherwise, will be terminated.

8
9 Alcohol

10 No alcoholic beverages will be brought onto, or consumed on the
11 Company's premises. Being under the influence of an alcoholic beverage while
12 at work, performing services for the Company, or while on the Company's
13 premises, is prohibited. Any employee who is found to have violated this
14 paragraph, whether by test results or otherwise, will be terminated.

15
16 Prescription and Nonprescription Medication

17 Employees using prescription and/or nonprescription medications must
18 inform their Human Resources Manager he use will likely impair their ability to
19 perform their job. Such impairment includes, but is not limited to, sleepiness,
20 dizziness, blurred vision, altered mental state, hallucinations, and nausea. An
21 employee will not be asked to reveal the medical condition which resulted in the
22 use of medication, but rather, only the possible side-effects of the medication
23 which is likely to impair the employee's work performance. An employee will be
24 required to provide confirmation from his or her physician of the need, proper
25 use and potential side effects, for the medication.

26
27 An employee who fails to report the use of prescription and
28 nonprescription medications which result in observed impaired behavior or job
29 performance will be asked to undergo a substance test, and will be subject to
30 disciplinary action up to and including termination.

1 **Section 4. Substance Testing.**

2 The Company will use any valid method of testing employees for drug or
3 alcohol use. References to a particular method of testing in this Article shall not
4 limit the Company in its chosen method of drug or alcohol testing. Drug Testing
5 will occur in four (4) situations:

6
7 Pre-employment

8 Drug testing will be a routine component of the pre-employment
9 application process. Potential employees must satisfactorily pass a drug test as a
10 condition of employment. In the event of a positive pre-employment drug
11 screen the applicant will not be permitted to reapply for employment for six (6)
12 months.

13
14 Failure to report for a pre-employment drug screen within twenty four
15 (24) hours of receiving paperwork and instructions to do so will be interpreted as
16 a refusal to comply with the policy and treated as a positive drug screen. The
17 applicant will not be permitted to reapply for employment for six (6) months.
18 Urine samples for drug testing will be collected under the supervision of an
19 authorized collection facility.

20
21 Reasonable Suspicion

22 Where a member of management believes, based on evidence, employee
23 conduct or existing circumstances, that an employee has violated the provisions
24 of Section 1 of this Article, the Supervisor will:

25
26 Request that the employee be escorted to an authorized facility where the
27 employee will provide a urine and/or blood alcohol or breath alcohol sample and;

28
29 Suspend the employee until an investigation is completed.
30

1 Any employee who refuses to be tested or attempts to interfere with or
2 alter the test results will be in violation of this policy, which will result in
3 disciplinary action up to and including termination of employment.

4
5 Post Accident

6 If an employee suffers an injury during the course of their employment,
7 the Company will require the employee to submit to a test for controlled
8 substances and/or blood alcohol. The test will be collected as soon as possible
9 after the accident, but no later than four (4) hours after the accident.

10
11 Random

12 If an employee is selected for a drug screen on a random basis, he/she
13 will be notified the day the screen is scheduled and the employee shall be tested
14 during his work shift. The Company will pay for such time and, if necessary,
15 provide all required transportation.

16
17 **Section 5. Procedures for Testing.**

18 All testing will be carried out at an authorized collection facility.
19 Individuals reporting for testing must present photo identification (i.e. picture
20 ID, driver's license, etc.). An independent and reputable laboratory or health-
21 care provider will do all the screening. All positive results will be subjected to
22 confirmatory testing.

23 Prior to any screening, employees will be requested to consent to the
24 screen and to the release of the results to the Company. Failure to comply with
25 a request to submit to a drug or alcohol screen will result in disciplinary action,
26 up to and including termination.

1 **Section 6. Re-testing.**

2 If an employee receives a confirmed positive test result from a urine or
3 blood sample he/she provided, the employee may request, within seven (7) days
4 of the date he/she is first informed of the results of the original test, a retest of
5 the original urine or blood sample. The employee's retest request must be in
6 writing and directed to the Human Resources Department. The employee must
7 pay for the requested retest. The employee is not permitted to submit a new
8 urine or blood sample instead of having the original samples re-tested.

9

10 The Company will request another urine sample be given by an employee
11 when any test result is deemed negative but questionable by the testing
12 laboratory or Medical Review Officer. The Company will pay for such a second
13 test. In the case of a second negative but questioned test, the employee and
14 the Medical Review Officer will meet to determine whether a valid, defensible
15 reason exists for multiple negative but questionable test results. An employee is
16 expected to cooperate with the Medical Review Officer to determine the reason
17 for such test results and failure to cooperate will lead to disciplinary action up to
18 and including termination. If the Medical Review Officer concludes that there is
19 evidence of tampering with, or intentional dilution of urine samples, or other
20 efforts to alter the test results, an employee will be disciplined, up to and
21 including immediate termination.

22

23 **Section 7. Confidentiality.**

24 The Company will maintain all test results in confidential files separate
25 from employee files. Test results will be kept confidential in accordance with
26 applicable circumstances, but may be released as required by law or as
27 necessary to respond to inquiries by a governmental agency or entity.

28

29

30

1 **Section 8. Discipline:**

2 An employee who tests positive for illegal drugs or under the influence of
3 alcohol will be terminated. An employee who tests positive for alcohol or
4 prescription or nonprescription medications following a reasonable suspicion test
5 or a random test or who is in violation of any part of this policy will be
6 terminated. The Company shall have the sole discretion in determining
7 appropriate disciplinary actions and an affected employee's recourse to the
8 grievance and arbitration procedures shall be limited to the question of whether
9 the violation of the drug policy set forth in Section 1 of this Article occurred.
10 Refusal to sign a consent form, refusal to submit to a test, and/or tampering with
11 a test sample will be grounds for immediate termination.

12
13 **Section 9. Emergency Response Assignments.**

14 An employee who is contacted at home and asked to report to work must
15 inform his/her Supervisor if he/she has used illegal drugs, is under the influence
16 of alcohol, or has taken prescription or nonprescription medications which could
17 impair job performance or create an unsafe work condition. Any employee who
18 reports for duty as requested will be subject to the terms of the drug and alcohol
19 policies set forth in this Article. In addition to disciplinary action, an employee
20 who is not discharged for violating this policy, will be required to participate in
21 the Company's Employee Assistance Program as a condition of continued
22 employment by the Company.

23
24 **Section 10. Employee Assistance Program.**

25 The Company shall maintain an Employee Assistance Program (EAP). The
26 EAP is an employee benefit that provides confidential counseling services to full-
27 time or regular part-time Pexco employees with respect to drug or alcohol
28 problems as well as other personal issues. The services provided under the EAP
29 are limited as set forth in the EAP plan as amended from time to time. The
30 Company will notify the Union of any such changes.

1 Voluntary participation in the EAP will not preclude pending disciplinary
2 action if an employee's use of illegal drugs, alcohol, or prescription or
3 nonprescription medications has already led to impaired work performance or to
4 a violation of Section 1 of this Article. However, an employee who seeks
5 assistance and successfully completes the recommended treatment program
6 before such use affects job performance or before violating Section 1 above will
7 not be subject to disciplinary action for the past substance use as long as the
8 employee complies with the recommendations of the EAP counselor and signs
9 and abides by a Return-To-Work Agreement as described below and maintains
10 satisfactory job performance and complies with Company policies.

11
12 An employee who seeks assistance through his/her Supervisor will be
13 immediately referred to the EAP for evaluation, counseling and/or referral to a
14 specialist or a treatment program. Counseling services provided under the
15 Employee Assistance Plan are funded by the Company. If additional treatment is
16 recommended, the employee is responsible for the expense, a portion of which
17 may be covered under the Company's group medical insurance plans available to
18 full-time employees.

19
20 If a treatment plan is recommended which requires time away from work,
21 the Company will consider placing the employee on a personal leave of absence,
22 following proper approval from the employee's Supervisor and Human Resources
23 Department, until the program is completed. The leave is unpaid unless sick
24 leave and/or vacation benefits are available, in which case they must be used
25 prior to the employee going on an unpaid leave of absence.

26
27 While all information shared with an employee assistance counselor is
28 privileged and confidential, if an employee's participation in the EAP or a treatment
29 program is a condition of employment, the employee's Supervisor and Human

1 Resources Department will be informed of the employee's progress and status and
2 other information which is needed for other legitimate reasons.

3
4 **Section 11. Return-to-Work Agreement.**

5 Employees returning to work following the completion of an approved
6 treatment program will sign a Return-to-Work Agreement. This agreement will
7 include, but is not limited to, acceptable work performance standards, continued
8 counseling as recommended by the treatment counselor, willingness to submit to
9 at least one (1) unscheduled substance test within the next twelve (12) month
10 period, and/or an understanding of last-chance nature of the agreement. The
11 Return-to-Work Agreement for an employee who voluntarily enters into the EAP
12 without having been found to have violated this Article shall not include a Last
13 Chance arrangement solely on the basis that the employee voluntarily submitted
14 to the EAP program. The number and timing of unscheduled tests will be at the
15 Company's sole discretion.

16
17 Unsuccessful completion of a treatment program, failure to comply with
18 the Return-to-Work Agreement, or testing positive to a subsequent substance
19 test will result in immediate termination.

20
21 **ARTICLE 12**
22 **DEFINITIONS**

23
24 **Section 1. Definitions.**

25 Full-time employees are those who work a minimum of thirty two (32)
26 hours per week, on average, over the last ninety (90) calendar days. In
27 calculating these numbers, time when on layoff shall not be counted.

28
29 Part-time employees are those working an average of less than thirty two
30 (32) hours per week over the last ninety (90) calendar days.

1 Temporary agency employees are those employees who are obtained
2 through a third-party contracting agency. The employment of a temporary
3 agency employee shall not be permitted where such employment causes or
4 prolongs the layoff of an incumbent employee.

5
6 Upon notice to the Union, the Company may, on occasion, hire summer
7 students to work on a temporary basis, not to exceed ninety (90) days.

8
9 **ARTICLE 13**
10 **HOLIDAYS**

11
12 **Section 1. Holidays.**

13 All regular full-time employees who do not work on the days set forth
14 below, except as provided below, will be paid eight (8) hours of pay at their
15 regular straight-time rate of pay excluding all premiums for the following
16 holidays:

- 17
- 18 • New Year's Day
 - 19 • Good Friday for eight (8) hour employees and Easter Sunday for
20 twelve (12) hour employees
 - 21 • Memorial Day
 - 22 • July 4th
 - 23 • Labor Day
 - 24 • Thanksgiving Day
 - 25 • Friday after Thanksgiving
 - 26 • Christmas Eve
 - 27 • Christmas Day
- 28
29

1 Beginning January 01, 2011, for plant closure days, any bargaining unit
2 employee has the option to defer any portion of their seventy-two (72) hours
3 holiday pay at their discretion. The employee may choose to draw from his
4 deferred holiday pay for any normally scheduled work hours. All deferred holiday
5 paid hours not used shall be paid out at the end of the year.

6
7 Part-time employees shall be paid a pro rata share of holiday pay based
8 on the percentage of hours they work per week relative to a forty (40) hour work
9 week.

10
11 **Section 2. Conditions Necessary for Holiday Pay.**

12 To be eligible for holiday pay, an employee must be full time or part time,
13 successfully completed the Company's probationary period and must be actively
14 employed by the Company as of the date the holiday falls.

15
16 An employee on leave of absence for any purpose (i.e., medical leave,
17 workers compensation, military leave, FMLA, etc.) is ineligible for holiday pay for
18 any holiday which occurs during the leave of absence. Holiday pay is not
19 counted toward the forty (40) hour requirement for overtime.

20
21 **Section 3. Work on Holidays.**

22 The Company has the right to designate any holiday as a workday for
23 either all or some of the employees. An employee who is scheduled to work on
24 a holiday shall be paid at his/her regular, straight-time hourly rate in addition to
25 receiving eight (8) hours of holiday pay. When a holiday falls on an employee's
26 normal day off, the employee will be paid holiday pay for such day. All of the
27 above holidays shall be paid for whether they fall on Saturday or any other day
28 of the week.

ARTICLE 14
VACATIONS

Section 1. Vacations with Pay.

The Company encourages each employee to take his or her annual vacation entitlement as paid time off from work. Except as required by law, vacation time cannot be carried over into the next year. If an employee is not able to use scheduled vacation at the company's request, such vacation hours may be paid or carried over at the employee's option.

After twelve (12) months of continuous service, each full-time employee is entitled to two (2) weeks paid vacation. Employees with less than twelve (12) months receive a prorated vacation benefit. Part-time employees are not eligible for paid vacation benefits.

Vacation is credited to you on January 1st of the New Year. Vacation time may not be taken prior to being credited.

Vacation time is not earned during a personal leave of absence or a non-FMLA qualifying medical leave of absence that exceeds thirty (30) calendar days. This excludes all union leave of absences.

<u>Length of Service</u>	<u>Annual Vacation</u>
Less than 1 year	Pro-rated up to 40 hours
1 – 9 years	80 hours
10 - 19 years	128 hours
20 years and over	168 hours

Vacation hours shall be deemed accrued as of the first work day in each calendar year. For example, an employee who has completed one (1) full year

1 of service and is in his second year of service as of January 1 of a given calendar
2 year shall be entitled to eighty (80) hours of paid vacation during such calendar
3 year beginning January 1.

4
5 Vacation scheduling shall be by seniority for the first three (3) months,
6 January 01 – April 01. The bidding will be from a period of April 01 of the
7 current year until March 31 of the following year. After April 01 of each year, it
8 will be on a first come – first served basis. In case of multiple bargaining unit
9 members applying for vacation on the same day, seniority shall prevail. The
10 vacation must be submitted in advance to the employee’s supervisor.

11
12 Part-time employees shall be paid a pro rata share of vacation pay based on
13 the percentage of hours they work per week relative to a forty (40) hour work week.

14
15 **Section 2. Vacation Increments.**

16 Vacation can be taken in full-day or half-day increments only. Employees
17 who have remaining less than a full day of vacation may combine their remaining
18 paid vacation hours with unpaid hours in order to take a full day off. Generally,
19 vacations cannot be taken in increments of greater than eighty (80) hours.
20 Vacation time must be taken in the year in which it accrues and cannot be
21 carried over to the next calendar year. Vacation hours are not counted toward
22 the forty (40) hour requirement for overtime.

23
24 Employees will receive pay checks for vacation pay on the pay day for the
25 pay period immediately following the employee’s vacation.

26
27 **Section 3. Leave of Absence.**

28 Time spent on a leave of absence which is in excess of thirty (30)
29 calendar days and is not FMLA qualifying shall not be counted as service for the
30 purpose of determining an employee’s eligibility for paid vacation hours.

1 **Section 4. Scheduling.**

2 An employee must schedule their vacation at least two (2) weeks in
3 advance by notifying their supervisor and receiving permission from the
4 supervisor for the vacation time. Employees seeking vacation must fill out a time
5 off request form. Generally, supervisors will grant vacation time on a first come,
6 first serve basis. While a supervisor may consider work load and need when
7 determining whether to grant a vacation request. All vacation requests shall be
8 automatically granted if not answered within the next five (5) calendar days.
9 Such requests shall not be unreasonably denied. In the event that a supervisor
10 cannot grant as many employees' vacation time as are requesting such time as a
11 result of the work load needs of the business, the supervisor shall give
12 preference to employees in the order of their Company seniority.

13
14 **ARTICLE 15**
15 **EMPLOYEE BENEFITS**

16
17 **Section 1. Health and Welfare Benefits.**

18 All bargaining unit employees employed as of the date of this Agreement
19 and all new employees hired after the date of this Agreement, who have
20 successfully completed their probationary period, shall be eligible to participate in
21 the Pexco LLC Insurance Program on the same terms and conditions applicable
22 to other hourly paid employees covered by the Pexco LLC Insurance Program.
23 Pexco LLC participating employees shall receive health care, dental, short-term
24 disability, long-term disability, life insurance, accidental death and
25 dismemberment and dependant care benefits, including Flexible Spending, in
26 accordance with the terms of the Pexco LLC Insurance Program. The Company
27 will contribute a minimum 75%/25% OAP; 60%/40% OAPIN and 82%/18% HSA
28 share for medical. The OAPIN option will no longer be available after 2011. The
29 Company will continue to contribute for the life of this agreement a minimum of

1 \$750/\$1,250 to the HSA for first time participants and will match up to
2 \$750/\$1,250 for employees who also contribute money to the HSA account.

3
4 **Section 2. Retirement Benefits.**

5 All bargaining unit employees employed as of the date of this Agreement
6 and all new employees hired after the date of this Agreement, who have
7 successfully completed their probationary period, shall be eligible to participate in
8 the Pexco LLC Deferred Savings Plan ("401(K) Plan") on the same terms and
9 conditions applicable to other hourly paid employees eligible to participate in the
10 401(K) Plan. The Company match for the defined contribution plan will be fifty
11 percent (50%) of contributions up to the first six percent (6%) of compensation.

12
13 **Section 3. Plan Modifications.**

14 Because the Plans referenced in Sections 1 and 2 of this Article are
15 applicable to employees of the Pexco LLC, the parties hereto acknowledge and
16 agree that Pexco LLC has the unilateral right to administer such Plans and to
17 modify or amend the Plans in their discretion. The Company shall provide the
18 Union notice of any material changes, amendments or modifications to the Plans.

19
20 **ARTICLE 16**

21 **SAFETY**

22
23 **Section 1. Safety Policy.**

24 It is the desire of both parties to this Agreement to maintain high
25 standards of safety and health in the plant in order to eliminate, as far as
26 possible, industrial accidents, illness and safety hazards.

27
28 The Company shall maintain on all full shifts an emergency first aid station
29 and will provide ready access to emergency medical care when necessary for the
30 safety and welfare of Company employees.

1 **Section 2. Safety Committee.**

2 The Company agrees to maintain a Safety Committee consisting at least
3 of equal numbers of Management Representatives and Bargaining Unit
4 Representatives to be chosen by the respective parties. This committee will
5 meet on a monthly basis.

6

7 **Section 3. Allowances.**

8 The Company will continue to furnish personal protective equipment in
9 particular situations where, as of the date of this Agreement, it is the practice to
10 do so unless circumstances in such situations change, making the use of such
11 personal protective equipment unnecessary.

12

13 The Company will provide necessary OSHA approved safety eyewear to
14 the employees.

15

16 The Company will provide one (1) pair of prescription OSHA approved
17 safety eyewear to the employees annually.

18

19 The Company will provide each employee who is required to wear
20 OSHA approved safety footwear with an allowance of one hundred dollars
21 (\$100) per year in order for employees to purchase such footwear. The
22 Company will provide two (2) or more options to employees where they can
23 purchase the required footwear pursuant to an arrangement whereby the
24 provider bills the Company directly for the footwear and the employee
25 reimburses the Company for the difference between the cost of the footwear
26 and the Company allowance.

27

28 The Company will provide any other safety equipment needed to
29 accomplish tasks, reasonably requested by joint safety committee.

30

1 **Section 4. Light Duty.**

2 When available, the Company will endeavor to provide employees who are
3 receiving workers compensation benefits with light duty work.

4
5 **ARTICLE 17**
6 **MISCELLANEOUS**

7
8 **Section 1. Bulletin Boards.**

9 The Union shall have the right to use designated bulletin boards on
10 Company property for the purpose of posting notices of Union meetings and
11 other activities which are officially approved by the Union. Bulletin boards must
12 be maintained in good order. Bulletin boards are not to be used for derogatory
13 notices concerning employees, management or the Company. Union bulletin
14 boards will be located in the lunchroom and employee entryway.

15
16 **Section 2. Employee Reviews.**

17 The Company will continue its practice of reviewing the general
18 performance of each employee at least once annually. The results of this
19 evaluation will be discussed with the employee.

20
21 **Section 3. Subcontracting.**

22 In accordance with its right to manage its business, the Company may
23 contract out work of any type if it believes it is in the best interest of the
24 Company to do so. Subcontracting is not permitted where doing so causes the
25 layoff or prevents the recall of an incumbent employee.

26
27 **Section 4. Training.**

28 The Company and the Union mutually recognize the necessity for the
29 Company to produce a description of the qualifications and representative
30 assignments for each job classification in this Agreement. The Company will

1 continue its policy of training employees for future advancement
2 opportunities.

3

4 **Section 5. Other Company Rules.**

5 This Agreement supersedes any contrary provisions in the Company
6 handbook, personnel rules or memoranda.

7

8 **Section 6. Supervisors Working.**

9 Supervisors may perform bargaining unit work that they have historically
10 done so long as undertaking such work does not cause the lay off or prevents
11 the recall of an incumbent bargaining unit employee.

12

13 **ARTICLE 18**

14 **NO STRIKES, NO LOCKOUTS**

15

16 **Section 1. No Lockouts.**

17 The Company agrees that there shall be no lockouts during the term of
18 this Agreement. It is understood and agreed that a lockout means a voluntary,
19 complete cessation of operations by the Company for the sole purpose of
20 preventing the employees from working and for no other purpose.

21

22 **Section 2. No Strikes, Stoppages, Slowdowns.**

23 During the term of this Agreement, neither the Union nor any employee
24 covered by this Agreement shall engage in any strike, work stoppage, slowdown,
25 picketing or other curtailment in or interference with the Company's production,
26 service, deliveries or operations.

27

28

29

30

1 **Section 3. Action to Prevent Strike.**

2 The Union, its officers and agents further agree to take all affirmative
3 action legally available to the Union to prevent and stop anything that occurs in
4 disregard of the commitment embodied in this Article.

5

6 **Section 4. Free Ingress and Egress.**

7 There shall be no interference by the Union, its officers, agents,
8 employees or members to prevent or impede free ingress or egress by any
9 person to or from the Company's property or to the free and unhindered use of
10 the Company's equipment, vehicles or other property.

11

12 **Section 5. Right to Discipline for Violation.**

13 The Company shall have the authority to discipline and discharge
14 employees for engaging in any strike action, work stoppage or other activity in
15 violation of this Article of this Agreement. In any grievance/arbitration regarding
16 such action, the only issue will be whether the employee committed the violation
17 asserted.

18

19 **Section 6. Other Remedies.**

20 None of the provisions herein limit in any manner the Company's right to
21 seek injunctive or other equitable remedies to which it may be lawfully entitled
22 against either the employee or the Union without waiving or in lieu of any other
23 rights it may have and without first or thereafter going through arbitration.

24

25 **ARTICLE 19**

26 **STEWARDS**

27

28 **Section 1. Shop Steward.**

29 The Company recognizes the right of the Union to designate a minimum of
30 four (4) shop stewards up to a maximum of six (6); one for each extrusion crew

1 and one for each fabrication crew. The Union will furnish an official list of
2 stewards and no steward shall function as such until the Company has been so
3 notified in writing of his appointment. Until notified to the contrary in writing, the
4 Company may assume that no change has been made in the list of stewards.

5
6 **Section 2. Authority.**

7 The steward has no authority to take strike action or any other action
8 interrupting the Company's business, except as authorized by the Union.

9
10 **Section 3. Conduct of Union Business.**

11 The parties agree that the operational needs of the Company shall take
12 precedence over other matters requiring a steward's attention. The stewards
13 shall conduct their duties during non-working hours if possible and may not
14 conduct steward duties in a manner which will interfere with the productivity or
15 completion of assigned duties of the steward or other employees. The steward
16 shall not leave his work station during working periods to perform steward duties
17 without advance permission from his supervisor and shall return to his duties at
18 the request of management. The steward, with advance notice to his manager,
19 may leave his assigned work station for the purposes of investigating grievances.
20 If, at the Company's request, the steward must attend meetings or conduct
21 other official Union business after normal working hours, such time spent
22 performing such steward's duties shall be paid time.

23
24 **ARTICLE 20**

25 **COMPANY RULES AND DISCIPLINE**

26
27 **Section 1. Rules and Policies.**

28 The Company shall have the right to establish rules, regulations, and policies
29 that are not in direct violation of this Agreement, and to take appropriate
30 disciplinary action for infractions of those rules, regulations and policies, provided

1 such discipline is for just cause. The reasonableness of the rule and of the discipline
2 for violation of any rule may be challenged through the grievance and arbitration
3 procedure. The Company agrees to provide the Union with a copy of the
4 Company's disciplinary rules and to notify the Union in advance of changes to those
5 rules. The Company agrees to discuss such rules with the Union and to consider
6 any issues or concerns raised by the Union. However, the final judgment regarding
7 the initial establishment of reasonable rules and policies rests with the Company.

8
9 **Section 2. Progressive Discipline.**

10 The parties acknowledge the principle of progressive discipline (written verbal
11 warning, written warning, final written warning, last chance agreement) but agree
12 that the Company's right to discipline employees is not limited by such principle. The
13 Company shall not suspend or discharge any employee without just cause.

14
15 **ARTICLE 21**

16 **GENERAL**

17
18 **Section 1. Waiver.**

19 During the negotiations which resulted in this Agreement, each of the
20 parties had the unlimited right and opportunity to make demands and
21 proposals with respect to any subject or matter not removed by law from the
22 area of collective bargaining. The understandings and agreements arrived at
23 by the parties after the exercise of that right and opportunity are set forth in
24 this Agreement. Therefore, the Company and the Union, for the life of this
25 Agreement, each voluntarily and unqualifiedly waives the right, and each
26 agrees that the other shall not be obligated, to bargain collectively with
27 respect to any subject or matter not specifically referred to or covered in this
28 Agreement, even though such subjects or matters may not have been within
29 the knowledge or contemplation of any or all of the parties at the time they
30 negotiated or signed this Agreement. Without limiting or in any way

1 modifying the above, nothing herein, nor in this Agreement, shall prevent the
2 Company and the Union from mutually agreeing in writing to discuss any
3 matter which both parties desire to discuss during the term of this Agreement.

4
5 **ARTICLE 22**

6 **SUCCESSORS AND ASSIGNS**

7
8 This Agreement shall be binding upon and shall inure to the benefit of the
9 parties hereto, their successors, administrators, executors and assigns until its
10 expiration, or until it is changed by mutual agreement of the parties. It is the
11 expressed intent of the parties that the Agreement shall remain in effect
12 between them for its full term. In the event that a successor is announced by
13 the customer, the Company's obligation hereunder shall be to notify the Union of
14 such change and include contact information for the successor if known.

15
16 **ARTICLE 23**

17 **NONDISCRIMINATION**

18
19 **Section 1. The Employer and the Union.**

20 The Employer and the Union agree not to discriminate against any
21 individual with respect to hiring, compensation, terms or conditions of
22 employment because of such individual's race, color, religion, sex, national
23 origin, disability or age (40 years and above), nor will they limit, segregate or
24 classify employees in any way to deprive any individual employee of employment
25 or training opportunities because of race, color, religion, sex, national origin,
26 disability or age (40 years and above).

27
28 **Section 2. The Company and the Union.**

29 The Company and the Union agree that there will be no discrimination by
30 the Company or the Union against any employee because of his or her

1 membership in the Union or because of any employee's lawful activity and/or
2 support of the Union, or against the Union.

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ARTICLE 24
SEPARABILITY

7 If any term or provision of this Agreement is, at any time during the life of
8 this Agreement, adjudged by a court or administrative body of competent
9 jurisdiction to be in conflict with any law, such term or provision shall become
10 invalid and unenforceable, but such invalidity or unenforceability shall not impair
11 or affect any other term or provision of this Agreement.

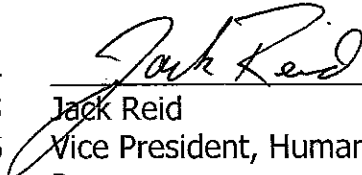
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ARTICLE 25
TERM AND NOTICE OF CHANGE OR TERMINATION


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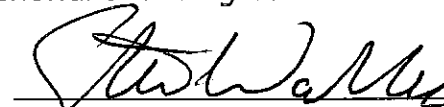
16 This Agreement shall become effective December 01, 2010, and remain in
17 full force and effect through November 30, 2014, and shall automatically renew
18 from year to year thereafter unless either party notifies the other in writing of
19 their intention to terminate or modify the Agreement not more than ninety (90)
20 nor less than sixty (60) days prior to the expiration date (November 30) of this
21 Agreement. In the case of such notice the parties agree to meet for the purpose
22 of negotiating a new Agreement or a written renewal of this Agreement.

23


24 
25 _____
26 Jack Reid
27 Vice President, Human Resources
28 Pexco

29

30 
31 _____
32 Martin Streich
33 Plant Manager
34 Pexco
Local 1951



Steve Warren
Business Representative
District Lodge 751, IAM&AW



Kenneth L. Howard
Staff Assistant
IAM&AW District Lodge 751,

APPENDIX A

Job Title/Job Category Table

Job Title	Job Category
Extrusion Operator 3	A
Fabricator 2	A
Maintenance Tech 3	A
Extrusion Operator 2	B
Quality Inspector 3	B
Setup Tech 2	B
CNC Operator 2	C
Die Cleaner	C
Fabricator 1	C
Fabrication Coordinator	C
Quality Inspector 2	C
Material Handler 2	C
Shipping/Receiving Clerk 2	C
Color Technician	D
Maintenance Tech 2	D
Quality Assurance Asst.	D
Quality Inspector 1	D
Material Handler 1	D
Shipping/Receiving Clerk 1	D
CNC Operator 1	E
Extrusion Operator 1	E
Machinist 2	E
Die Developer 3	E
Setup Tech 1	E
Trainer	E
Die Developer 2	F
Ultem Specialist	F
Machinist 1	G
CNC Programmer (Fab)	H
Die Developer 1	H
Maintenance Tech 1	I
Die Maker 2	J
Maintenance Tech - Automation	J
Die Maker 1	K
Lead 1	See Article 5 Section 4

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Job Title	Job Category
CNC Operator 1	E
CNC Operator 2	C
CNC Programmer (Fab)	H
Color Technician	D
Die Cleaner	C
Die Developer 1	H
Die Developer 2	F
Die Developer 3	E
Die Maker 1	K
Die Maker 2	J
Extrusion Operator 1	E
Extrusion Operator 2	B
Extrusion Operator 3	A
Fabricator 1	C
Fabricator 2	A
Fabrication Coordinator	C
Lead 1	See Article 5 Section 4
Machinist 1	G
Machinist 2	E
Maintenance Tech - Automation	J
Maintenance Tech 1	I
Maintenance Tech 2	D
Maintenance Tech 3	A
Material Handler 1	D
Material Handler 2	C
Quality Assurance Asst.	D
Quality Inspector 1	D
Quality Inspector 2	C
Quality Inspector 3	B
Setup Tech 1	E
Setup Tech 2	B
Shipping/Receiving Clerk 1	D
Shipping/Receiving Clerk 2	C
Trainer	E
Ultem Specialist	F

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APPENDIX B

EXAMPLE: 2010 Performance Bonus Plan

Metric	Baseline (2009 YTD thru November)	2010 Bonus Trigger				Target	Annual Payout at Target	Quarterly Payout at Target
		Q1	Q2	Q3	Q4			
OSHA Reportable Accidents (max) *	4	No more than 1		No more than 1 (no more than 2 for full year)		2	\$20,000	\$ 5,000
Quality (max)**	0.38%	0.35%	0.33%	0.31%	0.30%	0.30%	\$12,000	\$ 3,000
OTIF (min) ***	98.6%	99.0%	99.2%	99.3%	99.5%	99.5%	\$12,000	\$ 3,000
Extrusion SU/SU (min)	9.1	8.0	7.7	7.3	7.0	7.0	\$16,000	\$ 4,000
Fabrication Productivity Ratio (min)	1.00	0.91	0.85	0.80	0.77	0.77	\$12,000	\$ 3,000
Extrusion Material Scrap (min)	14.5%	13.4%	12.3%	11.1%	10.0%	10.0%	\$20,000	\$ 5,000
Total						\$92,000	\$23,000	

20 a)*2010 Bonus Trigger must be met for Safety to receive payout, failure to meet this forfeits
21 50% of payout for the half year (or full year) for other metrics. No payout if there is more than 1
22 OSHA reportable in either half of the year (Jan-Jun and/or Jul-Dec). No payout if more than 2
23 OSHA reportables for full year.

24
25 b)**Boeing SPM rating must be in the Silver or higher range (99.8% for 12 month period) to
26 receive payout for this Metric.

27
28 c)***OTIF for Automotive customers must be 100% and 99.5% (12 month) for Boeing to receive
29 payout for this Metric.

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32 opeiu#8 afl-cio