

AGREEMENT

between

STAR FORGE, LLC

and

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

1 **PREAMBLE**

2 THIS AGREEMENT (this "Agreement"), by and between Star Forge, LLC (the "Company"), a
3 wholly-owned subsidiary of CE Star Holdings, LLC ("CE Star"), and the International
4 Association of Machinists and Aerospace Workers, AFL-CIO, District Lodge 751 (the "Union")
5 (the Company and the Union collectively, the "Parties"), on behalf of each member thereof,
6 covers bargaining unit employees working at the plant previously owned by Jorgenson Forge
7 Corporation ("JFC") in Tukwila, Washington (the "Covered Plant"). This Agreement shall be
8 valid and binding only after the Company has provided offers of employment to bargaining unit
9 employees previously employed at the Covered Plant by JFC and a majority of those bargaining
10 unit employees have accepted such offers. All offers of employment made by the Company to
11 any bargaining unit employees shall be contingent upon the ratification of this Agreement by the
12 Union's members. Furthermore, such offers, if accepted, shall be effective no earlier than the
13 closing date of the purchase of substantially all of the assets of JFC's business by CE Star (the
14 "Closing") pursuant to the Asset Purchase Agreement dated July 14, 2016 (the "APA"), and then
15 this Agreement shall only become effective as of the first day the Company operates the assets of
16 the business purchased in the APA, as the employer.

17 **ARTICLE 1**
18 **BARGAINING UNIT**

19 **Section 1. Union Recognition.** The Company recognizes the Union, and its designated
20 agents and representatives, its successors and/or assigns, as the sole and exclusive collective
21 bargaining agent for all full-time hourly and regular part-time production and maintenance
22 employees employed by the Company at the Covered Plant, excluding all office clerical
23 employees, managerial employees and guards and supervisors as defined by the National Labor
24 Relations Act, with respect to wages, hours and all other terms or conditions of employment.

25 **ARTICLE 2**
26 **MANAGEMENT RIGHTS**

27 **Section 1. Basic Rights.** The Company retains all rights to manage and direct the operations
28 except to the extent such rights are specifically limited or modified by the terms of this
29 Agreement. Subject to the foregoing, the Company retains the sole and exclusive right to
30 manage the business and direct its workforce, including: to direct and control the business and
31 workforce, to make any and all decisions affecting the business, and to take actions necessary to
32 carry out its business; to plan, determine, direct, and control the nature and extent of all its
33 operations and commitments; to determine the methods, procedures, materials, and operations to
34 be used or to discontinue or to modify their use by employees of the Company or others; to
35 install, alter, relocate, upgrade, introduce, consolidate, or remove any new or improved service
36 methods, work procedures, facilities, equipment, technology, and to maintain efficient
37 operations; to expand the business operations by acquisition, merger, or other means; to
38 discontinue the operation of the Company, including, but not limited to, by sale of its stock or
39 assets, in whole or in part, or otherwise, at any time; to discontinue, reorganize, or combine any
40 department or branch of operations; and in all respects to carry out, in addition, the ordinary and
41 customary functions of management, whether exercised or not.

1 **Section 2. Changes.** The Company specifically reserves and the Union recognizes the
2 Company's right to implement, maintain, cancel or modify any benefit, program, policy, practice
3 or procedure not specifically controlled by the language of this Agreement.

4 **Section 3. Subcontracting.** The Company, in its discretion, may subcontract work.

5 **Section 4. Supervisor's Work.** Since the responsibility and work of supervisors is
6 planning, directing, and supervising the production work of employees, a supervisor shall not
7 perform work on a job performed by an employee in the bargaining unit, except in emergency
8 situations, to meet customer demand, and/or if the work is experimental or is demonstration work
9 performed for the purpose of instructing or training employees.

10 **ARTICLE 3**
11 **UNION SECURITY**

12 **Section 1. Union Security and Dues Check-Off.**

13 A. All employees of the Company, subject to the terms of this Agreement, shall, as a
14 condition of employment, become and remain either members in good standing of the
15 Union or agency fee **payers**. This requirement shall take effect thirty-one (31) days
16 following the beginning of employment in a position covered by this Agreement.

17 B. As allowed by law, employees who are in the bargaining unit on the date this Agreement
18 becomes effective shall pay representation fees, in the form of either membership dues or
19 agency fees, to the Union as a condition of continued employment while in the
20 bargaining unit and on the active payroll. Employees within the bargaining unit who are
21 hired by the Company after the date this Agreement becomes effective and become
22 members of the Union or agency fee payers shall pay, while on the active payroll, an
23 original initiation fee or reinstatement fee and representation fees to the Union, as a
24 condition of continued employment while in the bargaining unit, provided that in no
25 event shall the initiation fee, reinstatement and or representation fees exceed the amount
26 specified in the Constitution and/or by-laws of the Union.

27 C. Any employee required to pay a representation fee, initiation fee or reinstatement fee as a
28 condition of continued employment who fails to tender such representation fee, initiation
29 fee, or reinstatement fee uniformly required shall be notified by the Union in writing of
30 the employee's delinquency. A copy of such communication(s) shall be mailed to the
31 Company not later than fifteen (15) days prior to any request by the Union that the
32 Company take final action to terminate an employee's employment for his or her failure
33 to satisfy such obligation.

34 D. It is agreed between the Parties that any employee in the bargaining unit (as defined in
35 Article 1 of this Agreement) who is a member or agency fee payer of the Union may
36 authorize the collection of representation fees by the signing of a payroll deduction form.
37 For avoidance of doubt, an employee's execution of such payroll deduction form shall be
38 voluntary and no employee shall be required to execute a payroll deduction form for the
39 collection of representation fees as a condition of employment or continued employment.

1 E. The Company shall issue all representation fees collected pursuant to Section 1.D.,
2 above, either via electronic funds transfer process (direct deposit) or by direct payment to
3 the office of the District 751 Financial Secretary, Seattle, WA. The Union shall ensure
4 the Company has been provided with a valid bank account and routing number to set up
5 the direct deposit process. It will be the responsibility of the Union to submit all changes
6 in bank information to the Company immediately. Remittance to the District shall be no
7 later than fifteen (15) days following the first (1st) of each month following the month
8 such fees have been deducted.

9 **Section 2. Indemnity.** The Union will indemnify and hold the Company harmless from and
10 against any and all claims, demands, charges, complaints, or suits instituted against the Company
11 which are based on or arise out of any action taken by the Company in accordance with or
12 arising out of the foregoing provisions of this Article 3.

13 **Section 3. Information Provided to Union.** The Company will furnish to the Union, at
14 least monthly or upon request, a list of all employees covered by this Agreement. The list will
15 include name, address, rate of pay, job classification, date of hire, seniority date, benefit
16 eligibility date, department, and shift.

17 **ARTICLE 4**
18 **UNION REPRESENTATIVES**

19 **Section 1. Union to Furnish List of Representatives.** The Union shall inform the
20 Company in writing of the names of its representatives and Union Stewards who are accredited
21 to represent it; such information shall be kept up to date at all times. Only persons so designated
22 will be accepted by the Company as representatives of the Union.

23 **Section 2. Access to Plant.** A designated representative of the Union may visit the Covered
24 Plant twice per month for each shift during the normal lunch break of bargaining unit employees.
25 Visits should be scheduled in advance by contacting and making arrangements with
26 management. The designated representative will be allowed to visit employees on their lunch
27 break for the duration of the thirty (30) minute lunch break.

28 Before entering the Covered Plant, the designated representative shall sign in at the designated
29 visitor entrance location. Upon leaving the Covered Plant, the designated representative shall
30 sign out and return any ID badges that were issued during the visit.

31 The designated representative of the Union will not disrupt work or engage in any activity that
32 might pose a safety hazard or that otherwise might disrupt the Company's operations. The
33 designated representative of the Union will comply with all requirements for visitors to the
34 Covered Plant, such as maintenance of confidentiality and any required safety procedures.

ARTICLE 5
UNION STEWARDS

Section 1. Number of Union Stewards.

A. It is necessary that Union Stewards are available during the Company-designated shifts of operation. The Union may select up to two (2) Union Stewards and one (1) alternate on day shift provided that one (1) shall be assigned to the "hot" side and the other to the "machine" side of the plant; one (1) Union Steward and one (1) alternate on second shift; and if third shift is populated by more than five (5) employees, a Union Steward shall be designated for that shift.

B. Union Steward will retain his/her Union Steward status while on approved medical leave of absence, provided that he/she has not been replaced as Union Steward by the Union prior to expiration of such leave.

Section 2. Union Steward Designation. A written list of the Union Stewards shall be furnished to the Company immediately after their designation.

Section 3. Union Steward Performance of Duties. The Company will agree to reasonable arrangements as may be necessary for the designated Union Stewards to properly and expeditiously carry out their Union duties. Such arrangements shall include, when necessary and consistent with the needs of the business, permission for Union Stewards to leave their department to go to any other department within the bargaining unit to investigate and/or bring about a proper and expeditious disposition of a grievance or complaint. Union Stewards shall be permitted reasonable time to investigate, present and process grievances at the Covered Plant without loss of time or pay during his/her regular working hours. Union Stewards, however, shall not be paid by the Company for time spent handling grievances outside of his/her regular scheduled working hours or when they are away from the Covered Plant. Union Stewards must notify and obtain permission from a supervisor or manager prior to leaving their department to carry out Union duties. Approval from the supervisor or manager will not be unreasonably withheld. The Union and the Company agree that such Union Steward activities shall be conducted in a diligent and expeditious manner, so as to limit the disruption of workflow.

Section 4. Union Steward Authority. The authority of the Union Stewards so designated by the Union shall include the following duties and activities:

A. The investigation and presentation of grievances to the designated Company representative in accordance with these provisions:

1. To consult with an employee regarding a question concerning this Agreement, complaint, or grievance for which the employee desires a Union Steward to be present.
2. To investigate a complaint or grievance before presentation to the appropriate management personnel.

1 3. To present a question concerning this Agreement, complaint, or grievance to an
2 employee's immediate manager in an attempt to settle the matter for the employee or
3 group of employees who may be similarly affected.

4 4. To meet with the appropriate manager or other designated representative of the
5 Company when necessary to adjust grievances in accordance with the grievance
6 procedure of this Agreement.

7 **Section 5. Union Steward Protection.** In the event an employee, while serving as a Union
8 Steward, becomes subject to layoff from his/her job classification, the Union shall have the right
9 to interview and designate a new Union Steward prior to such layoff.

10 **Section 6. Bulletin Boards.** The Company shall provide space for two (2) bulletin boards
11 for the Union's use in each Union Steward's area conveniently accessible to bargaining unit
12 employees. New and replacement boards will be at least three (3) feet by four (4) feet in size.
13 The Union may maintain the boards for the purpose of notifying employees of matters pertaining
14 to Union business. All notices shall be signed by a representative of the Union who is authorized
15 by the Union to approve Union notices.

16 **ARTICLE 6**
17 **NEW EMPLOYEES**

18 **Section 1. Probationary Period.** New employees must complete a probationary period of
19 ninety (90) days of work from date of hire, not to exceed one hundred sixty (160) calendar days.
20 The probationary period may be extended by mutual agreement in writing between the Company
21 and the Union. Employees shall serve only one (1) probationary period during their time of
22 employment with the Company. Such employee may be terminated during this period and such
23 termination shall not be subject to the Grievance and Arbitration procedure set forth in Article
24 15. Upon completion of such probationary period, employees will be credited with their hire
25 date for seniority and other benefits as described in this Agreement. All other benefits and
26 privileges of this Agreement shall apply during the probationary period.

27 **Section 2. Temporary Employees.** The Company may contract for an individual as a
28 temporary employee for up to ninety (90) calendar days. Nothing in this Section shall allow the
29 Company to hire the same individual on a repetitive basis with the exception of temporary
30 seasonal hires. Temporary employees are not entitled to any rights or benefits under this
31 Agreement. This provision will not be used to cause the layoff or significant reduction in
32 regularly scheduled working hours of any employee covered by this Agreement. Should the
33 Company hire a temporary employee as a permanent employee, all time spent in temporary
34 status shall count towards the probationary period.

35 **Section 3. New Employees.** The Company shall notify the Union Stewards when any new
36 bargaining unit employees are hired. Such notification shall be made the same day they go
37 through orientation and shall include the new employee's name, date of hire, shop and shift.

ARTICLE 7
WORKWEEK, HOURS OF WORK, SHIFTS, OVERTIME

Section 1. Definitions.

A. **Workweek:** The Company operates on a seven (7) day workweek, Saturday through Friday. The week begins on Saturday at 12:01 am and ends the following Friday at 12:00 midnight. Hours worked after 12:01 am on a Saturday, in a shift that began Friday of the prior week, will be applied to the prior week.

B. **Full-Time Employees:** An employee assigned to work thirty (30) hours or more per workweek.

C. **Part-Time Employees:** An employee assigned to work twenty (20) hours or more but less than thirty (30) hours per workweek.

Section 2. Shifts. As the Company uses different shifts and workday schedules and arrangements, as necessary, to cover available work during the workweek, employees' shifts may comprise of different days, start times, number of hours, schedules, and are subject to change. The Company will endeavor to assign full-time employees workweeks around a forty (40)-hour schedule unless reasonable business conditions preclude it doing so. Each employee working, as part of their regular work schedule, a forty (40)-hour schedule will receive at least two (2) consecutive days off in the case of a five (5) day, eight (8) hour schedule; or three (3) consecutive days off in the case of a four (4) day, ten (10) hour schedule; or four (4) consecutive days off in the case of a three (3) day, twelve (12) hour schedule. No schedule, either full- or part-time, can require a split workday, though employees may voluntarily accept an option for a split workday. While shift schedules may change, except in the case of an emergency, employees will receive at least seven (7) days' notice of a change to their regular schedule. The Company will not reduce hours of work in an assigned workday for the sole purpose of avoiding overtime in the assigned workweek.

A. In the event that the Company establishes a three (3) day, twelve (12) hour shift, employees assigned to those shifts will receive two (2) paid thirty (30)-minute lunch periods, with the first such lunch period occurring no later than immediately after the first five (5) hours worked and the second lunch period occurring no later than immediately after the second five (5) hours worked, for a total of thirty-six (36) hours paid in the workweek at the employee's working rate of pay. Such lunch periods may be observed other than every five (5) hours if agreed to by the employee.

Section 3. No Guarantee. Nothing in this Article will be construed as a guarantee of hours or will create liability for pay for time not worked, other than as specifically provided in this Agreement.

Section 4. Rest Periods.

A. **Lunch Periods.** Employees will be allowed an unpaid lunch period of not less than thirty (30) minutes, to be taken no later than immediately following the fifth (5th) hour of the shift. If an employee is requested to work beyond ten (10) hours of work time, a

second unpaid lunch period is to be taken. When an employee is requested by his/her supervisor to continue working through his/her normal lunch period, he/she will be provided an unpaid lunch period as soon as reasonably practicable following his/her normal lunch period but shall not be taken later than immediately following five (5) hours of work time unless the employee agrees otherwise. For employees assigned to a three (3) day, twelve (12) hour shift, Section 2.A. of this Article shall apply and not this Section 4.A.

B. Break Periods. In the case of eight (8) or twelve (12) hour shifts, employees will be provided a paid rest period of not less than ten (10) minutes for each four (4) hours of working time. In the case of ten (10) hour shifts, employees will be provided a paid rest period of not less than ten (10) minutes for each five (5) hours of work time. These break periods will be scheduled as near as possible to the mid-point of the four (4) or five (5) hour work period, as applicable. If the nature of the work allows employees to take an intermittent rest period equivalent to ten (10) minutes every four (4) or five (5) hours worked as applicable, then that rest period may not need to be formally scheduled.

C. Time Between Shifts. Employees will receive a minimum of eight (8) hours' rest before starting their next shift.

Section 5. Wash-Up Time. If an employee is assigned to exceptionally dirty work, the Company, will allow the employee five (5) minutes or more to clean up.

Section 6. Report Time. If an employee reports for work in accordance with instructions from his or her supervisor and is subsequently sent home for lack of work, he or she shall receive a minimum of four (4) hours' pay at his or her working rate of pay. Report time will not apply in case of emergency shutdown arising out of any condition beyond the Company's control. Time actually worked shall apply for the computation of overtime, if applicable. An employee who leaves work of their own volition, or where an employee voluntarily quits, is furloughed, or discharged, the employee will only be paid for time actually worked.

Section 7. Call-Back. Each time an employee is called back to work after he or she has completed his or her work shift for the day and left the Company's premises, he or she shall be paid a minimum of four (4) hours, at his or her working rate of pay. Time actually worked shall apply for the computation of overtime, if applicable. For the avoidance of doubt, if an employee is requested to work past his or her scheduled shift, and the employee has not yet left the premises of the Covered Plant, this Section 7 shall not apply.

Section 8. Overtime.

A. Overtime is mandatory when employees have been given timely notification of the need to work overtime, or when it is required to preserve life, material or equipment, or to meet customer demand. Notification may be verbal or posted in an appropriate place within the department. Timely notification will be:

1. By a standing arrangement with the supervisor or department.
2. No less than twenty-four (24) hours prior to requiring weekend overtime.

3. Two (2) hours prior to the end of a shift, except where a breakdown has occurred during the last two (2) hours of the shift and overtime is required to make repairs or meet schedules or customer demands.

B. For employees working five (5) day, eight (8) hour shifts or four (4) day, ten (10) hour shifts, all time worked in excess of forty (40) hours during any workweek is considered overtime and is paid at the rate of one and one-half (1.5) times the employee's working rate of pay.

For employees working three (3) day, twelve (12) hour shifts, any hours worked beyond thirty-six (36) hours in the workweek is considered overtime and is paid at the rate of one and one-half (1.5) times the employee's working rate of pay.

C. Any and all work that will be paid at overtime rates must be preauthorized by a designated supervisor.

D. Any pay received for paid time off ("PTO"), unworked holidays, holidays worked by an employee who was paid holiday pay and one and one-half (1.5) times his or her working rate of pay, sick leave, short or long-term disability, worker's compensation, jury/witness duty, bereavement leave, or other time not worked or for any unpaid leave is not included as hours worked for purposes of computing overtime.

E. There shall be no pyramiding or duplicating of overtime pay.

ARTICLE 8

COMPENSATION

Section 1. Definitions.

A. **Base Rate of Pay.** An employee's hourly base rate of pay is determined in accordance with Section 2, below.

B. **Working Rate of Pay.** An employee's working rate of pay includes an employee's base rate of pay plus applicable premiums, if any.

Section 2. Base Rates of Pay.

A. Minimum and maximum base rates of pay effective with this Agreement are as set forth below:

	MINIMUM	MAXIMUM
Level 1 Helper	\$15.24	\$16.81
Level 2 Specialist	\$16.02	\$23.11
Level 3 Journey	\$19.65	\$25.21
Level 4 Mastered	\$22.43	\$34.67
Janitor	\$16.35	

- 1 B. All employees accepting employment with the Company and who are covered under the
2 terms of this Agreement will, after the Closing, receive no less than the base rate of pay
3 they received immediately prior to the Closing; provided, however, they remain in the
4 same job level and perform the same duties and responsibilities before and after the
5 Closing. Notwithstanding the foregoing, nothing in this Section 2.B. shall prevent the
6 Company from having the right to change an employee's job level or duties and
7 responsibilities.
- 8 C. Employees shall earn the base rate of pay corresponding to the job in which they are
9 assigned to work.

10 **Section 3. Wage Increases.** Wage increases will be granted as follows:

- 11 A. Upon the first anniversary of the date this Agreement becomes effective, the minimum
12 and maximum base rates of pay, and each employee's individual base rate of pay, will
13 increase two percent (2%). If the Company's Adjusted EBITDA (as defined below),
14 excluding Corporate SG&A (as defined below) (the "Tested EBITDA") for the four (4)
15 calendar quarters beginning with the third quarter of 2016 and ending with the second
16 quarter of 2017 (i.e., From July 1, 2016 through June 30, 2017) exceeds \$5 million, the
17 minimum and maximum base rates of pay, and each employee's individual base rate of
18 pay, will increase an additional one percent (1%), for a total wage increase of three
19 percent (3%).
- 20 B. Upon the second anniversary of the date this Agreement becomes effective, the minimum
21 and maximum base rates of pay, and each employee's individual base rate of pay, will
22 increase two percent (2%). If the Tested EBITDA for the four (4) calendar quarters
23 beginning with the third quarter of 2017 and ending with the second quarter of 2018 (i.e.,
24 from July 1, 2017 through June 30, 2018) exceeds \$5 million, the minimum and
25 maximum base rates of pay, and each employee's individual base rate of pay, will
26 increase an additional one percent (1%), for a total wage increase of three percent (3%).
- 27 C. For the purposes of this Section 3:
- 28 "Adjusted EBITDA" means (a) Pre-Tax Income (as defined below) plus (b) to the extent
29 deducted in the calculation of Pre-Tax Income (i) Interest Expense (as defined below), (ii)
30 depreciation, depletion and amortization, (iii) any non-cash charges, and (iv)
31 extraordinary losses and unusual or nonrecurring charges.
- 32 "Corporate SG&A" means all selling, general and administrative expenses other than
33 those incurred in the operation of the Covered Plant.
- 34 "Interest Expense" means, for any period, interest expense (whether cash or non-cash)
35 determined in accordance with GAAP of the Company for the relevant period ending on
36 such date, including, in any event, interest expense with respect to any of the following:
37 (a) all obligations for borrowed money; (b) all obligations to pay the deferred purchase
38 price of assets or services (other than trade accounts payable in the ordinary course of
39 business); (c) all non-contingent reimbursement or payment obligations arising under
40 letters of credit (including standby and commercial), banker's acceptances, bank

1 guaranties, surety bonds, and similar instruments; (d) all obligations evidenced by bonds,
2 debentures, notes, loan agreements, or other similar instruments; (e) capital leases and
3 synthetic lease obligations; (f) net obligations under any interest rate swap, cap or collar
4 agreements, interest rate future or option contracts, currency swap agreements, currency
5 future or option contracts, commodity price protection agreements, or other commodity
6 price hedging agreements and other similar agreements; (g) all indebtedness created or
7 arising under any conditional sale or other title retention agreement, or incurred as
8 financing, in either case with respect to acquired property (even though the rights of the
9 seller or bank under such agreement in the event of default are limited to repossession or
10 sale of such property); and (h) all indebtedness referred to in clauses (a) through (g)
11 above (excluding prepaid interest thereon) secured by a lien on property owned or being
12 purchased by the Company, whether or not such indebtedness shall have been assumed
13 by Company or is limited in recourse.

14 "Pre-Tax Income" means, for any period as at any date of determination the net profit (or
15 loss), prior to provision for taxes, of the Company for such period taken as a single
16 accounting period.

17 **Section 4. Progression.** Movement from minimum to maximum pay levels requires that the
18 employee possess the proper skills and be given the reasonable opportunity to receive the
19 training to meet the skill requirements for progression through the pay level to the maximum
20 rate. If a dispute arises concerning an employee's pay level, the Company will provide the
21 Union documentation concerning the employee's skills and training. If the Parties are unable to
22 informally agree, the dispute is subject to the Grievance and Arbitration procedure, Article 15.
23 The Company will conduct a skill level review of each employee annually.

24 **Section 5. Requirements for Progression.** The Company and the Union agree they will
25 meet to discuss a Skill Level Progression Chart, which will include agreement on classification
26 gate level placement and rates of pay for each employee covered by this Agreement. The Parties
27 agree there are core skills associated within each level that may change over time. At least
28 annually, the Parties will meet to modify, add or remove gates or requirements as required based
29 on business circumstances or changes in the Covered Plant. All employees will be given the
30 reasonable opportunity to receive training to advance beyond their initial placement within their
31 level and to progress to the next higher classification should an available opening occur.

32 **Section 6. New Hires.** New employees will be paid at least the minimum base rate of pay
33 established by Section 2 for their job level but not more than the maximum base rate of pay.
34 New hires will be required to meet all the same or equivalent skill requirements for placement of
35 pay within the level as existing employees regarding pay progression.

36 **Section 7. Recalls from Layoff.** An employee, who is recalled from layoff through the
37 exercise of seniority rights, will have the following base rate:

- 38 A. If the employee is recalled to the same job level from which he/she was laid off, he/she
39 will be paid at the base rate in effect on the date of his/her layoff. In no case will the
40 recalled employee receive pay below the minimum for that level.

1 B. If the employee is recalled to either a higher or lower job level than the one from which
2 he/she was laid off, his/her base rate will be determined by the pay level in which the new
3 job is classified.

4 **Section 8. Shift Differentials and Premium Pay.** An employee assigned to second or third
5 shift shall receive a shift differential of one dollar (\$1.00) per hour which shall be added to his or
6 her base rate and made a part thereof. Employees acting in a Lead capacity will receive a two
7 dollar (\$2.00) per hour premium added to their base rate of pay for all hours worked in such
8 capacity. Employees performing the duties of a trainer will receive a one dollar (\$1.00) per hour
9 premium added to their base rate of pay for all hours worked as a trainer.

10 **Section 9. Production Bonus.** The Union and the Company will work on the parameters of
11 a production bonus and will start discussions no more than ninety (90) days after the date this
12 Agreement becomes effective. The terms of the plan are not subject to reopening during the
13 term of the Agreement unless both Parties agree. However, the Parties agree to meet not less
14 than bi-annually to exchange information, suggestions, and ideas concerning the Plan.

15 **Section 10. Promotions to Another Level.** Promotions to another level will meet the
16 following specifications:

17 A. The Company determines there is an opening.

18 B. The Company will post notice of the opening on the Union bulletin board for a minimum
19 of five (5) work days listing the qualifications required for the open position.

20 C. There are qualified candidates to fill the opening.

21 D. If more than one (1) qualified candidate applies for the opening, then the most senior
22 candidate will be selected for promotion.

23 E. Pay will be increased by a minimum of \$1.00 per hour, but in no case will pay be below
24 the minimum of the level of the opening.

25 F. The new base rate of pay rate shall be effective in the employee's paycheck not later than
26 the second payday subsequent to the date on which the promotion is effective.

27 **Section 11. Temporary Assignments.** A temporary assignment will remain in effect for a
28 period of not more than thirty (30) consecutive calendar days (or for ninety (90) consecutive
29 calendar days if the assignment is a direct replacement for an employee on medical leave of
30 absence or travel assignment). In the event it is necessary to extend for a longer period, it may
31 be extended by mutual agreement between the Company and the Union. The Union
32 Representative shall be provided with notification of temporary assignments that are estimated to
33 be in effect for thirty (30) or more days prior to or coincident with the effective date of such
34 assignments. The foregoing time period limitation will not apply in instances where an
35 employee is on travel assignment. Repetitive temporary assignments shall not be used to fill a
36 permanent job opening.

1 **Section 12. Paydays.** Paydays for employees under this Agreement on all shifts shall be
2 comprised of two (2), Saturday through Friday workweeks. Employees are paid every other
3 week for the pay period ten (10) business days before the payday. If a payday falls on a holiday,
4 every reasonable effort will be made to distribute paychecks on the preceding workday. All
5 employees are required to participate in the direct-deposit payroll program.

6 **ARTICLE 9**
7 **HOLIDAYS**

8 **Section 1. Observed Holidays.** The following holidays shall be observed by all employees
9 of the Company for the purposes set forth in this Article 9:

New Year's Day	Day after Thanksgiving
Memorial Day	Christmas Eve
Independence Day	Christmas Day
Labor Day	Floating Holiday*
Thanksgiving Day	

**To be designated by the Company annually*

10 **Section 2. Unworked Holidays.** Employees shall receive pay, according to their regularly
11 assigned work hours, for unworked holidays (those holidays designated above), at their **working**
12 rate of pay in effect at the time the holiday occurs, if they are on the active payroll. To qualify
13 for pay for time not worked on a holiday, employees must have worked their regularly scheduled
14 workdays immediately before and after the holiday. Exceptions may be made in cases where
15 absences on the workday prior to or the workday following the holiday were due to approved
16 vacation or leave of absence, industrial injury, *bona fide* illness covered by a certified medical
17 doctor's note, or temporary layoff, unless the employee's absence from work before and/or after
18 the holiday is in excess of fourteen (14) calendar days (including holidays and weekends). If a
19 holiday falls on a day on which an employee who is otherwise eligible for holiday pay is not
20 regularly scheduled to work, (such as an employee on a four (4) day, ten (10) hour shift whose
21 day off is the holiday), and if no other day is designated as the holiday to be taken off, the
22 employee will still receive one (1) day's holiday pay for that week.

23 **Section 3. Worked Holidays.** Employees who are required to work on an above-named
24 holiday shall receive pay for all hours actually worked on the holiday at one and one-half (1.5)
25 times their working rate of pay and, in addition, either: (a) holiday pay equal to their regularly
26 scheduled work day at their working rate of pay, or (b) another paid day off equivalent to their
27 regularly scheduled work day as the holiday, provided the employees select the option by no later
28 than the date of the holiday. Such re-scheduled holiday should occur within the week before or
29 the week after the official designated holiday.

30 **Section 4. Holidays During Prescheduled PTO.** In the event an employee has pre-
31 planned, pre-approved PTO that includes a holiday, the employee shall receive holiday pay
32 instead of PTO pay and will not have such holiday time deducted from his/her PTO allotment.

1 **Section 5. Employees on Third Shift.** Those employees who are assigned to work on third
2 shift shall observe holidays in accordance with Sections 1 through 4 except when Independence
3 Day falls on a Monday, Tuesday, Wednesday or a Thursday. When this occurs, they shall
4 observe the Independence Day holiday on the fifth of July.

5 **ARTICLE 10**
6 **PAID TIME OFF ("PTO")**

7 **Section 1. Full-Time and Part-Time Employees.**

8 A. PTO is intended to provide paid time for all purposes including absences for vacation and
9 illnesses. PTO must be used when leaves have been granted and exhausted before
10 converting to unpaid leave with the exception of Military Leaves whether active, reserve,
11 or Military Family Leave. Any newly-hired employees will be awarded PTO on a pro-
12 rated basis from date of hire through the end of that year pursuant to the Accrual Chart in
13 Sub-Section H.

14 B. On the date this Agreement becomes effective, for calendar year 2016, each employee
15 will have his or her PTO allotment based on the Accrual Chart in Sub-Section H of this
16 Article below, plus the Company shall honor any amount the employee was allowed to
17 carry over from the 2015 calendar year during his or her employment with JFC; provided,
18 however, any PTO taken by an employee in calendar year 2016, including under the
19 contract between JFC and the Union, shall be counted for purposes of determining such
20 employee's PTO available for 2016 under this Article 10. Years of service will be
21 determined as set forth in this Article 10, Section 1.F, below.

22 C. All employees are eligible to use PTO throughout the year that has been earned.
23 Employees will be allowed to request use of their PTO at any time, but will also be
24 required give their supervisors notice in advance pursuant to the following requirements:

25 a. Up to one (1) day of PTO in one (1) hour increments: at least twenty-four (24)
26 hour advance notice.

27 b. Two to five (2-5) days of PTO: at least one (1) week advance notice.

28 c. More than five (5) days of PTO: at least two (2) weeks of advance notice.

29 d. Use of PTO for personal or family illness: as much advance notice as possible
30 prior to start of shift. If it is not reasonably possible to do so prior to the shift
31 due to an emergency, notification will be given immediately when it is possible.
32 Employees are discouraged from coming in to work sick in order to retain PTO
33 days for vacation purposes.

34 D. Failing to provide sufficient advance notice or, if an absence is taken without approval,
35 then the use of PTO may be treated as an incident pursuant to the Company's attendance
36 policy and subject an employee to discipline. The Company's attendance policy will
37 apply if no leave time is available for an absence. The above advance notice time frames
38 will also be observed by the Company when providing approval for PTO.

1 E. PTO will be granted on a first come, first served basis dependent upon the work load and
2 department requirements. Supervisors may deny a request for PTO if it cannot be
3 accommodated due to workload or department requirements. The Company may issue a
4 blanket prohibition on the use of PTO, except for illness use (for which the Company
5 may request documentation from a medical provider), for certain periods when the
6 Company's operation requires a full staff. Once granted, PTO will not be revoked if the
7 employee will incur penalties or fees due to such cancellation, however, an employee will
8 provide proof of possible fees or penalties if required to do so by the Company.

9 F. For purposes of calculating PTO accrual and awards, length of service includes all
10 service with JFC or any prior employer at the Covered Plant, but not including any
11 service prior to such employee experiencing any loss of seniority in accordance with
12 Article 14, Section 4.

13 G. PTO will be accrued and awarded according to the Accrual Chart in Sub-Section H
14 below. Full-time employees accrue at the rates shown below. Part-time employees earn
15 one-half (1/2) of the accrual rates shown. Employees scheduled less than twenty (20)
16 hours per week are not eligible for PTO. Employees will not be penalized for time spent
17 off for Work Share. Employees are encouraged to take PTO days, and payment in lieu of
18 PTO is not allowed unless an employee's PTO requests are unreasonably denied.

19 H. Employees become eligible for the next higher accrual rate on the first day of the pay
20 period following the employee's anniversary date that begins the next higher band of
21 accrual.

ACCRUAL CHART			
Years of Service	Total Paid Time Off Per Year	PTO Accrued Per Pay Period	Maximum Balance
0-5	104 hours/year	2.000 hours	184 hours
6-13	144 hours/year	2.769 hours	184 hours
14+	184 hours/year	3.5385 hours	184 hours

22
23 I. On January 1 of each subsequent calendar year during the term of this Agreement, each
24 employee will receive one-half (1/2) of his/her total PTO allotment for that calendar year.
25 Biweekly accruals (for complete calendar years, at the rates shown above in the Accrual
26 Chart) per pay period will then be received until the total PTO has been reached for that
27 year.

28 J. PTO will be computed and paid at the employee's working rate of pay. PTO will not
29 count as time worked for purposes of calculating overtime.

30 K. When a holiday falls within an employee's PTO period, such holiday shall not be charged
31 as PTO hours, but the employee shall receive holiday (and not PTO) pay.

1 L. Employees will not be allowed to have negative PTO balances, unless agreed to in
2 writing by both Parties. PTO accrual and initial award can only be used to the level
3 shown on the most recent payroll.

4 M. Employees who are laid off for two (2) weeks or more will be paid for one hundred
5 percent (100%) of their accrued, unused PTO.

6 N. Once an employee's maximum balance amount has been reached (one hundred and
7 eighty-four (184) hours), the employee will not accrue any more PTO. When PTO is
8 used and the employee drops below his/her maximum balance, the employee will once
9 again earn PTO at the accrual rate for the employee's years of service back to the
10 maximum balance amount allowed.

11 O. Employees may carry over up to sixty (60) hours of accrued but unused PTO into the
12 next calendar year, unless the employee receives written approval from the Company in
13 advance of the start of the next calendar year to allow for additional carryover because
14 the employee was unable to take PTO in the prior year due to the Company's denial of a
15 PTO request; in that case, the written approval shall specify whatever additional hours the
16 employee may carryover. Notwithstanding the foregoing, employees may not, at any
17 time, have a PTO balance greater than one hundred and eighty-four (184) hours.

18 **ARTICLE 11**
19 **LEAVES OF ABSENCE**

20 **Section 1. Industrial Leaves of Absences.** Industrial Leaves of Absence will be granted for
21 up to eighteen (18) months by the Company when such leave is certified by a physician of the
22 medical necessity for such leave. Such eighteen (18) month leave may be extended by mutual
23 agreement by the Company and the Union. The Company may make accommodation for the
24 employee's medical restrictions to allow a reduced work effort (light duty) instead of leave of
25 absence if the employee's certifying physician agrees.

26 **Section 2. Family and Medical Leave Act.** The Company shall comply with the provisions
27 of the Family and Medical Leave Act (FMLA). If a new hire has worked the entire probationary
28 period but is still not eligible for coverage under FMLA and requests medical leave that would
29 otherwise be granted under FMLA, then the Company will provide up to three (3) weeks of
30 unpaid leave for that new hire. Such leave may be extended by mutual agreement of the
31 Company and the Union.

32 **Section 3. Personal Leave of Absence.** A leave of absence may be granted for personal
33 reasons and without pay for an indefinite, but reasonable period of time, provided that leave does
34 not present an undue hardship on the Company's operations. Applications for leave and
35 extensions shall be in writing signed by the employee. Copies of actual leave documents and
36 extensions shall be provided to the Union.

37 **Section 4. Jury & Witness Duty.** To be eligible for time off for jury duty or to be a witness,
38 the employee must furnish a copy of their summons or subpoena to the Company, before the
39 appearance, to indicate that the absence from work is necessary to appear for jury duty or to
40 serve as a witness if subpoenaed for a criminal prosecution. Employees who serve as jurors or

1 testify pursuant to a subpoena in a criminal prosecution will be paid for the time they miss from
2 work at their base rate of pay for their regularly assigned hours, less jury duty pay, for a
3 maximum of ten (10) days. In addition, the Company may require verification of such
4 appearance and amount of jury duty pay the employee received, and it is the employee's
5 responsibility to provide court documentation prior to receiving payment. For avoidance of
6 doubt, the employee will be permitted to keep juror fees received.

7 **Section 5. Bereavement Leave.** Three (3) days of bereavement leave with pay will be
8 granted to an employee on the active payroll who, because of death in his/her immediate family,
9 takes time off from work during his/her normal work schedule. Such pay shall be according to
10 the employee's regularly scheduled assigned hours of work at his/her base rate of pay. For the
11 purposes of this Section 5, immediate family members are (includes biological, adopted, or
12 current step): father, mother, spouse/domestic partner, daughter, son, brother, sister, grandparent,
13 grandchild, father/mother-in-law, daughter/son-in law or brother/sister-in law. In addition, an
14 employee will be granted bereavement leave for a stillborn child if the employee provides a
15 certificate of fetal death. Any available vacation or sick leave may be used whenever additional
16 time is required or the employee may request personal leave. If requested by the employee, two
17 (2) days of additional unpaid personal leave, pursuant to Section 3 of this Article, will be granted
18 should the employee have to travel two hundred (200) miles or more for services.

19 **Section 6. Military Leave.** Leave shall be granted to any employee under orders that
20 require them to serve in any of the U.S. Military branches. Employees on military leave will be
21 returned to the appropriate position and at the appropriate level of pay and benefits consistent
22 with applicable law.

23 **Section 7. Military Family Leave.** During a period of military conflict, the Company will
24 provide employees with up to fifteen (15) days of unpaid leave to spend time with a military
25 spouse once he or she has been notified of an impending call or order to active duty, or is on
26 leave from deployment. To be eligible for this benefit, employees must be employed an average
27 of twenty (20) or more hours per week. Employees must notify their supervisor of their intention
28 to take the leave within five (5) days following the family's receipt of the official military notice.
29 Employees may use any accrued leave benefits while taking military family leave. Health
30 insurance benefits will continue at the level and conditions that would have been provided had
31 the employee remained continuously employed. Upon the completion of leave, employee will be
32 restored to the same job or an equivalent job with equivalent pay, benefits, and conditions of
33 employment.

34 **Section 8. Domestic Violence Leave.** If an employee or an employee's family member
35 (child, spouse, parent, parent-in-law, grandparent, or person with whom they have a dating
36 relationship) is a victim of domestic violence, sexual assault or stalking, the Company will
37 provide the employee reasonable leave, intermittent leave or reduced schedule leave, to seek
38 legal or law enforcement assistance, counseling, or medical treatment. Leave is without pay
39 unless the employee chooses to use accrued sick leave or vacation time. Employees will be
40 asked for written verification of the need for leave and the Company may also ask for
41 documentation to determine family relationship. Health insurance benefits will continue at the
42 level and conditions that would have been provided had the employee remained continuously
43 employed. Upon completion of the leave, employees will be restored to the same job or an

1 equivalent job with equivalent pay, benefits, and conditions of employment. Information
2 provided to determine eligibility for this leave will only be disclosed by the Company if the
3 employee requests or consents to its disclosure in response to a court or administrative order or
4 as otherwise required by federal or state law.

5 **Section 9. Departure from Work for Union Business.** Bargaining unit employees who are
6 required for official Union business or to attend official Union functions shall be granted an
7 unpaid leave of absence for performing such business, provided the leave does not present an
8 undue hardship on the Company's operations. Such leave shall not exceed two (2) weeks unless
9 agreed to by the Union and the Company. While on such leave, employees shall not lose any
10 benefit or seniority. Employees shall submit such requests for leave accompanied by an official
11 Union communication authorizing them to act in such capacity.

12 **ARTICLE 12**
13 **HEALTH AND WELFARE INSURANCE**

14 **Section 1. Types of Health and Welfare Insurance Plans Offered for Employees on the**
15 **Active Payroll.** The Company agrees to make available for bargaining unit employees and their
16 dependents its Company health and welfare insurance programs to include medical, dental,
17 vision, life and AD&D, and supplemental life and AD&D. The Company will make available a
18 flexible spending account and a short-term disability plan for employees only. The terms and
19 conditions of the insurance benefit plans are governed at all times by the complete provision of
20 the insurance contract or agreement under which the plans are administered.

21 **Section 2. Plan Modifications.** The Company retains full discretion and authority to modify
22 benefits covered by this Article. The Company commits that the benefits provided will be on
23 terms and conditions substantially similar in the aggregate to those for the Company's non-
24 bargaining unit employees, including with respect to employee plan provisions, deductibles, co-
25 pays, co-insurance and coverage.

26 **Section 3. Years of Service.** For purposes of the benefits provided to employees pursuant to
27 this Article, an employee's years of service include all time served since the employee's date of
28 hire (or, if applicable, rehire, in the event of a loss in seniority in accordance with Article 14,
29 Section 4) with JFC or any prior employer at the Covered Plant.

30 **Section 4. Quality Health Care Commitment.** The Company and the Union will meet at
31 least annually to assess health care costs and quality.

32 **ARTICLE 13**
33 **401(K) PLAN**

34 **Section 1. 401(k) Savings Plan.** For all employees, the Company will make available a
35 defined contribution 401(k) retirement plan into which eligible employees may make elective
36 deferrals. The terms and conditions of the 401(k) plan are governed at all times by the annual
37 plan document. The Company may, at its discretion, make contributions on behalf of employees;
38 provided that, if the Company elects to make such contributions, it will do so pursuant to a
39 uniform policy applicable to all employees.

For purposes of the benefits provided to employees pursuant to this Article, an employee's continuous years of service include all time served since the employee's date of hire (or, if applicable, rehire, in the event of a loss in seniority in accordance with Article 14, Section 4) with JFC or any prior employer at the Covered Plant.

Section 2. Modification. The Company retains full discretion and authority to modify the providers and plan provisions covered by this Article.

ARTICLE 14

SENIORITY

Section 1. Attainment of Seniority. Employees shall not attain seniority until they have completed their probationary period, after which time their seniority shall be determined from their original date of hire. The probationary period may be extended by mutual agreement in writing between the Company and the Union. Terminations of probationary employees and employees who have lost seniority are not subject to the Grievance and Arbitration procedure, Article 15 of this Agreement.

Section 2. Seniority Rights. For any employee hired by the Company for employment commencing immediately following the Closing, such employee's hire date for the purposes of seniority and/or years of service in this Agreement shall be the employee's date of hire (or, if applicable, rehire, in the event of a prior loss of seniority in accordance with Section 4) with JFC or any prior employer at the Covered Plant.

Section 3. Application of Seniority. The seniority of all bargaining unit employees shall be plant-wide with respect to other employees in the respective classifications. Seniority shall apply in terms of lay off and recall. In cases of layoff, the employee with the least seniority in the affected job classification shall be laid off first. Employees selected for layoff may elect to bump into equal or lower classifications for which their seniority is higher and they are qualified to perform. The employee will inform the Company of his/her election to bump within three (3) business days following his/her notice of layoff. In recall back to work, the employee with the most seniority in the classification they last held or a lower classification, if qualified, shall be recalled first. For employees exercising their seniority to bump to a lower classification, or are downgraded, their **base** rate of pay will be that of the lower classification.

Section 4. Loss of Seniority. An employee shall lose seniority if he/she:

- a. Has been on lay-off for more than nine (9) months; or
- b. Fails to respond to the Company within three (3) working days of the employee receiving notice of lay off recall by certified mail, return receipt requested; or
- c. Fails to respond to the Company within five (5) working days of the date the Company sends such recall notice to the employee's last known home address on file with the Company; or
- d. Fails to return to work within ten (10) working days of receiving recall notice by any means; or

- e. Fails to report to work without giving proper notification for three (3) or more consecutive shifts; or
- f. Voluntarily quits, is terminated, retires, or fails to return within three (3) working days from an authorized leave of absence (LOA).
- g. Has been on a leave of absence due to an occupational injury/illness for more than eighteen (18) months unless a longer period is agreed upon between the Company and the Union.

Employees are responsible for keeping the Company informed of current address and contact information for purposes of this Article.

Section 5. Promotions. Procedures for promotions are specified in Article 8, Compensation, Section 10.

ARTICLE 15

GRIEVANCE AND ARBITRATION PROCEDURE

Section 1. Definition. A grievance is a dispute over the interpretation and/or application of this Agreement. Such grievance may be filed on behalf of a grievant or grievants by the Union Steward or the Union Business Representative. Both Parties agree to use their best efforts, including informal meetings involving management, the grievant, and/or the Union Steward, or in the absence of the Steward the Union Business Representative, to resolve matters without resorting to the grievance procedure. This does not preclude the employee, the Union Steward or the Union Business Representative from bypassing this meeting and beginning at Step 1 of this Article. In the event such informal methods do not resolve the grievance within five (5) days, all grievances shall be reduced to writing and processed in accordance with the Steps listed below. A grievance concerning a suspension or discharge may begin at Step 2 of the grievance procedure; however, a written grievance that specifies the nature of the alleged violation and provision(s) of the Agreement that are involved is still required.

The time limitations set forth herein for presenting and deciding grievances may be extended by mutual consent of the Parties in writing.

Section 2. Grievance Steps.

Step 1: Grievances must be submitted to the Company in writing by the Union within fourteen (14) days from the first occurrence on which the grievance is based or from when it could have first been discovered by the affected employee or Union. The written grievance must specify the nature of the alleged violation and the provision(s) of the Agreement that are involved. The Company shall have ten (10) days to respond in writing to the grievance.

Step 2: If the grievance is not resolved in Step 1, or the Company does not provide a timely response, the Union may, within seven (7) days after the Company's response is received or otherwise would have been due, request the Company, in writing, to convene a meeting to discuss the issue. Present at the meeting will be a Union Business

Representative and a senior management representative and, if possible, the grievant. This does not waive the requirement that the Union file a grievance within fourteen (14) days.

The grievance meeting shall take place within seven (7) days after the Company receives the Union's notice. The meeting shall be scheduled with reasonable consideration to preserve the Company's normal work schedule. The meeting shall be informal and efficient.

The Company shall give a written answer to the Union and grievant within seven (7) days from the date of such meeting.

Step 3: Grievances not satisfactorily settled in Step 2 may be appealed to an impartial arbitrator. If the Union or the Company desires to arbitrate a grievance, it shall notify the other Party in writing to that effect within ten (10) days following the date the Company's written Step 2 response is received or otherwise would have been due. The Parties will attempt to agree on an arbitrator. If the Parties cannot agree upon an arbitrator, the grieving party will request a list of seven (7) arbitrators from the Federal Mediation and Conciliation Service (FMCS) within fourteen (14) days of failing to agree upon an arbitrator. The Parties shall alternately strike names from the list until one (1) name remains; this shall be the arbitrator to hear the grievance. The Parties will flip a coin to determine who strikes first.

Section 3. Arbitration. The fees and expenses of the arbitrator will be paid by the losing Party. The Parties agree that the arbitrator has the authority to determine appropriate proration of this cost in the event of a split decision and award. Each Party is responsible for the cost and expenses (including attorney's fees) of its own witnesses and representatives. The decision of the arbitrator will be final and binding on the Company and the Union.

The decision of the arbitrator shall be final and binding on all parties. However, the arbitrator shall not have jurisdiction or authority to add to, subtract from, modify or in any way change the express provisions and terms of this Agreement. Any expense and fees of the arbitration not covered above will be borne equally by both Parties.

The arbitrator may not render an award that requires the Company to pay a discharged or suspended employee for time that the employee has not actually worked in excess of the wage and benefits the employee would have earned had they worked their normal schedule during the ninety (90) calendar days immediately following the date of discharge or suspension.

Section 4. Miscellaneous. The Union Business Representative shall be allowed to enter the shop when necessary to investigate or resolve a grievance that has been filed. Notice of this visit shall be given to management as designated by the Company. The Union Business Representative will comply with all normal requirements for any other visitors in effect at that time and will not disrupt work, engage in any activity that might pose a safety hazard, or any activity that otherwise might disrupt the Company's operations. The Union Business Representative shall be allowed to speak with the grievant(s) and any witnesses pertinent to the grievance.

1 fill; and (b) the request for reimbursement is made after the completion of the class or
2 coursework and submission of the formal transcript or grade report to Human Resources
3 within thirty (30) days of completion of the class or coursework wherein the class or
4 coursework was passed with a "C" grade or better.

5 **B. Preapproval and Payment.** Requests will be made to the department manager using a
6 form approved by Human Resources and must be completed and approved before the
7 class or coursework begins. Approval for any tuition and textbook reimbursement is at
8 the discretion of the Company and will not exceed a maximum of five thousand dollars
9 (\$5,000) per calendar year. Employees who leave employment with the Company within
10 twelve (12) months following such reimbursement will be required to pay back to the
11 Company a prorated amount of what they have received under this program. Such
12 prorated amount will be based on how many months of the twelve (12) month period
13 following reimbursement pursuant to this Section the employee remained employed by
14 the Company. For example, if an employee leaves employment with the Company nine
15 (9) months after receiving reimbursement pursuant to this Section, he or she must return
16 twenty-five percent (25%) of the reimbursement provided to the employee by the
17 Company.

18 **C. Company Required Education.** In instances where the Company has requested that an
19 employee take a specific course, then reimbursement will be typically issued at the time
20 of enrollment. However, if the employee fails to follow through with class attendance or
21 fails to complete the course, then the employee will be required to reimburse the
22 Company for any costs paid.

23 **ARTICLE 19**
24 **HEALTH AND SAFETY**

25 **Section 1. Mutual Objective.** The Union and Company recognize the value of working
26 together to maintain high standards of occupational health and safety throughout the Company.
27 Both Parties commit to work together to create an environment which promotes a positive
28 approach to processes, attitudes, and activities that achieve a workplace free of incidents,
29 accidents and injuries. It is the Parties' intent that no employee shall be required to perform
30 work that involves an imminent danger to health or physical safety.

31 **A. Health and Safety in the Workplace.** The Union and the Company are committed to
32 working together to maintain a healthy and safe workplace. Both parties agree that all
33 employees should be actively involved in creating a safe workplace and complying with
34 all applicable safety and health policies and procedures.

35 **Section 2. Safety Committee.** There shall be a Safety and Health Committee organized and
36 operated in accordance with state requirements. This Committee shall meet on a monthly basis
37 at a minimum, and in a manner that allows for participation from employees working all shifts,
38 and will be responsible for resolving safety concerns. The Company and the Union shall appoint
39 two (2) representatives to the Safety Committee. The Union will designate a Union
40 Representative or appropriate delegate as its representative. The Company will designate the

1 appropriate site safety manager, or his/her designee, as the Company's representative. These
2 representatives will be the contact for occupational health and safety issues at the Covered Plant.

3 The Company shall notify the Union of all time loss accidents which occur in the plant within a
4 reasonable time.

5 The Company shall provide reasonable administrative support for the Committee. Time spent by
6 members of the Committee at the request of the Company shall be considered paid work time.
7 The Committee shall perform its tasks during normal work hours, to the extent possible.

8 **Section 3. Use of Safety Devices.**

9 A. The Company will furnish appropriate safety devices for all employees working on
10 potentially hazardous work. The Company agrees to provide reasonable
11 accommodations for an employee requiring special safety needs. The Company shall
12 replace Company-required safety shoes accidentally and irreparably damaged while
13 performing their job assignment.

14 B. The Union and the Company have a commitment to individual employee safety and
15 regulatory compliance.

16 The Company will maintain emergency first aid stations/service.

17 When an employee at work requires immediate medical attention due to an industrial
18 injury/illness or exposure to hazardous agents in the work environment, the Company will
19 provide the transportation to and from the appropriate medical facility. If such an employee is
20 returned to his/her work location and is unable to use his/her normal transportation home, the
21 Company will provide that transportation.

22 **Section 6. Drug and Alcohol Testing:** The Company may require any applicant or
23 employee to undergo drug and/or alcohol testing at any time, and may deal with positive test
24 results under the terms of the Company's policy, as in effect at that time. Any drug and alcohol
25 testing program will include generally accepted testing procedures. An employee who tests
26 negative will be fully compensated for any time spent on a testing procedure.

27 The Company agrees to make available information on an Employee Assistance Program
28 available to employees.

29 **ARTICLE 20** 30 **MISCELLANEOUS**

31 **Section 1. Sabotage.** The Union agrees to report to the Company when it has knowledge of
32 any acts of sabotage or damage to or the unauthorized or unlawful taking of Company,
33 government, customer, or any other person's or employee's property. The Union further agrees,
34 if any such acts occur, to use its best efforts in assisting to identify and apprehend the guilty
35 person or persons.

1 **Section 2. Company Access.** The Union acknowledges that property provided by the
2 Company (such as, but not limited to, desks, file cabinets, computers, computer files, e-mail,
3 locker, and Company vehicles) is subject to Company access from time to time as the need
4 arises, with or without prior notice. A Union Steward will be present whenever the Company
5 conducts a search if the Union Steward's presence is requested by the impacted employee. It
6 further acknowledges that the Company's policy is to search any personal property an employee
7 chooses to bring to work, if it has a legitimate business reason to do so. The Company will not
8 use this provision for the purpose of harassment of any employee.

9 **Section 3. Equal Employment Opportunity.** The Union recognizes the Company has a
10 legal responsibility and is committed to giving equal opportunity to all qualified persons.
11 Therefore, all individuals will be recruited, hired, assigned, advanced, compensated and retained
12 on the basis of their qualifications and performance and will be treated equally in these and all
13 other respects without regard to race, color, religion, sex, age, national origin, marital or military
14 status, sexual orientation, physical, mental or sensory disability, gender identity and genetic
15 information or any other characteristic protected by federal, state, or local law. It shall be
16 considered the responsibility of all supervisory employees to further implement this policy and
17 ensure conformance by their subordinates by taking all necessary steps to eliminate the
18 possibility of any improper discrimination against employees and applicants in all categories and
19 levels of employment. All personnel will work actively to maintain a work place that is free of
20 arbitrary discrimination in all categories and at all levels of employee relations. All employees
21 are expected to refrain from any activities that are discriminatory in nature.

22 **Section 4. Nondiscrimination.** All terms and conditions of employment included in this
23 Agreement shall be administered and applied without regard to race, color, religion, sex, age,
24 national origin, marital or military status, sexual orientation, physical, mental or sensory
25 disability, gender identity, and genetic information or any other characteristic protected by
26 federal, state, or local law.

27 **Section 5. Company Interviews.** Each employee has the right, during an investigation
28 conducted by the Company, or any third party of the Company, that the employee reasonably
29 believes may result in discipline, to request the presence of his/her Union Steward, if the Union
30 Steward is available. If his/her Union Steward is not available, such employee may request the
31 presence of another immediately available Union Steward and/or witness.

32 **Section 6. Information Provided to Union.** The Company will furnish to the Union, upon
33 request or as changes occur but not more than monthly, a list of all employees covered by this
34 Agreement. The list will include name, address, phone number, rate of pay, job classification,
35 date of hire, department and shift. Temporary employees will be specifically designated.

36 **ARTICLE 21**
37 **NO STRIKES AND NO LOCKOUTS**

38 **Section 1.**

39 A. During the term of this Agreement, and regardless of whether an unfair labor practice is
40 alleged, there shall be no slowdowns, picketing, boycotts, cessation of work, strikes

(sympathy or other), interference with the business of the Company or other disruptive activities by employees or the Union, and no lockouts by the Company. This obligation shall extend to the Company and its affiliates' dealings with all union and non-union suppliers, contractors, service providers, delivery persons, partners, vendors, organizations, and/or other employees or workers not covered by this Agreement and shall cover non-grievable disputes to the maximum extent permitted by law. The Union further agrees that it will not interfere with any individual while he or she is entering or exiting Company property.

B. Any employee violating this provision shall be subject to whatever disciplinary action may be warranted in the discretion of the Company, up to and including termination. It shall not be deemed arbitrary or otherwise objectionable for the Company to discharge some employees engaging in such actions while not discharging others.

Section 2. Good Faith Effort. The Union agrees that should any breach of Section 1 of this Article occur or any other breach of this Article occur, the Union, within twelve (12) hours of a request by the Company, shall undertake in a good faith effort to eliminate the prohibited conduct through all reasonable actions requested by the Company, including, but not limited to, promptly serving notice on its members by oral statements and the posting of notice at the Covered Plant that such action is unauthorized by the Union and promptly taking steps to return its members to work.

Section 3. Remedies. It is understood and agreed that any violation of this Article, by the Union or by any members of the bargaining unit, would result in immediate and irreparable injury to the Company and that the Company would have no adequate remedy at law. It is, therefore, agreed that the Company would, in that event, be entitled to immediate injunctive relief in any court having jurisdiction of the Parties, including the courts of the State of Washington. For purposes of obtaining an injunction, this Agreement itself shall suffice as evidence of irreparable injury and inadequacy of an adequate remedy at law, once a violation of this Article is otherwise shown. The Company shall not be required to grieve or arbitrate any claim that this Article has been violated, and shall have the right to proceed directly to court for injunctive relief. The remedies above provided shall be in addition to any other remedies the Company may have by contract or by law.

ARTICLE 22

SEVERABILITY

If any term or provision of this Agreement is, at any time, adjudged by a court or administrative body of competent jurisdiction to be in conflict with any law, such term or provision shall become invalid and unenforceable, but such invalidity or unenforceability shall not impair or affect any other term or provision of this Agreement. The Union and the Company shall meet to negotiate to resolve the conflict.

ARTICLE 23
COMPLETE AGREEMENT

The Parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, and that the understanding and agreements arrived at by the Parties after the exercises of that right and opportunity are set forth in this Agreement. Therefore, the Parties, for the duration of this Agreement, waive the right, and each agrees that the other shall not be obligated, except as otherwise provided in this Agreement, to bargain collectively with respect to any subject of matter referred to or covered in this Agreement. Further, the Parties, for the duration of this Agreement, waive the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of any of the Parties at the time this Agreement was negotiated or signed.

The Company shall not be deemed to have agreed to any term or condition of employment not specifically set forth in this Agreement, including, but not limited to any past practices and/or any past practices under previous employers.

No agreement, alteration, understanding, variation, waiver, or modification of any of the terms or conditions or covenants contained herein shall be made by any employee or group of employees with the Company, and in no case shall it be binding upon the Parties, unless such agreement is made and executed in writing by the Company and the Union.

ARTICLE 24

SUCCESSORS AND ASSIGNS

If ownership of the Company is transferred, the Company will provide the Union with any necessary contact information for any successor owner that plans to operate the business. Nothing in this provision shall limit or reduce other rights or obligations of the Parties under the National Labor Relations Act.

ARTICLE 25

RATIFICATION AND DURATION

This Agreement shall be valid and binding only after the Company has provided offers of employment to bargaining unit employees previously employed by JFC and a majority of those bargaining unit employees have accepted such offers. All offers of employment made by the Company to any bargaining unit employees shall be contingent upon the ratification of this Agreement by the Union's members. Furthermore, such offers, if accepted, shall be effective no earlier than the date of the Closing pursuant to the APA, and then this Agreement shall only become effective as of the first day the Company operates the assets of the business purchased in the APA by the Company as the employer and shall continue in full force and effect until the third anniversary of the first day the Company operates the assets purchased in the APA as the employer.

- 1 On behalf of the collective bargaining unit for which, respectively, the undersigned is the
2 certified collective bargaining agent, each of the undersigned as of the date states above and as a
3 party to the foregoing Agreement hereby accepts and agrees to the terms and conditions thereof.

STAR FORCE, LLC

TBD
[TITLE]

LAM&AW DISTRICT LODGE 751

Jon Holden, District President
and Directing BR

TBD
[TITLE]

Joe Crockett,
Business Rep.

Richard Jackson
Chief of Staff

Dan Swank
Business Representative

Keith Felt
Committee Member