

ATTACHMENT 4.1-02

COLLECTIVE BARGAINING AGREEMENT

FOR

MAIL DISTRIBUTION SERVICES CONTRACT
(MDSC)

KENNEDY SPACE CENTER

COLLECTIVE BARGAINING AGREEMENT

OF

APRIL 1, 2005

BETWEEN

**SPACE GATEWAY SUPPORT
And Team Member,
INDYNE, INC.
Mail Services**

AND

**INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS**

AFL-CIO

**Kennedy Space Center
Cape Canaveral Air Force Station
Patrick Air Force Base**

Effective Date: April 1, 2005

Expiration Date: March 31, 2009

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P R E A M B L E

THIS AGREEMENT, dated April 1, 2005 by and between the INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS and its local agent, DISTRICT LODGE 166 and LOCAL LODGE 2061 of the INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, hereinafter jointly referred to as the "Union", the local agent having an office at 171 Taylor Avenue, Cape Canaveral, in the State of Florida, SPACE GATEWAY SUPPORT and team member INDYNE, INC., hereinafter referred to respectively as "SGS" or the "J-BOSC Prime" and the "Company" or the "Employer" operating at the Kennedy Space Center, Cape Canaveral Air Force Station and Patrick Air Force Base, Florida.

WITNESSETH that

WHEREAS, the Union is the exclusive bargaining agent of certain employees of the Company, and

WHEREAS, the Union and the Company have negotiated a COLLECTIVE BARGAINING AGREEMENT covering wages, hours and other conditions of employment of certain employees within the mail operation, and

WHEREAS, the Parties desire to reduce the Agreement to its written form,

NOW, THEREFORE in consideration of the mutual promises hereinafter set forth, the Parties hereto agree as follows:

ARTICLE 1

RECOGNITION

- 1.1** The Company hereby recognizes the Union as exclusive bargaining agent for the purpose of collective bargaining with respect to rates of pay, hours and conditions of employment for employees within the bargaining unit hereinafter set forth at its operations at the Kennedy Space Center, Cape Canaveral Air Force Station, and Patrick Air Force Base. The preceding sentence shall not be interpreted to include any right on the part of the Union or obligation on the part of the Company, other than as set forth expressly and specifically in the remaining provisions nor shall it or the bargaining unit designation be considered for the purpose of determining the work to be performed by employees within the bargaining unit.
- 1.2** The Company recognizes that it cannot get along without employees any more than the employees can get along without management. Both are in the same business and the success of that business is vital to all concerned. This requires that both management and employee work together to the end that the quality of service is increased and the safety of employees be ensured, so that this business may be continuously successful. The Company, the Union, and the employees hold that the basic interests of all are the same and all are convinced that there is no reason why the differences that may arise may not be peacefully and satisfactorily adjusted by sincere and patient efforts on the parts of all concerned.
- 1.3** The Parties expressly declare that they have bargained between themselves on all phases of hours, wages, rates of pay, conditions of employment and working conditions and that this contract represents their full and complete agreement without reservations or unexpressed understanding. Any aspect of hours, rates of pay, wages, conditions of employment, and working conditions not covered by a particular provision of this Agreement is declared to have been expressly eliminated as a subject for bargaining and/or the grievance process during the life of this Agreement and may not be raised for further bargaining negotiations without the written consent of all Parties hereto.

It is further understood and agreed that neither Party hereto has been induced to enter into this Agreement by any representations or promises made by the other which are not expressly set forth herein, and that this document correctly sets forth the effect of all preliminary negotiations, understandings, and agreements and supersedes any previous agreements, whether written or verbal.

This contract constitutes the entire agreement and understanding between the Parties. It shall not be modified, altered, changed, or amended in any respect except on mutual agreement by all the signatories, or respective designees and set forth and distributed in the form of an Administrative Letter. The Company's Senior Vice President and/or the Manager of Labor Relations and/or the Manager of Labor Relations with SGS, and the Union's Business Representative shall sign the Administrative Letter.

- 1.4** The Parties have mutually agreed to establish a Labor Management Committee to help improve communication lines and/or to review issues within Mail and Special Services that may pose potential problems. The Labor Management Committee parameters are:
- a) It shall meet during the first shift and convene as soon as possible whenever requested by either Party.
 - b) Consist of the three (3) Union Stewards. The Stewards, in attendance, shall continue to receive their regular rate of pay, as shown in Schedule B (Column D), page 76, when the Committee is in session.
 - c) Consist of three (3) managers: a Corporate manager, the Manager, Administrative Services or a designee and the Senior Supervisor, Mail Services or a designee.
 - d) There must be a minimum of two (2) representatives present from each of the Parties before the Committee can convene.
 - e) The meetings are not an additional step in the Grievance Procedure as set forth in Article 22.5 (Grievance), pages 55.

ARTICLE 2

MANAGEMENT RIGHTS

The Management of the Company and the direction of the work force are vested exclusively in the Company subject to the terms of this Agreement. The Company in accordance with such policies or procedures may administer all matters not specifically and expressly covered or treated by the language of this Agreement for its duration as the Company from time to time may determine. These policies or procedures shall be fair, equitable and reasonable.

ARTICLE 3

CONDITIONS OF EMPLOYMENT

- 3.1** All employees shall receive the negotiated wages, hours, working conditions, and treatment, without any discrimination by any person, either because they are members of the Union or because they are not members of the Union.
- 3.2** The Parties hereto agree to apply the provision of this Agreement to all employees without regard to age, race, color, religion, sex, or national origin.
- 3.3** It is understood that wherever in this Agreement employees or jobs are referred to in the masculine gender, it shall be recognized as referring to both male and female employees.

ARTICLE 4

BARGAINING UNIT

- 4.1** The bargaining unit shall consist of the following job classifications: Senior Distribution Clerk, Senior Document Control Clerk, Senior Post Office Clerk, Distribution Clerk, Post Office Clerk and Messenger Driver, excluding clerical office employees and Supervisors as defined in the National Labor Relations Act, as amended. Employees shall report to the Company's facilities located at the Kennedy Space Center (KSC), Cape Canaveral Air Force Station (CCAFS) and Patrick Air Force Base (PAFB), Florida.
- 4.2** Supervisors shall not perform duties of employees covered by this Agreement except when deemed necessary by the Company to:
- (a) Instruct or indoctrinate employees.
 - (b) Protect company or government property.
 - (c) Assure the safety of employees.
 - (d) Work out new procedures.
 - (e) Assure that the Company meets its contractual obligations when twenty percent (20%) or more employees are absent from their assigned shift for any reason.
 - (f) Assure that the Company meets its contractual obligations in the KSC Post Office and Procurement operations.

It is agreed that the above activity shall not prevent gainful employment in the bargaining unit.

- 4.3** Grievances filed for infractions of 4.2 shall be filed in accordance with Article 22 (Grievance), page 54-56.
- (a) Grievances upheld concerning infractions of this Article shall result in the Company compensating employees, in the job classifications affected, who were assigned in the work group and/or work area where the infraction occurred. The employees with the least number of hours on the overtime roster shall be compensated in accordance with Article 9 (Overtime), pages 17-21.
 - (b) Compensation shall be for a minimum of two (2) hours and up to a maximum of the number of hours Supervisors or office clerical employees actually worked in areas covered by this Agreement.

- (c) It is understood that if employees receive compensation under the terms of this Article 4, they shall be charged on the overtime roster with the number of hours they were compensated.
- 4.4** The Company agrees to consider employees within the bargaining unit for any vacancies or any new positions in its management staff before considering any persons outside the Company.
- 4.5** In the event the Company establishes a new job classification and its job description encompasses any one of the job classifications presently included in this Agreement, then the new job classification shall become part of the bargaining unit subject to the terms and conditions of this Agreement.
- (a) The Company shall notify the Union prior to adding this new job classification to its work force, in order to negotiate a wage rate and shift assignment so as to maintain an orderly and efficient addition to the operation of the Company.
 - (b) Pending the results of negotiations concerning this new job classification, the Company shall establish this new classification on the first shift and its proposed wage rate so as not to delay the addition of employees to the work force.
 - (c) The negotiated wage rate for this new job classification, if higher than the Company's proposed wage rate, shall be paid retroactive to the date the new employees were added to the bargaining unit.
 - (d) The issue shall be submitted to Arbitration when the Company and the Union do not mutually agree on the wage rate for the new job classification.
 - (e) All other provisions of this Agreement shall be in effect for employees in this new job classification during these negotiations or Arbitration.
- 4.6** Non-represented employees shall not be assigned to displace employees in the bargaining unit until such time as the non-represented employees become part of the bargaining unit.
- 4.7** The Parties agree that any work presently performed by a job classification within the bargaining unit shall remain as part of the bargaining unit.

4.8 The Union shall be notified in advance of any intended technological changes affecting the work performed by the bargaining unit. The Union shall have the opportunity to discuss, with the Company, the impact these changes may have on the employees in the bargaining unit. The employees affected by such changes shall continue to perform their current duties unless the technological changes alter the nature of the work to the extent, which may remove it from the scope of the bargaining unit.

Employees, whose job classifications are affected by such an implementation, shall be trained by the Company so as to qualify them for the job.

ARTICLE 5

STRIKES AND LOCKOUTS

The Union agrees that during the term of this Agreement, and regardless of whether an unfair labor practice is alleged: (a) there shall be no strike, slowdown, sit down or walkout, and (b) the Union shall not directly or indirectly authorize, encourage, or approve any refusal on the part of employees to proceed to the location of normal work assignment where no rare or unusual physical hazard is involved in proceeding to such location. The Company agrees that during the term of this Agreement there shall be no lockout.

ARTICLE 6

UNION SECURITY AND CHECK-OFF

6.1 Upon receipt of a signed authorization from employees involved, the Company shall deduct from the employees' pay the initiation and/or reinstatement fees and dues payable by them to the Union during the period provided for in said authorization. The Financial Secretary of the Local Lodge 2061 shall certify the amount.

The Parties agree that Check-Off authorization shall be in or similar to the following form:

Employee Name _____
(Please Print)

Dept. No. _____ Clock No. _____

Social Security No. _____ Date _____

I hereby authorize and direct InDyne, Inc. to deduct from my pay beginning with the current month, initiation and reinstatement fees and my regular monthly Union dues, as certified to the Company by the Financial Secretary of the Union, on account of membership dues in Lodge No. 2061 of the International Association of Machinists and Aerospace Workers.

I submit this authorization and assignment with the understanding that it shall be effective and irrevocable for a period of one (1) year from this date, or up to the termination date (if any) of the current COLLECTIVE BARGAINING AGREEMENT between InDyne, Inc. and Local Lodge No. 2061 of the International Association of Machinists and Aerospace Workers, whichever occurs sooner.

This authorization and assignment shall continue in full force and effect for yearly periods beyond the irrevocable period set forth above, and each subsequent yearly period shall be similarly irrevocable unless revoked by me within five (5) calendar days prior to the date of termination of any irrevocable period hereof. Such revocation shall be affected by written notice, sent by Registered Mail, Return Receipt Requested, to the Employer and the Union within such five (5) day period.

Signature _____

6.2 Deductions shall be made on account of initiation and/or reinstatement fees and dues shall be payable from the first paycheck of employees after receipt of the authorization.

Deductions shall be made on account of Union dues from the first paycheck of employees after receipt of the authorization and monthly thereafter from the employees' first paycheck each month.

6.3 Deductions provided in 6.2, shall be remitted to the Financial Secretary of the Union no later than the fifteenth (15th) day of the month following the month in which the deduction was made and shall include all deductions made in the previous month. The Company shall furnish the Financial Secretary of the Union, monthly, with a record of those from whom deductions have been made and the amounts of the deductions.

6.4 The Union agrees to hold the Company harmless for any erroneous deductions that were based on information supplied by the Union.

6.5 Deductions of Union membership dues [with a maximum pickup of one (1) month] shall be resumed by the Payroll Accounting Department in the following situations unless the Company in accordance with 6.1, receives employees' written revocation notices:

(a) Upon recall from layoff.

(b) Upon return from prolonged leave of absence.

6.6 Deductions for other Union membership dues shall be made from employees' monthly paychecks for twelve (12) months of the calendar year. These deductions shall be in the amount certified to the Company by the Union. Any change in the amount of deductions for such Union membership dues shall be made effective for the next full month after written notice of such change by the Union to the Company. In the event a deduction of these dues are not made from one or more consecutive monthly paychecks, due to insufficient earnings by the employees, then on the next paycheck that the employees have earned sufficient funds, a retroactive deduction shall be made.

6.7 The Company agrees that bargaining unit employees working under this Agreement on or after the effective date of this Agreement shall, within thirty (30) calendar days, assume and continue financial core membership in the Union as a condition of employment. This obligation shall be effective only on those sites of employment designated as a Federal enclave or where otherwise permitted by law.

The Union shall notify the Company of non-compliant bargaining unit employees. The employees shall be provided not less than two (2) weeks to pay this debt to the Union. If employees do not establish or regain financial membership in good standing, the employees shall be subject to termination at the request of the Union.

- (a) Where permitted by law, all employees of the Company subject to the terms of this Agreement shall, as a condition of continued employment, become and remain members in the Union, and all such employees subsequently hired shall become members of the Union within thirty-one (31) calendar days, within the requirements of the National Labor Relations Act. Union membership is required only to the extent that employees must pay either the Union's initiation fees and periodic dues, or service fees which in the case of a regular service fee payer shall be equal to the Union's initiation fees and periodic dues, or in the case of an objecting service fee payer, shall be the proportion of the initiation fees and dues corresponding to the proportion of the Union's total expenditures that support represented activities.

The Company shall, within three (3) workdays after receipt of notice from the Union, discharge employees who are not in good standing in the Union as required by the preceding paragraph.

- 6.8** The Company agrees to deduct payments on behalf of its employees for bonds, retirement, credit union savings and loans, United Way, Machinists' Nonpartisan Political League and/or Court ordered child support.

ARTICLE 7

RATES OF PAY

- 7.1** The pay grades for the job classifications shall be as set forth in Schedule A, page 75.
- 7.2** The base rates of pay for all pay grades shall be as set forth in Schedule B, (Column B), page 76 and computed as follows:

Four (4) years progressive three percent (3%) general wage increases to the base rates of pay in effect for each pay grade on the first of October for the duration of this Agreement. It is understood these increases are before wage concessions as described herein.

- 7.3** The Union has agreed to progressive hourly wage concessions for all pay grades of ten cents (\$0.10) effective January 1, 2006, ten cents (\$0.10) effective January 1, 2007, fifteen cents (\$0.15) effective January 1, 2008 and another fifteen cents (\$0.15) effective January 1, 2009.

It is understood the progressive hourly wage concessions described above shall be in addition to the total hourly wage concessions [sixty cents (\$0.60)] in effect as of January 1, 2005. Schedule C (Column C), page 77, shows the progression of the hourly wage concessions for the four (4) years of this Agreement.

- 7.4** It is understood the Company's hourly contributions to the employees' National I.A.M. Pension Fund, as set forth in Schedule C (Column B), page 77, shall be increased by the hourly wage concessions as stated in 7.3, as shown in Schedule C (Column C), page 77. The Company's total National I.A.M. Pension Fund contributions shall be as shown in Schedule C (Column D), page 77.

ARTICLE 8

HOURS OF WORK AND SHIFTS

8.1 Hours of work and shifts shall be defined by the following:

- (a) **Normal Workweek**: The Normal Workweek for employees covered by this Agreement shall consist of five (5) consecutive days, Monday through Friday, not exceeding eight (8) hours in any one (1) regular workday of twenty-four (24) hours.
- (b) **Scheduled Days Off**: Saturday and Sunday shall be designated as Scheduled Days Off.
- (c) **Regular Workweek**: The Regular Workweek for all employees shall begin at 12:00 midnight Sunday and end at 12:00 o'clock midnight the following Friday night.
- (d) **Regular Workday**: For the determination of daily overtime and of overtime worked in the regular workweek, on scheduled days off, and on Holidays, the Regular Workday shall be used and shall consist of twenty-four (24) consecutive hours, from 12:00 o'clock midnight to 12:00 o'clock midnight (the calendar day). In all cases, the first Regular Workday in the regular workweek shall begin at the time the regular workweek begins. Hours worked on, or in conjunction with, a regular shift starting in the Regular Workday, shall be counted as worked in such Regular Workday.
- (e) **Regular Shift**: A Regular Shift shall be scheduled in advance and shall consist of eight (8) consecutive hours during a regular workday, exclusive of meal periods with the exception of the night shift.
- (f) **First Shift**: The term First Shift shall mean any shift starting at or after 7:00 a.m. and at or before 9:00 a.m. The time when employees actually commence work shall determine whether or not they shall be entitled to alternate first shift differential pay as described in 8.1(i).
- (g) **Second Shift**: The term Second Shift shall mean any shift starting at or after 3:00 p.m. and before 5:00 p.m. The time when employees commence work shall determine whether or not they have worked a Second Shift for purposes of shift differential pay only.

- (h) **Night Shift**: The term Night Shift shall mean any shift starting at or after 11:30 p.m. and before 1:30 a.m. The time when employees commence work shall determine whether or not they have worked a Night Shift for purposes of shift differential pay only.
- (i) **Alternate First Shift Differential**: A shift differential of one dollar (\$1.00) per hour shall be paid for all hours worked on an Alternate First Shift when employees are scheduled to start work at or after 5:00 a.m. or before 7:00 a.m. An Alternate First Shift Differential shall also be paid for all hours of vacation and sick leave taken and overtime hours worked.
- (j) **Second Shift Differential**: A Shift Differential of fifty cents (\$0.50) per hour shall be paid to employees for all hours worked on a Second Shift. Second Shift Differential shall also be paid for all hours of vacation and sick leave taken and overtime hours worked.
- (k) **Night Shift Differential**: A Shift Differential of one dollar (\$1.00) shall be paid to employees for all hours worked on a Night Shift. Night Shift Differential shall also be paid for all hours of vacation and sick leave taken and overtime hours worked.
- (l) **Emergency Shift Differential**: An additional seven dollars fifty cents (\$7.50) per hour shall be paid for all Regular Shift and/or Overtime hours worked during temporary Kennedy Space Center and/or Patrick AFB/Cape Canaveral Air Force Station closures due to emergencies.

8.2 Changes to a regular shift shall not be made until the Union has been advised of the change.

- (a) A written notification shall be made at least ten (10) workdays in advance to the Union and to the employee affected. The employees have the right to waive the ten (10) workday notices.

When they are required to start the new shift assignment before the ten (10) workday notice has expired, payment for all hours in the new shift shall be made in accordance with Article 9.2(a) and 9.2(b) [Overtime], page 17 until the ten (10) workdays have been satisfied.

- (b) Changes in shift assignments shall begin on Monday of the regular workweek.
- (c) Employees shall be permitted to report to the new shift unless the Company issues written notification to them and the Union no later than their departure from their last regular shift.

- 8.3** Employees required to report to work without an eight (8) hour break after the completion of a previous work period of eight (8) hours during the normal workweek shall receive the applicable overtime rate as stated in Article 9.2(a) or 9.2(b) [Overtime], page 17.

The Company may elect to have employees, who have worked twelve (12) consecutive hours without an eight (8) hour break, report to their next regular shift later than normal or have then leave for home prior to the end of their regular shift. If either case occurs, the employees shall receive their current rates of pay, as shown in Schedule C (Column D), page 76, for that portion of their regular shift they may have missed.

Employees, who have worked twelve (12) continuous hours and are required to work into their next regular shift, shall receive payment, as stated in Article 9.2(c), page 17, for that portion of their next regular shift they are required to work.

Employees shall not be required to work more than two hundred forty (240) hours in a twenty-eight (28) consecutive day period.

Exception to 8.3 shall be as stated in 8.1(l).

- 8.4** When employees have commenced their regular shift and it becomes necessary to shorten their regular shift due to circumstances beyond the control of the Company, they shall be paid for the remainder of their regular shift. Employees shall be paid at their current rates of pay, as shown in Schedule B (Column D), page 76, including any applicable shift differential, but excluding any unpaid tardiness or unpaid early departures, which may have occurred prior to this unforeseen event.

- 8.5** Employees shall be entitled to a meal period during which they shall be relieved from their duties. Employees shall not be required to work more than five (5) hours without a meal period of at least thirty (30) minutes. Meal periods shall commence between the third and fifth hour of their regular shift.

In the event employees are not relieved from their duties for a meal period during their regular workday, they shall be compensated for such time and shall not be sent home prior to having worked eight (8) hours, plus the time normally allotted for their meal period. The Company shall provide an additional fifteen (15) minutes in conjunction with regularly scheduled meal periods to be used for travel and/or clean up time. Meal periods for the Night shift and the Second shift shall be included in the eight (8) hours of these shifts.

- 8.6** The Company agrees to schedule two (2) paid rest periods of ten (10) minutes each, one (1) in the first half and one (1) in the second half of each shift.

ARTICLE 9
OVERTIME

9.1 Overtime shall be defined as all hours or fractions of hours worked before or after an employees' regularly assigned eight (8) hour shift with the exception of 9.2(d), Article 8.3 (Hours of Work and Shifts), page 16 and Article 13.6 (Sick Leave), page 29.

9.2 Overtime shall be calculated based on employees' current rates of pay, as shown in Schedule B (Column D), page 76, plus any applicable shift differential.

- (a) Overtime for the first three (3) hours shall be paid at one hundred fifty percent (150%) of employees' current rates of pay, as shown in Schedule B (Column D), page 76.
- (b) Overtime in excess of three (3) hours shall be paid at two hundred percent (200%) of employees' current rates of pay, as shown in Schedule B (Column D), page 76.
- (c) Overtime on a holiday, as listed in Article 14.8 (Holiday), pages 33-34 shall be paid at two-hundred percent (200%) of employees' current rates of pay, as shown in Schedule B (Column D), page 76.
- (d) Overtime shall be paid for missed meal periods, caused by the actions or requirements of the Company. Employees who are not able to start their meal period before the completion of the fifth hour of their shift shall be paid thirty (30) minutes at one hundred fifty percent (150%) of their current rates of pay, as shown in Schedule B (Column D), page 76.

9.3 The Company shall distribute overtime equally among employees as follows:

- (a) Within assigned work groups and/or work areas as follows:

| Work Groups | Work Areas |
|--------------------|------------------------------------|
| Mail Units (MU) | HQ MU (includes CAPE-O&C-SPC-SSPF) |
| Distribution (D) | CIF MU |
| Post Office (PO) | OSB/VAB MU |
| Procurement (PRO) | DISTRIBUTION |
| | POST OFFICE |
| | PROCUREMENT |
| | PAFB MU |

- (b) According to their job classification and their job qualifications, as determined by the Company.

(c) By type of overtime as follows:

| Type of Overtime | Work Group | Work Areas | Qualified Employees in the following Job Classifications |
|-------------------------------------|-------------------|---------------------------|--|
| Titusville Run | MU | HQ-CIF-OSB/VAB | Sr. Distribution Clerk Distribution Clerk Messenger Driver |
| Orlando Run | MU | HQ-CIF-OSB/VAB | Sr. Distribution Clerk Distribution Clerk Messenger Driver |
| Mail Sorting | MU-PO | HQ-CIF-OSB/VAB-PO-PAFB | Sr. Distribution Clerk Sr. Post Office Clerk Distribution Clerk Post Office Clerk Messenger Driver |
| “Locating” Mail | MU | HQ-CIF-OSB/VAB-PAFB | Sr. Distribution Clerk Distribution Clerk Messenger Driver |
| Distribution | MU-D | HQ-CIF-OSB/VAB-D | Sr. Distribution Clerk Distribution Clerk |
| Flight Readiness Review | MU-D-PRO | HQ-CIF-OSB/VAB-D-PRO | Sr. Distribution Clerk Sr. Document Control Clerk Distribution Clerk Messenger Driver |
| ADP Courier Support | MU | HQ-CIF | Sr. Distribution Clerk Messenger Driver |
| Public Affairs Support | MU-D-PRO | HQ-CIF-OSB/VAB-D-PRO-PAFB | Sr. Distribution Clerk Sr. Document Control Clerk Distribution Clerk Messenger Driver |
| Public Affairs Postal Support | PO | PO | Sr. Post Office Clerk Post Office Clerk |
| Philatelic Postal Support | PO | PO | Sr. Distribution Clerk Post Office Clerk |
| Procurement Support | PRO | PRO | Sr. Document Control Clerk Sr. Distribution Clerk Sr. Post Office Clerk Distribution Clerk Post Office Clerk |
| Ascension/Antigua Downrange Support | MU | PAFB | Sr. Distribution Clerk Distribution Clerk Messenger Driver |
| Atlas/Delta/Titan/Triden | MU | PAFB | Sr. Distribution Clerk |

| | | | |
|---------------------|--|--|--|
| t Launch Support | | | Distribution Clerk Messenger Driver |
|---------------------|--|--|--|

Note: Holiday overtime requirements, as determined by the Company, shall be distributed by the foregoing and in accordance with the overtime roster.

Overtime shall first be offered to employees assigned on a regular basis to a specific work area and then to other qualified employees who meet the criteria stated in Article 11.4 (Promotions and Upgrading), pages 23-24.

9.4 Employees working overtime:

- (a) Shall be entitled to a paid ten (10) minute rest period if the overtime is less than four (4) hours.
- (b) Shall be entitled to a paid thirty (30) minute meal period in addition to paid ten (10) minute rest periods if the overtime is in excess of four (4) hours.

9.5 The Company shall record overtime distribution on an overtime roster that lists all employees and their respective job classifications. The overtime roster shall be made available to Union Stewards in the Company offices upon the Steward's request and to the bargaining unit as a whole on a monthly basis by posting an updated overtime roster in each of the Company work areas.

- (a) Computation of overtime charged on the overtime roster shall be as follows: four (4) hours of overtime paid or refused shall be charged as six and one half (6½) hours; three (3) hours at one hundred fifty percent (150%) and one (1) hour at two hundred percent (200%).
- (b) Employees shall be charged with all overtime paid with the exception of overtime paid for missed lunch breaks as described in 9.2(d), page 17.
- (c) Employees shall be charged with all overtime offered and refused except for overtime immediately following their current shift and/or overtime that is described in 9.5(h), 9.5(i) and 9.5(l), pages 20-21.
- (d) The Company shall normally offer overtime to qualified employees, as determined by the Company, with the lowest number of overtime hours on the overtime roster. If, through a scheduling error, the qualified employees with the lowest number of overtime hours on the overtime roster is not offered the overtime, the Company shall resolve the error by offering the employees passed over an equal number of hours overtime within thirty (30) calendar days.
- (e) Employees on short or long term disability or a leave of absence shall be charged on the overtime roster with any overtime hours they would have been offered if they had been available.

- (f) When employees are initially placed on the overtime roster, the employees shall be charged with the highest number of overtime hours on the overtime roster.
- (g) New employees shall be placed on the overtime roster sixty (60) calendar days after their hire date.
- (h) Union Stewards shall not be charged for overtime, which they refused in order to attend monthly Union meetings.
- (i) If qualified employees, as determined by the Company, are asked to work overtime and they refuse, they shall be charged on the overtime roster.

If the Company goes through the overtime roster and additional help is still needed, the qualified employee with the lowest number of hours on the overtime roster shall be required to work. This employee shall then be charged twice on the overtime roster.

- (j) The overtime roster shall be "zeroed" at the start of each new calendar year by assigning employees with the lowest number of hours on the overtime roster with zero hours and subtracting their accrued hours from the accrued hours of the other employees on the overtime roster.
- (k) Employees who refuse overtime, as defined in Article 10 (Call-In), page 22, shall not be charged.
- (l) Employees in the Military Reserves or National Guard who have been called to active duty shall not be charged for overtime hours they would have been offered had they been available. Upon their return to the work place they shall resume their same place on the overtime roster as before their departure.
- (m) The "Titusville Run" overtime shall not be scheduled for more than five (5) consecutive workdays of the same work week immediately following the first shift and shall be charged on the overtime roster as follows:
 - (1) Employees who refuse to work this overtime shall be charged for two (2) hours in accordance with 9.5(a), page 19.
 - (2) Employees who accept this overtime shall be charged for all hours worked in accordance with 9.5(a), page 19.

9.6 Notification of cancellation of overtime shall not be less than a minimum of four (4) hours prior to employees departing their last regular shift. The exception to this cancellation of overtime shall be that which the Company has no control, such as Public Affairs support, Flight Readiness Review support and Naval Ordinance Test Unit support.

9.7 Employees shall not receive more than one (1) overtime rate for the same hours worked, and if more than one (1) rate is applicable for the same hours worked, only the higher rate of pay, as shown in Schedule B (Column D), page 76, shall be paid.

ARTICLE 10

CALL-IN

- 10.1** Call-In pay shall be defined as overtime offered to employees by the Company after they have left the Company's premises and is called back to work either after the completion of their regular shift or before they have returned to the Company's premises prior to the start of their next regular shift.
- 10.2** Employees called back to work prior to or after their regular shift shall receive a minimum of four (4) hours of overtime at their current rates of pay, as shown in Schedule B (Column D), page 76, plus any applicable shift differential.
- 10.3** Employees called back to work on their scheduled days off or on a holiday shall receive a minimum of four (4) hours of overtime at the rates specified in Article 9.2(c) [Overtime], page 17.
- 10.4** Employees shall not be required to stand-by at home for a call to report back to work after the termination of their regular shift.

ARTICLE 11

PROMOTIONS AND UPGRADING

11.1 The Company shall notify employees of an existing vacancy within its Mail and Special Services operation. The Company agrees that before making the final determination concerning promotions, it shall consider the qualifications of employees who have submitted a “bid” for the vacant position. When the Company has determined that all factors are substantially equal between employees or “bidders”, preference shall be offered to the employee with the most mail service seniority as listed on the mail service seniority roster.

After all employees have had an opportunity to “bid” on a vacancy and the Company has met all terms as set forth in this Agreement, and a vacancy still exists, the Company may have to layoff the employee with the least Company seniority within the bargaining unit before it offers the position to others in the following order:

- (a) Non-representative employees within its mail services operations.
- (b) Employees in its other operational areas.
- (c) New hires from outside of the Company.

11.2 Employees promoted shall receive the hourly rate of pay for the higher pay grade, as shown in Schedule B (Column D), page 76, effective on the day of the promotion.

11.3 The Company reserves the right to upgrade employees when it becomes necessary to maintain an orderly and efficient operation. It is understood that there shall be no automatic upgrading to pay grade 2 and employees who are upgraded shall be required to perform the duties of the higher job classification.

It is understood that because of the special circumstances associated with the operation of the KSC Post Office, the Company may take into consideration factors other than seniority when it becomes necessary to upgrade employees.

11.4 Absences of eight (8) hours or less of each “Lead” in the Special Services operations, upgrading shall be as follows:

| Absence of the Lead at: | Upgrade the senior qualified employee at: |
|--------------------------------|--|
| Distribution | Distribution Work Area |
| Post Office | Post Office Work Area |
| Procurement | Distribution or Post Office Work Areas |

Upgrading for the absences of eight (8) hours of the “Leads” in Mail Operations shall be as follows:

| | |
|--------------------------------|---|
| Absence of the Lead at: | Upgrade the senior qualified employee at: |
| CIF Mail Unit | CIF or HQ or O&C Mail Units |
| HQ Mail Unit | CIF or HQ or O&C Mail Units |
| O&C Mail Unit | CIF or HQ or O&C Mail Units |
| OSB Mail Unit | OSB or VAB Mail Units |
| VAB Mail Unit | OSB or VAB Mail Unit |
| Absence of the Lead in: | Upgrade employees as follows: |
| PAFB Mail Unit | (1 st) Distribution Clerk (2 nd) Senior Messenger Driver working in MU day of the absence. |

It is understood that upgrading to “Lead” in the Mail Units for periods less than eight (8) hours, the employee upgraded shall be the senior employee assigned to the Mail Unit during the fraction of the workday that the absence occurs.

It is further understood for absences of more than two (2) or more “Leads” in the CIF, HQ or O&C Mail Units the second and/or third senior employee respectively shall be upgraded and for absences of both (2) “Leads” in the OSB and VAB, the second senior employee shall be upgraded.

It is understood when employees are upgraded, they shall:

- (a) Receive the rate of pay for the higher pay grade.
- (b) Be considered to be qualified for upgrading in the Post Office operations after ten (10) workdays of training.
- (h) Be considered to be qualified for upgrading in other work areas after five (5) workdays of training.
- (i) Have been crossed trained to temporarily perform the duties of the employee, who they are replacing, such as a “Lead”, a Distribution Clerk or a Post Office Clerk.
- (e) Be considered to be qualified for upgrading after six (6) months of training, if they are new employees who have completed their probationary period.

11.5 When employees are upgraded for a period of one hundred sixty (160) hours within thirty (30) consecutive workdays, the senior employee as defined by and within the limits, as set forth herein shall be permanently promoted to the higher job classification. The employees’ job classification seniority shall date from the first day of this period of upgrading.

The two (2) exceptions to the preceding:

- (a) When the upgrade is due to an absence. It is understood the Company may promote when there is a temporary vacancy due to a long-term absence.
- (b) When a vacancy exists within the bargaining unit in which the Company has not made a prompt determination, normally within fourteen (14) calendar days of the vacancy, as to which employee shall be promoted. It is understood the Company, due to its budget concerns, may elect not to fill a vacancy in its Mail and Special Service entry-level job classification or pay grade 3.

11.6 It is understood that upgrading shall be for a minimum of one (1) hour and one (1) hour increments thereafter.

11.7 Employees reserve the right to refuse all promotions or upgrading and said promotion or upgrading shall be offered to the next available and qualified senior employee.

Employees who voluntarily reduce themselves from a job classification after thirty (30) calendar days, except in order to change shifts, shall:

- (a) Be placed at the bottom of the job classification seniority list to which he has voluntarily reduced himself for the purpose of upgrading.
- (b) Not be eligible for promotion again for a period of one hundred eighty (180) calendar days from the date of voluntary reduction.

11.8 The Company shall furnish to the Union an upgrading list on a weekly basis.

ARTICLE 12

VACATION

- 12.1** Employees shall earn one (1) day of vacation credit per month, except for June and December or a total of ten (10) days per calendar year. Employees must be in a paid status for twelve (12) or more days each month to earn the one (1) day of vacation credit for that month.
- 12.2** Payment of accrued vacation credit shall be at employees' current rates of pay, as shown in Schedule B (Column D), page 76, plus any applicable shift differential.
- 12.3** Employees shall be able to use earned vacation credits in one (1)-hour increments.
- 12.4** New employees shall be able to use accrued vacation credit once they have completed their sixty (60)-calendar day probationary period.
- 12.5** The Manager, Administrative Services, or a designee may authorize up to five (5)-days of advance paid Vacation for each employee. It is understood that the Company may recover from the final paycheck of an employee monies paid by the Company in the event the employee terminates prior to full accrual of the advance vacation taken during the employment period.
- 12.6** Employees' continuous service credit date shall be the first of a month, determined by their Company or previous contractors' hire date:
- (a) Hired on or before the fifteenth day of a month, the continuous service credit date shall be the first day of the same month.
 - (b) Hired on or after the sixteenth day of a month, the continuous service credit date shall be the first day of the following month.

The continuous service credit date is used to determine the number of additional days vacation credits due employees as stated in 12.8, page 27, severance pay entitlements as stated in Article 17 (Severance), page 39, and their mail service seniority with the Company. The continuous service credit date shall include continuous service with prior contractors where employees performed the same or similar work at the Kennedy Space Center, Cape Canaveral Air Force Station and Patrick Air Force Base and there was no break in service between prior contractors and the Company.

- 12.7** The continuous service credit of employees shall be lost or terminated under the same conditions which cause a break in seniority as stated in Article 18.4 (Seniority), page 42.

12.8 Employees with continuous service credit of six (6) years or more shall be entitled to extra days of vacation credit, on their continuous service credit date as shown in the table below:

| Years Continuous Service Credit | Additional Days Vacation Credit* |
|--|---|
| 6 years | 1 day |
| 7 years | 2 days |
| 8 years | 3 days |
| 9 years | 4 days |
| 10 years | 5 days |
| 11 years | 6 days |
| 12 years | 7 days |
| 13 years | 8 days |
| 14 years | 9 days |
| 15 years | 10 days |
| 16 years | 10 days |
| 17 years | 10 days |
| 18 years | 10 days |
| 19 years | 10 days |
| 20 years | 11 days |
| 21 years | 12 days |
| 22 years | 13 days |
| 23 years | 14 days |
| 24 years | 15 days |
| 25 years or more | 15 days |

*The additional vacation credit days, converted to hours, shall be shown on employees' paychecks in the month of their continuous service credit date. It is understood employees shall be able to utilize their additional vacation days commencing on their continuous service credit date.

12.9 Employees shall be allowed to earn and accrue up to fifty (50) days of vacation credit as of their continuous service credit date.

Vacation credit in excess of fifty (50) days as of employees' continuous service credit date shall be forfeited. Vacation credits in excess of fifty (50) days shall not be forfeited when employees are unable to utilize vacation credits for reasons caused by the Company.

It is understood that due to normal vacation credit accruals throughout the year between one continuous service credit date and the next, employees can conceivably accrue more than fifty (50) days of vacation credit.

- 12.10** Employees may receive vacation payment in advance of their vacation, provided that this payment is requested for in writing, in advance and in sufficient time to have the advance payment included in the employees' paycheck prior to the commencement of their vacation. Request for advance vacation payment shall not be for less than forty (40) hours.
- 12.11** Employees shall submit written requests for use of vacation credit well in advance, but no sooner than three (3) months, of the desired vacation dates. The Company shall reply to such requests within two (2) weeks of the receipt of such requests. The Company shall have its response based on workloads, with particular attention devoted to the Shuttle Transportation System (STS) launch schedule, and on the number of vacation requests previously submitted. The Company would normally expect to allow a minimum of ten percent (10%) of the bargaining unit to take vacation leave at any one time. It is understood that vacation requests shall normally be approved on the basis of:
- (1) The date submitted
 - (2) Seniority.
- 12.12** Employees who are terminated shall receive pay-in-lieu of vacation for all unused and accrued vacation credit, up to and including the effective date of termination. If an employee is removed from the active payroll as a result of a voluntary resignation and does not give a two (2) week notice, he shall not be compensated for any vacation accrued upon termination unless waived in writing by the Manager, Administrative Services, or a designee.

ARTICLE 13

SICK LEAVE

- 13.1** Employees shall earn one (1) day of paid sick leave credit per month or a total of twelve (12) days per contract year. Employees must be in a paid status twelve (12) days or more each month to accrue the eight (8) hours of sick leave credit for that month. Employees' sick leave accruals shall be binding on a Successor contractor.
- 13.2** Payment for sick leave shall be employees' current rate of pay, as shown in Schedule B (Column D), page 76, plus any applicable shift differential.
- 13.3** New employees shall be able to use accrued sick leave credits when they have completed their probationary period of sixty (60) calendar days.
- 13.4** Employees unable to report to work due to personal illnesses, or who expect to be tardy, must notify a mail Supervisor as close to the start of their assigned shift as possible but no later than one (1) hour after the start of their assigned shift. Employees who do not notify a Supervisor within the one (1) hour shall be considered to be in a Leave Without Pay (LWOP) status for the entire workday. When conditions beyond employees' control prevented proper notification and the unusual circumstances have been explained to the satisfaction of the Supervisor, Mail Services or a designee, the LWOP status shall be reversed.
- 13.5** For continued absences over three (3) consecutive days due to personal illnesses or injuries, employees may be required to verify such absences. Employees who have been notified in writing by the Company as having attendance problems may be required to verify such absences upon request. Failure to provide verification when requested by the Company may result in LWOP for the period of absence.
- 13.6** Tardiness for periods of two (2) hours or less shall be considered as an unexcused absence and employees shall be placed in a LWOP status for that period.

Tardy employees who are able to offer a reasonable explanation for their tardiness to the Senior Supervisor, Mail Service or a designee shall have two (2) options:

- (1) Complete their regular shift by working beyond the scheduled termination of their shift for a period equal to their tardiness, not to exceed two (2) hours, or
- (2) Utilize "Sick Leave (Paid Personal Business)" for this period.

- 13.7** During the twelve (12) month contract year (April 1st to March 31st) employees, at their option and upon approval of the Senior Supervisor, Mail Services or a designee, shall be able to use forty-eight (48) hours of earned sick leave credits as paid personal business (PPB). Paid personal business requests shall be on Personnel Action Forms provided by the Company. Entry on the "Type of Leave" line of the form should show either "Sick Leave (Paid Personal Business)" or "SK LV (PPB)".
- 13.8** There is no limit to the number of sick leave credits that can be earned by employees. The unlimited earned sick leave credits shall continue as an obligation on behalf of a Successor contractor.
- 13.9** In the event of illnesses and/or injuries that could reasonably be expected to incapacitate employees for a period of thirty (30)-calendar days or longer, employees may request disability, under the Company's current short-term disability insurance provider. Weekly payments are at sixty percent (60%) of employees' basic weekly wages including any applicable wage increases but excluding any shift differentials, up to a maximum of \$1,500.00, and for a maximum of twenty-four (24) workweeks, subject to the following conditions:

- (a) Employees shall submit to the Senior Supervisor, Mail Services, or a designee, a written request accompanied by their physician's statement outlining the nature of the illness and/or injury and the estimated length of time of their absence.
- (b) Upon approval, before short-term disability commences, employees shall be required to expend ten (10) workdays. To fulfill this requirement, employees may opt to use accrued sick leave, use accrued vacation or they may elect LWOP or they may choose to exercise a combination of the three (3) options.

When employees have less than ten (10) days of accrued leave, they may request advanced sick leave to make up the difference between their accrued leave and the ten (10) days they are required to expend. The Company's Manager of Administrative Services or a designee shall approve requests for advanced sick leave.

It is understood that the Company may recover from employees' final paychecks monies paid by the Company in the event employees terminate prior to full accrual of advanced sick leave.

- (c) Short-term disability payments terminate when the disability ends or after twenty-four (24) workweeks, whichever occurs first.

- (d) The Company's contributions to employees' 401K, subject to the terms of Article 16.1(a) [Retirement], page 37, and to the I.A.M. National Pension Fund shall continue for employees on short-term disability.
- (e) Employees on short-term disability may elect to supplement this payment with unused accrued leave so that their pay equals one hundred percent (100%) of their scheduled rate of pay as shown in Schedule B (Column D), page 76.

13.10 Long-term disability income benefits, under the Company's current long-term insurance provider shall commence after one hundred eighty (180) consecutive days of a physician's certified disability or at the end of the twenty-four (24) workweeks of short-term disability, whichever is sooner. Monthly payments are tied to Social Security payments and equal sixty percent (60%) of an employees' current monthly wages, exclusive of shift differential, up to a maximum of \$8,000.00 per month.

- (a) Employees shall submit to the Senior Supervisor, Mail Services or designee, an up-dated statement by their physician outlining the nature of the illness and/or injury and an update on the estimated length of their continued absence.
- (b) Long-term disability payments terminate when the disability ends, the employees retire, or the employees reach age sixty-five (65), whichever occurs first.
- (c) The Company's contributions to employees' 401K and I.A.M. National Pension Fund shall discontinue for employees on long-term disability.
- (d) Employees on long-term disability may elect to supplement their monthly payments with unused accrued leave so that their pay equals one hundred percent (100%) of their scheduled rate of pay, as shown in Schedule B (Column D), page 76, less deductions.

13.11 The Company agrees that should it change either its long-term or short-term insurance providers, the benefits of the new insurance providers shall be the same as or exceed that of the Company's current insurance providers.

13.12 Employees and the Union recognize their obligation to prevent unnecessary absences and it is understood the abuse of this Article shall be grounds for disciplinary action, up to and including discharge.

ARTICLE 14

HOLIDAY

- 14.1 Employees shall be paid for holidays at their rates of pay, as shown in Schedule B (Column D), page 76, and for the holidays in 14.8, pages 33-34.
- 14.2 Payment for holidays shall be paid at employees' current rate of pay, as shown in Schedule B (Column D), page 76, including any applicable shift differential.
- 14.3 When a holiday is utilized in conjunction with or within employees' approved vacation periods; the holiday shall not be charged as one of their vacation days.
- 14.4 Employees' unexcused absences from their last regular shift the day before a holiday or unexcused absences from their first regular shift the day after a holiday shall be placed in a LWOP status for either the day before or the day after the holiday.

In the foregoing situation, if employees are able to provide proof that meets the approval of the Senior Supervisor, Mail Services or a designee that the reason for the absence was legitimate and/or beyond employees' control, their pay shall be adjusted accordingly.

- 14.5 Employees shall be entitled to a day off with pay if the President of the United States proclaims a day off with pay for Civil Service personnel located wherever employees in this bargaining unit are employed. This additional day depends on whether the government financially compensates the Company through SGS, the J-BOSC Prime.
- 14.6 If federal law or regulation changes the calendar dates for the observance of holidays listed in 14.8, pages 33-34, the new date and day of observance shall become a part of this Agreement.
- 14.7 New holidays declared by the Congress of the United States shall become a part of the holiday schedule listed in 14.8, pages 33-34.

14.8 The holiday schedule from April 1, 2005 to March 31, 2009 follows:

| 2005 Holidays | Day Observed | Month | Date |
|----------------------|---------------------|--------------|-------------|
| Memorial Day | Monday | May | 30 |
| Independence Day | Monday | July | 04 |
| Labor Day | Monday | September | 05 |
| Thanksgiving Day | Thursday | November | 24 |
| Holiday | Friday | November | 25 |
| Holiday | Friday | December | 23 |
| Holiday | Monday | December | 26 |
| Holiday | Tuesday | December | 27 |
| Holiday | Wednesday | December | 28 |
| Holiday | Thursday | December | 29 |
| Holiday | Friday | December | 30 |

| 2006 Holiday | Day Observed | Month | Date |
|---------------------|---------------------|--------------|-------------|
| New Year's Day | Monday | January | 02 |
| Memorial Day | Monday | May | 29 |
| Independence Day | Tuesday | July | 04 |
| Labor Day | Monday | September | 04 |
| Thanksgiving Day | Thursday | November | 23 |
| Holiday | Friday | November | 24 |
| Holiday | Friday | December | 22 |
| Holiday | Monday | December | 25 |
| Holiday | Tuesday | December | 26 |
| Holiday | Wednesday | December | 27 |
| Holiday | Thursday | December | 28 |
| Holiday | Friday | December | 29 |

| 2007 Holiday | Day Observed | Month | Date |
|---------------------|---------------------|--------------|-------------|
| New Year's Day | Monday | January | 01 |
| Memorial Day | Monday | May | 28 |
| Independence Day | Wednesday | July | 04 |
| Labor Day | Monday | September | 03 |
| Thanksgiving Day | Thursday | November | 22 |
| Holiday | Friday | November | 23 |
| Holiday | Monday | December | 24 |
| Holiday | Tuesday | December | 25 |
| Holiday | Wednesday | December | 26 |
| Holiday | Thursday | December | 27 |
| Holiday | Friday | December | 28 |
| Holiday | Monday | December | 31 |

| 2008 Holiday | Day Observed | Month | Date |
|---------------------|---------------------|--------------|-------------|
| New Year's Day | Tuesday | January | 01 |
| Memorial Day | Monday | May | 26 |
| Independence Day | Friday | July | 04 |
| Labor Day | Monday | September | 01 |
| Thanksgiving Day | Thursday | November | 27 |
| Holiday | Friday | November | 28 |
| Holiday | Wednesday | December | 24 |
| Holiday | Thursday | December | 25 |
| Holiday | Friday | December | 26 |
| Holiday | Monday | December | 29 |
| Holiday | Tuesday | December | 30 |
| Holiday | Wednesday | December | 31 |

| 2009 Holiday | Day Observed | Month | Date |
|---------------------|---------------------|--------------|-------------|
| New Year's Day | Thursday | January | 01 |

ARTICLE 15

GROUP INSURANCE

15.1 The Company shall provide a group insurance plan through the National I.A.M. Benefit Trust Fund, in which employees shall pay a portion of the costs. As of April 1, 2005, the employees' portion of the group insurance plan shall cost thirty-five dollars thirty-eight cents (\$35.38) per pay period. Employees' increased costs to the group insurance plan shall be as described in 15.1(f) and 15.2. The group insurance plan shall include:

- (a) \$15,000.00 life insurance benefits.
- (b) \$15,000.00 accidental death and dismemberment insurance benefits.
- (c) Dental insurance plan through Delta Dental #DDPA-5103 (Plan D).
- (d) Vision Care (Plan III).
- (e) Prescription drug co-pay plan in which employees shall pay six dollars (\$6.00) for generic drugs and fifteen dollars (\$15.00) for brand name drugs.
- (f) Dependent insurance plan (optional), which shall cost employees an additional forty-nine dollars seventy-four cents (\$49.74) per pay period.
- (g) Medical Plan (146-14) administered by Cigna Healthcare which includes Cigna's "Open Access Plus" PPO Network.

15.2 Each January 1, 2006, 2007, 2008 and 2009, the Company agrees to pay any yearly increases up to twelve percent (12%) for the National I.A.M. Benefit Trust Fund group insurance plan. When this increase exceeds twelve percent (12%), the Company, through SGS, shall meet with the Union. The Parties have agreed to attempt to bring the increase costs below or as close to twelve percent (12%) as possible. This meeting may result in fewer or less benefits in the group insurance plan, as stated in 15.1 and in effect as of April 1, 2005.

It is understood that the increased costs, over twelve percent (12%) that may still exist after the above meeting, shall to be shared equally by the Company and the employees.

Changes to the insurance plan, as a result of this meeting of the Parties, shall be set forth in an Administrative Letter and shall become a part hereof.

- 15.3** Employees' insurance benefits as stated in 15.1, shall continue for a period of two (2) months calculated from the first of the month after the month in which employees begin:
- (a) Workers' compensation disability.
 - (b) A layoff.
 - (c) A leave of absence, except as stated in 19.4(a) and 19.4(c) [Leaves and Absences], page 48.
- 15.4** At its cost, the Company agrees to provide employees additional:
- (a) Life insurance benefits at two (2) times the employee's annual wages provided by an insurance company registered in the State of Florida.
 - (b) Accidental death and dismemberment insurance benefits at two (2) times the employee's life insurance benefit to a maximum of \$300,000.00 provided by an insurance company registered in the State of Florida.
- 15.5** The Company and/or SGS shall make available health insurance for retirees as provided for in the I.A.M. Benefit Trust Fund. The cost to employees for this insurance shall be based on their unbroken years of service with the Company and predecessor Mail Service Contractors at the Kennedy Space Center, Cape Canaveral Air Force Station and Patrick Air Force Base, Florida.
- The Company and/or SGS shall continue health insurance coverage for retirees as provided for in the National I.A.M. Benefit Trust Fund. The coverage for health insurance for retirees is dependent upon SGS continuing to be the prime contractor of the Joint Base Operations Contract. In the event that SGS is replaced as the primary contractor, the coverage for health insurance for retirees shall continue for a period of one (1) year, at which time it shall terminate.
- 15.6** An optional insurance plan for military retirees shall be available to employees and provided by the Company and/or SGS.
- 15.7** A Union sponsored optional supplemental insurance plan that shall cover catastrophic medical conditions and/or increased life insurance coverage shall be available to employees and provided by the Company and/or SGS.
- 15.8** The Company shall provide employees with short-term disability and long-term disability insurance as described in Article 13.9 and 13.10 (Sick Leave), pages 30-31.

ARTICLE 16

RETIREMENT

- 16.1** The Company shall provide employees a 401K Retirement Plan with Putnam Investments of Quincy, Massachusetts.
- (a) To participate in the 401K Plan, employees must contribute a minimum of one percent (1%) of their basic hourly rates of pay in effect each October 1, 2005, 2006, 2007 and 2008, as shown in Schedule B (Column B), page 76, exclusive of shift differential, overtime and upgrading. Employees may contribute the maximum allowed as set forth by Internal Revenue Service guidelines.
 - (b) Employees participating in the 401K Plan, the Company shall contribute the equivalent of three percent (3%) of employees' current hourly basic rates of pay in effect each October 1, 2005, 2006, 2007 and 2008, as shown in Schedule B (Column B), page 76.
 - (c) Employees, who withdraw one hundred percent (100%) of their assets from the 401K Plan, shall not be eligible to participate in or to rejoin the plan for a period of one (1) year from the date of their withdrawal.
 - (d) The Company contributions shall be one hundred percent (100%) vested by employees from the first day of employment.
 - (e) The Company and employees' contributions to the 401K Retirement Plan shall be made through payroll deductions.
- 16.2** The Company shall contribution, on behalf of employees to the I.A.M. National Pension Fund Plan on the effective dates, the amounts, as set forth in Schedule C (Column D), page 76. The amounts contributed shall be for each hour (rounded to the nearest whole hour) employees are in a paid status, excluding shift differentials, overtime, and payment of accrued vacation.
- (a) Company contributions for new employees are payable from the first day of employment.
 - (b) The I.A.M. Lodge and the Company adopt and agree to be bound by, and hereby assent to, the Trust Agreement, dated May 1, 1960, as amended, creating the I.A.M. National Pension Fund and the Plan rules adopted by the Trustees of the I.A.M. National Pension Fund in establishing and administering the foregoing Plan pursuant to the said Trust Agreement, as currently in effect and as the Trust and Plan may be amended from time to time.

The Parties acknowledge that the Trustees of the I.A.M. National Pension Fund Plan may terminate the participation of the employees and the Company in the plan if the Successor's collective bargaining agreement fails to renew the provisions of 16.2, or reduces the contribution rate. The Parties may increase the contribution rate and/or add job classifications or categories of hours for which contributions are payable.

- (c) Section 16.2 contains the entire agreement between the Parties regarding Pensions and Retirement under this plan and any contrary provisions in this Agreement shall be binding upon the Trustees of the I.A.M. National Pension Fund. No grievance procedure, settlement or arbitration decision with respect to the obligation to contribute shall be binding upon the Trustees of the said Pension Fund.

16.3 The following contributions shall be forwarded no later than the fifteenth of the month following the month in which the contributions are credited:

- (a) The Company and employees contributions to the 401K Retirement Plan, as stated in 16.1, page 37.
- (b) The Company contributions to the I.A.M. National Pension Fund, as stated in 16.2, pages 37-38.

ARTICLE 17

SEVERANCE

17.1 Employees with more than six (6) months of continuous service credit with the Company and/or predecessor mail contractors shall be entitled to severance pay when they are involuntarily laid off because of lack of work for a period in excess of thirty (30) days. Severance pay shall not be paid to employees whenever they are on strike or they cause a work stoppage at the Kennedy Space Center, Cape Canaveral Air Force Station and/or Patrick Air Force Base.

17.2 Length of service shall include prior service with predecessor mail contractors at the Kennedy Space Center, Cape Canaveral Air Force Station and Patrick Air Force Base. Employees shall be entitled to severance pay in accordance with the following schedule:

| Length of Service | | Severance Pay Allowed |
|--------------------------|----------|------------------------------|
| From | To | Weeks Pay = 40hours/week |
| 6 months | 1 year | 1 |
| 1 years | 2 years | 2 |
| 2 years | 3 years | 3 |
| 3 years | 4 years | 4 |
| 4years | 5 years | 5 |
| 5 years | 6 years | 6 |
| 6 years | 7 years | 7 |
| 7 years | 8 years | 8 |
| 8 years | 9 years | 9 |
| 9 years | 10 years | 10 |
| 10 years | 11 years | 11 |
| 11 years | 12 years | 12 |
| 12 years | 13 years | 13 |
| 13 years | 14 years | 14 |
| 14 years | Or more | 15 |

It is understood that payment for severance pay shall be at the employees' current rates of pay, as shown in Schedule B (Column B), page 76, exclusive of any applicable wage concessions, shift differentials and overtime.

17.3 Severance pay shall be paid at the end of a waiting period of sixty (60) days from the date of a layoff. Employees who are recalled to employment with the Company during the period of time for which they received severance pay shall have the difference deducted from their paychecks, in equal installments during a period not to exceed nine (9) months. Example: An employee receives fifteen (15) weeks of severance pay who is recalled in ten (10) weeks shall reimburse the Company five (5) weeks of pay.

17.4 Employees shall not be eligible for severance payment under this Article, if:

- (1) The Company's contract with NASA and/or the Air Force is terminated in full or in part, or
- (2) Employees, within sixty (60) days after termination of their employment or completion of their contract, whichever date is later, is employed by or accepts employment in a position requiring the same, similar or greater responsibility or skill, or
- (3) Employees enter into an agreement for subsequent employment with a Successor contractor under a follow-up contract.

Employees hired by a Successor contractor after the sixty (60) day waiting period shall be entitled to severance pay as stated in 17.2, page 39.

17.5 The Successor contractor agrees to recognize employees' continuous service credit of those who have no break in service with past contractors at Kennedy Space Center, Cape Canaveral AFS or Patrick AFB.

ARTICLE 18

SENIORITY

18.1 The Company shall provide the Union Stewards with information that may affect the Union maintained seniority rosters. The Company shall furnish the Stewards the information semi-annually or whenever there is a change in the bargaining unit such as a promotion, a termination, or a name change. The rosters shall include all employees in the bargaining unit and consist of:

- (a) Their last names, first names, middle names or initials.
- (b) Their present job classification.
- (c) Dates of employees' promotion or reduction to their present job classifications and when applicable an adjusted seniority date based on previous job classification seniority accrual. The Company shall provide the Union with the dates of these promotions and/or reductions of employees.
- (d) The Company hire date or the continuous service credit date including seniority with prior J-BOSC team members or mail contractors, whichever date is earliest.
- (e) When two (2) or more employees in the same job classification have the same mail service seniority date:
 - (1) Job classification seniority shall govern. Should this be one and the same date,
 - (2) Seniority shall be determined by alphabetical order of last names at the time of initial acquisition of seniority: a last name commencing with "A" being the most senior. Should this be one and the same,
 - (3) Seniority shall be determined by alphabetical order of their first name at the time of initial acquisition of seniority: a first name commencing with "A" being the most senior. Should this be one and the same,
 - (4) Seniority shall be determined by alphabetical order of the middle name at the time of initial acquisition of seniority: a middle name commencing with "A" being the most senior.

18.2 Employees shall accrue seniority on a continuous basis, provided there is no break in service as stated in 18.4, page 42, in the following areas:

- (a) Company seniority.
- (b) Present job classification seniority.
- (c) Job classifications below present job classification within employees' work group as stated in Article 9.3 (Overtime), page 17 and/or any job classifications previously held subject to the terms of 18.5, page 43, and the entry level job classification. All employees earn job classification seniority in all entry-level job classifications. Employees shall also earn job classification seniority in new entry-level classifications, the Company and the Union has mutually agreed upon.

Employees hired to a new entry-level job classification that is added to the bargaining unit after April 1, 2005 shall commence job classification seniority accrual in the new entry-level job classification only.

- (d) Employment with a company that is a J-BOSC team member in which the employees are represented by the Union, provided employees did not have a break in service as stated in 18.4, page 42-43.

18.3 New employees shall be considered on probation and not entitled to seniority until he has acquired sixty (60) calendar days of continuous service with the Company.

Upon successful completion of the probationary period, the employees' Company and job classification seniority shall reflect the original date of hire.

It is understood that there shall be no requirement that the Company reinstate or rehire a probationary employee if he is discharged during the probationary period and no Grievance shall be filed.

18.4 When employees have a break in seniority, if they are rehired, they shall be considered for all purposes new employees. Employees' seniority shall be broken or lost under the following conditions:

- (a) Voluntary termination of employment
- (b) Discharge for cause
- (c) Absence in excess of three (3) consecutive workdays without notice, either by telephone, written message, or by messenger, to their Supervisor, unless satisfactory evidence of inability to report is shown.
- (d) Unauthorized absence beyond the time limit of an authorized vacation or an approved leave of absence, except an Educational leave of absence, unless satisfactory evidence of inability to report is shown.

- (e) Failure to report to work within ten (10) workdays after the Company's written notification to return to work and employees fail to notify the Company of their intention to return to work within five (5) workdays after receipt of the Company's notice. The Company shall have fulfilled their obligation concerning this matter if notifications are sent by Certified Mail with a Return Receipt to employees' last known mailing address.
- (f) Layoff without recall to work within one (1) year for employees with less than one (1) year of mail service seniority and four (4) years for employees with one (1) year or more of mail service seniority. The recall period commences on the date of a layoff from the Company and continues provided the employees advise the Company in writing of their continued interest in exercising their recall rights at one (1) year intervals. For the following four (4) years, the calendar month in which the employees were laid off shall be used in determining when the employees shall notify the Company of their continued interest in recall. Failure to notify the Company constitutes a waiver of employees' recall rights.
- (g) Failure to accept a position at the time of recall to the same job classification from which they were laid off.

18.5 Employees who voluntarily reduce themselves from their present job classification to the next lowest job classification or pay grade subject to the terms of 18.2, pages 41-42, shall:

- (a) Have their name removed from the higher job classification and placed in the lower job classification on the Company's job classification seniority roster.
- (b) Lose all job classification seniority, for this time period, in the higher job classification and their hourly rates of pay, as shown in Schedule B (Column D), page 76, shall be adjusted accordingly.
- (c) Retain their Company mail service seniority for the purpose of layoffs.
- (d) Not lose seniority in the higher job classification if the reduction for the purpose of changing their shift. The time they earned in the higher job classification prior to this voluntary reduction shall be added to any previous job accrual in the same job classification. The higher job classification accrual shall terminate the day prior to the effective date of his reduction to the lower job classification. The total accrual in the higher job classification shall be considered in any future promotions to the same job classification. This date shall be adjusted and reflected on the Company job classification seniority roster.

18.6 Employees who are promoted to a position, within the Company, which is not covered by this Agreement, shall retain seniority rights within the bargaining unit for a period of twelve (12) months commencing from the date of the transfer or promotion.

18.7 Probationary employees shall be laid off first. If further layoffs are necessary, layoffs shall be by Company mail service seniority. Employees with the least Company mail service seniority shall be the first to be laid off and the last to be recalled.

At their option, employees who are to be laid off may elect to exercise their “bumping rights” in the following order:

Bump employees with the least Company mail service seniority in any lower rated job classification, in which they have established seniority, provided they have more Company mail service seniority than the “bumped” employees.

Employees shall notify the Company in writing of their intention to exercise their “bumping rights” within forty-eight (48) work hours of the Company's layoff notice. Employees so displaced may similarly exercise their “bumping rights” to displace other employees in accordance with the same criteria, it being understood, however, that the initial and resultant “bumps” must occur simultaneously so that there shall be no delay in the layoff process.

It is understood employees cannot “bump” other employees in a higher job classification and/or a lateral pay grade, as set forth in Schedule A, page 74.

Layoffs of thirty (30) calendar days or more, a minimum of two (2) weeks written notice of the contemplated layoffs shall be given to the Union and employees affected. When this notification is not feasible, the Company shall notify these employees and the Union as promptly as possible and give to the employees, in lieu of this notice, up to two (2) weeks pay, not to exceed eighty (80) hours of their current rates of pay, as shown in Schedule B (Column D), page 76, plus any applicable shift differential.

18.8 The Company shall recall laid off employees in the following order:

- (a) In inverse order of layoff, if employees have established seniority in the specific job classification for which recalls are made.
- (b) A maximum of five (5) laid off employees shall be offered a recall for one (1) vacancy each time.

The most senior employee who accepts reemployment within the time allowed shall be reinstated.

- (c) The Company's notification of job vacancies shall be mailed Certified with a Return Receipt to the last mailing address furnished by the employee. A copy of this notice shall also be sent to the Union.

Within five (5) workdays after such notice is received by the employee, the laid off employee must advise the Company whether he accepts employment or not. If the Company receives no reply, the next employee on the Company's mail service seniority list may be notified. When there is no other laid off employee available for recall, new employees may be hired.

- (1) Employees offered a job that is in a lower job classification than the job classification from which they were laid off can refuse to accept the offer and retain recall rights to the last position held prior to the layoff.
- (2) Employees offered a temporary position might elect to reject the offer and retain recall rights to their last position held prior to layoff.
- (3) Employees shall receive the rate of pay of the job classification for which they have been recalled. The rates of pay shall as be as shown in Schedule B (Column D), page 76.

18.9 When there is a reclassification in which employees are downgraded and the number of employees in the bargaining unit remains the same, the Company shall give a minimum of two (2) weeks written notification of the reclassification to the affected employees and the Union.

Reclassifications that result in downgrades, employees may elect:

- (a) To volunteer to be laid off and they shall be paid severance pay and they shall retain all seniority and recall rights.
- (b) To exercise their "bumping rights" to job classifications in which they have previously established seniority, so long as they have more job classification seniority than the employees they are "bumping".
- (c) To accept the reclassification with the understanding that their higher job classification hourly rate of pay, as shown in Schedule B (Column D), page 76, plus any applicable shift differential shall remain in effect for a period of ninety (90) calendar days commencing from the date of the Company's written notification of the downgrade.

In the foregoing, employees shall inform the Company in writing of their decision within two (2) workdays of the receipt of the Company's written notification.

18.10 When a vacancy exists on any shift, or in the formation of any new shift, preference in filling such a vacancy shall be granted on a seniority basis, where consistent with efficient operations.

The senior employees may change their shifts within their own job classification, once during December or June of the contract year. When all concerned Parties agree to voluntarily waive the foregoing, employees may change their assigned shifts once during any other six (6) month period of the contract year in accordance with the following:

- (a) All requests for a shift change shall be in the written form.
- (b) The employees involved in any shift change may voluntarily waive the ten (10) workday notifications if it is mutually agreed upon between the affected employees, the Union and the Company.
- (c) When the foregoing is resolved between the concerned Parties, the Company shall make the appropriate shift change on the second Monday after the date of the employees' written request.

18.11 Senior clerks or "Leads" who have accrued five (5) years seniority, as a "Lead" shall have the opportunity to switch positions and/or work areas. It is understood the switch shall be upon mutual agreement of the employees involved, their Immediate Supervisors, the Senior Supervisor, Mail Services and the Manager, Administrative Services. When the job classifications of the "Leads" are different, their job classification seniority shall commence from the date of the Company's written approval. It is further understood these senior clerks' "Lead" seniority shall continue uninterrupted.

18.12 When the Company determines there is to be a reclassification or a reduction in force, employees who are not affected by either the reclassification or layoff shall be able to volunteer to be laid off. Employees shall receive severance pay as stated in Article 17 (Severance), page 39, retain their recall rights as stated in 18.4(f) and retain seniority rights as stated in this Article 18 (Seniority).

It is understood if the number of employees who volunteer for the layoff, as stated above, exceeds the number of employees that have received layoff or reclassification notices, the senior employees, as determined by their Company mail service seniority, shall determine the order of the voluntary layoffs.

ARTICLE 19

LEAVES AND ABSENCES

- 19.1** No application for a leave of absence shall be considered unless it is applied for in writing. The written request shall:
- (a) Be completed at least ten (10) workdays prior to leave.
 - (b) Specify the type of leave.
 - (c) Specify the dates of start and return from leave.
 - (d) Be signed by the employee.

The Company shall approve or not confirm leaves in writing within the same ten (10) workday period in which the employee has made the request.

- 19.2** Employees who have completed their probationary period shall be eligible for the leaves, as defined in 19.4, pages 48-49.

- 19.3** A leave of absence is time off, without pay, for an amount of time appropriate to the circumstances as defined below. Time extensions must be by mutual written agreement.

(a) Employees returning from a leave of absence must:

- (1) No later than ten (10) workdays prior to the scheduled date of return, notify the Company of the date of the intended return to active employment. Changes to the scheduled date of return, or intention to resign should be reported when known.
- (b) Employees on leave of absence shall be terminated if they have:
 - (1) Failed to furnish a true statement of the reason for leave, plus official documentation as applicable.
 - (2) Accepted other employment while on leave unless a specific request has been applied for and approved in writing.
 - (3) Failed to return to work within five (5) workdays of the expiration of their approved leave of absence.

19.4 Types of leaves and absences:

- (a) **Educational Leave of Absence**: Time off without pay, not to exceed one (1) year, to permit employees to further their education. This leave of absence constitutes a break in service for all purposes.

- (b) **Medical Leave of Absence**: Time off without pay because of personal injuries or illnesses or temporary conditions which render an employee unable to perform work as determined by a qualified physician. Normally, not to exceed one (1) year, but may be renewed by increments of three (3) months each, to a maximum of two (2) years upon submission of evidence of continuing, but temporary, disability. This leave of absence does not constitute a break in service for all purposes. The Company reserves the right to require a physician's written statement to substantiate the beginning and conclusion of leave.

- (c) **Military Leave of Absence**: Time off while on active duty with the Armed Forces. The leave of absence requests shall be made for a duration that shall agree exactly with the period of enlistment in the military orders, for a maximum of four (4) years, barring involuntary extensions. At the expiration of this leave, employees shall report his status, either:
 - (1) By returning to work at the expiration of their temporary duty.
 - (2) By returning to work within ninety (90) calendar days after discharge, and submitting proof of satisfactory service.
 - (3) By requesting an extension of leave of absence due to continuing military obligations of an involuntary nature. A military leave does not cause a break in service for all purposes, providing employees return to work in accordance with the terms of their leave and the Selective Service Acts.

- (d) **Personal Leave of Absence**: Time off without pay, for a period not to exceed thirty (30) days, because of unusual personal reasons arising from unforeseen circumstances, or for other personal circumstances such as marriage or family illness. This leave of absence does not constitute a break in service for all purposes.

- (d) **Leave of Absence for Union Activity**: A member of the I.A.M. upon written request from the Union shall be granted a leave of absence for I.A.M. activity for one (1) year periods. Extensions of one (1) year periods may be requested and shall be granted by written request of the I.A.M. prior to the termination of this leave of absence.

When this leave of absence terminates, the I.A.M. shall notify the Company in writing within ten (10) workdays thereafter of the employees' desire to return to their former position or a comparable position with the Company. After the Union's notification, the Company in accordance with the employees' seniority privileges shall reinstate the employees at the applicable rates of pay, as shown in Schedule B (Column D), page 76, at the time of their return.

Upon written request of the I.A.M., employees designated, as delegates shall be entitled to a leave of absence, without pay, to attend official regional conventions of the AFL-CIO or international conventions of the I.A.M. The number of employees to be granted this leave of absence shall be discussed between the Company and the Union. This leave of absence does not constitute a break in service for all purposes.

19.5 Military Training Absence: Employees who are activated to service in a reserve component of the Armed Forces of the United States, including the National Guard, shall be compensated for the difference between their military pay, excluding military subsistence, rental or travel allowances, substantiated by military pay voucher and payment they would have received for the straight-time hours of their regular work schedule. Employees shall be subject to supply adequate proof of military payment before the Company is responsible for compensation. This leave of absence does not constitute a break in service for all purposes.

19.6 Jury Duty: Employees called for jury duty shall be paid eight (8) hours pay at their current rates of pay, as shown in Schedule B (Column D), page 76, for each regular workday the government body that summoned the employees for jury duty also pays the employees. Fees received for jury duty shall not be deducted from the employees' pay. Employees shall furnish proof satisfactory to the Company showing the performance of jury duty.

19.7 Witness Duty: Employees subpoenaed, as a witness in a Federal or State court of law in the State in which they are working shall be paid eight (8) hours pay at his current rate of pay, as shown in Schedule B (Column D), page 76, for each regular workday they were subpoenaed.

Witness duty shall not apply in instances where employees are called as a witness on their own behalf in an action in which they are a party or where they voluntarily seek to testify as a witness. Employees shall furnish proof satisfactory to the Company showing their attendance as a witness.

19.8 **Bereavement Leave:** Employees' immediate family shall be defined as follows: spouse, children, foster-children, grandchildren, father, mother, grandfather, grandmother, brother, sister, half-brother, half-sister, father-in-law, mother-in-law, grandfather-in-law, grandmother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, step-children, step-father, step-mother, step-brother, step-sister and legal guardian.

Employees with thirty (30) calendar days or more of seniority with the Company shall be entitled to bereavement leave. The days allowed for bereavement leave shall be as follows:

- (a) Three (3) consecutive regular workdays off (provided they were scheduled to work on such days), if they travel three hundred (300) miles or less round trip for memorial or funeral services. They shall be paid for eight (8) hours for each regular workday at their current rates of pay, as shown in Schedule B (Column D), page 76, excluding any applicable shift differential.
- (b) Five (5) consecutive regular workdays off (provided they were scheduled to work such days), if they travel three hundred one (301) miles round trip or more for memorial or funeral services. They shall be paid for eight (8) hours for each regular workday at their current rates of pay, as shown in Schedule B (Column D), page 76, excluding any applicable shift differential.

19.9 It is understood employees, requiring additional time-off for sections of this Article that do not constitute a break in service, may use sick leave credits or vacation credits upon approval of the Senior Supervisor, Mail Service, or a designee, before they are placed in an unpaid status or LWOP.

ARTICLE 20

DISCIPLINE AND DISCHARGE

- 20.1** The Company shall have the right to discharge, suspend or otherwise discipline employees for cause. Employees who claim to have been improperly discharged or suspended, the Union shall file a Grievance within five (5) workdays after their discharge or suspension, notwithstanding the provisions in Article 22 (Grievance), pages 54-56. Employees who fail to inform the Union of their claim to have been improperly discharged shall have no further right or claim. Grievances filed for claims of improper discharge or suspension shall hereafter be handled as other Grievances under Article 22 (Grievance), pages 54-56. It is understood that the Company shall have the right to offer reinstatement to discharged or suspended employees pending the final disposition of the Grievances, without the Company waiving its right to discharge or suspension.
- 20.2** Should an arbiter award reinstatement and back pay, the employees shall be reinstated with their seniority unimpaired, compensated for all lost wages and benefits, and their personnel service record cleared.
- 20.3** All employees shall have access to and the right to inspect their personnel record in the presence of a Company representative during normal business hours. Employees shall not be entitled to remove or photocopy any portion of their personnel file, except for their own application and résumé.
- 20.4** The Union shall be notified of all grievance meetings to be held with respect to employees' discipline and shall have the right to participate in any such hearing. It is understood that employees subject to disciplinary action may elect to representation by a designated Union representative.
- 20.5** Employees subject to lost time discipline (suspension or termination) shall be furnished with a written statement setting forth the conduct or circumstances upon which the Company's action is based.
- 20.6** All letters regarding employees discipline (warning or suspension) shall cease to have effect, for progressive disciplinary purposes, after a period of one (1) year from the date of issuance, provided that there has been no related repetition of such conduct or circumstances during the applicable one (1) year period. Employees' personnel files may be cleared earlier, when in the judgement of the Company, the employees' past service warrants such action.
- 20.7** **Employees, involved in a no fault accident in which they are not charged with a moving violation while operating a government motor vehicle, shall not be disciplined or reprimanded nor shall there be a written reprimand placed in their personnel file.**

ARTICLE 21

SAFETY AND HEALTH

21.1 The Company shall continue to make all reasonable provisions for the safety and health of its employees during hours of employment. The Union agrees to cooperate with the Company in assuring conformance with all established safety regulations.

Stewards, or designees, shall meet the first Wednesday of each month with their respective Supervisors to discuss safety problems and practices in the workplace.

21.2 The Company shall have available standard forms to be used by Supervisors and Stewards or their designees in reporting any needed correction in the work place or organization concerning safety conditions. These reports shall be forwarded to the Senior Supervisor, Mail Service, or a designee, and to the appropriate Safety Officer (Steward or a designee) and they shall investigate contents of the report and have the necessary corrections made.

21.3 Employees shall not be discharged or suspended for refusing to work on a job or in an area in which they consider it to be unsafe and/or endangering their health pending an investigation by the safety representatives of the Company and the Union.

21.4 Safety meetings, not to exceed one (1) hour, with all employees shall be scheduled as necessary by the Safety Officer (Steward or a designee).

21.5 Employees shall not be required to carry articles, packages and/or boxes weighing in excess of OSHA weight limits up or down stairways to floors of buildings that are not serviced by elevators or loading ramps.

21.6 In accordance with the Drug-Free Workplace Act of 1988 and other Federal regulations, the Company and the Union agree to exercise their best efforts to provide a workplace that is free from the illegal use, possession or distribution of drugs or other controlled substances or the misuse of prescription drugs and free from the influence of alcohol.

21.7 Employees who become ill or are injured at work shall receive medical attention and the portion of the workday the illness or injury is treated shall be considered as time at work.

21.8 The Company shall furnish employees' safety clothing, gloves, masks, shoe coverings, or other items or apparel that it or SGS or other J-BOSC team members or the Federal or Florida State governments consider necessary to enable employees to perform their duties safely. These items shall be furnished at no cost to employees, except as stated below:

- (a) Should employees purchase safety shoes the Company shall allow one hundred fifty dollars (\$150.00) each calendar year toward the purchase price. Shoes must be purchased from a company that is a Company or SGS approved vendor and certified as safety shoes. These purchased safety shoes must be worn on the job.

An additional pair of safety shoes may be purchased, upon approval by the Company, within the calendar year if the safety shoes are damaged or destroyed through no fault of the employees.

- (b) Should employees purchase safety glasses the Company shall allow two hundred twenty-five dollars (\$225.00) each calendar year towards the purchase price. These glasses must be purchased from a company that is a Company or SGS approved vendor and must be certified as safety glasses. The purchased safety glasses must be worn on the job.

ARTICLE 22

GRIEVANCE

22.1 The term grievance shall mean any dispute between the Company and the Union or between the Company and the employees concerning the effect, interpretation, application and claims of breach or violation of this Agreement.

22.2 Employees having a complaint shall have the right to verbally present their complaint, either directly or through a Steward, to their immediate Supervisor and/or Senior Supervisor, Mail Services, or a designee.

If the complaint is not settled within five (5) workdays and involves a matter concerning the interpretation of this Agreement, it may be reduced to written form by the employees or a Steward and considered as a grievance subject to the procedure hereinafter described.

22.3 Grievances must be presented within ten (10) workdays after the employees or a Steward become aware of the alleged violation.

In cases of discharge or suspension for just cause, the Grievance shall be presented within five (5) workdays from the date of discharge or suspension and instituted at Step 3 of 22.5, page 55.

Time limits for Grievance meetings, at any Step of this Article may be extended by mutual agreement between the Union's Business Representative or a designee and the Company Senior Vice President and/or Manager, Administrative Services, or a designee.

Stewards shall be allowed sufficient time during their regular shift to investigate a complaint or grievance.

22.4 Grievances once placed in written form shall specify the following:

- (a) The facts upon which the grievance is based.
- (b) The Article or Articles and section or sections of the Agreement claimed to have been violated.
- (c) The remedy sought.

22.5 Grievances, disputes, or differences between the Company and the Union with respect to the interpretation or application of any of the provisions of this Agreement shall be reduced to writing. The Grievance shall be processed in accordance with the following Steps, providing that it is within the time limits described herein, and to have the Grievance adjusted as long as the adjustment is consistent with the terms of this Agreement.

STEP 1: Between the immediate Supervisor and/or Senior Supervisor, Mail Services and a Steward. This Step 1 meeting shall be held within five (5) workdays from the date the Grievance is filed with the Company. The Senior Supervisor, Mail Services, or a designee shall give the Steward a written reply to the Grievance within five (5) workdays after meeting with the Steward.

If this reply is unsatisfactory, the Steward may appeal the decision to Step 2, provided the appeal is made within five (5) workdays after receipt of the Senior Supervisor, Mail Services or a designee's reply.

STEP 2: Between the Manager, Administrative Services, or a designee and a Steward. A meeting shall be held within five (5) workdays after the Union advises the Company of an appeal. The Manager, Administrative Services, or a designee shall give the Steward his written reply to the appeal within ten (10) workdays after the meeting with the Steward. If this reply is unsatisfactory, the Steward may appeal his decision to Step 3, provided the appeal is made within five (5) workdays after receipt of the Manager, Administrative Services, or a designee's reply.

STEP 3: Between the Company Senior Vice President and the Union's Business Representative. A meeting shall be held within fifteen (15) workdays after the Union advises the Company of the second appeal. The Company Senior Vice President shall give the Union's Business Representative his written reply to the second appeal within ten (10) workdays after the meeting with the Union's Business Representative. If this reply is unsatisfactory, the Business Representative shall inform the Company in writing, within ten (10) workdays from the date of the Company Senior Vice President reply, that the Union desires to submit the Grievance to Arbitration.

STEP 4: Arbitration, in accordance with Article 23 (Arbitration), pages 57-58.

In Steps 1, 2 and 3, the employees' on whose behalf the outcome of the Grievance directly affects may elect to be in attendance.

In Steps 1, 2 and 3, all Stewards and Supervisors may elect to be in attendance.

In Step 4 the Union's Business Representative and the Company Senior Vice President shall mutually agree which of the other Parties in the Grievance procedure shall be in attendance.

22.6 A Steward shall be able to file a Grievance on behalf of the Union against the Company, concerning and limited to matters of the interpretation or application of the terms of this Agreement. Grievance of this nature shall be instituted at Step 2 of 22. 5, page 55.

ARTICLE 23

ARBITRATION

- 23.1** Grievances, which satisfy each of the following conditions, are subject to Arbitration:
- (a) The Grievance was filed in writing and processed in the manner and within the time limits prescribed in Article 22 (Grievance), pages 54-56.
 - (b) The written Grievance and the written demand for Arbitration clearly identifies the sections or specific provisions of this Agreement that has been allegedly violated.
 - (c) A written demand for Arbitration is made within sixty-five (65) workdays from the date the initial Grievance was filed with the Company.
 - (d) Only one (1) Grievance shall be submitted to the Arbiter for a decision. The Parties expressly agree that multiple Grievances shall not be submitted to a single Arbiter for his decision. The Arbiter shall only have jurisdiction to determine whether or not the Company violated the identified Agreement provision as stated in the written demand for Arbitration, but he may consider, to the extent applicable, the entire Agreement in reaching such a decision.
- 23.2** The Union's Business Representative and the Company Senior Vice President shall meet within three (3) workdays after the Union notifies the Company of its intent to arbitrate. The two (2) representatives shall then try to select an impartial Arbiter.
- Should the Parties fail to mutually agree upon an Arbiter, they shall request the Federal Mediation Conciliation Service to provide a panel composed of an odd number of Arbiter from which they shall select the Arbiter by each one alternately crossing off a name, the first by flip of a coin, and the Arbitrator left shall be designated as Arbiter.
- 23.3** The Arbiter in reaching a ruling may not so interpret the specified provisions of this Agreement, that the practical result is a modification of any of its terms, nor may he add to, amend, or delete from the provisions as set forth in this Agreement. Retroactivity, if deemed applicable, may not extend beyond the date of the grievance event.

- 23.4** The Arbiter, in interpreting this Agreement and in reaching a ruling shall have absolute regard for the rights, responsibilities, and prerogatives of management, and shall so construe this Agreement that there shall be no interference with such rights, responsibilities, and prerogatives, except as they may be expressly limited by this Agreement. These limitations shall be strictly construed and shall not be interpreted so as to include any other limitations on rights that are not expressly provided in this Agreement.
- 23.5** The cost and all expenses of the Arbiter shall be paid by the Party ruled against by the Arbiter.
- 23.6** The Party requesting copies of the stenographic records shall pay the reproduction costs of the records. If both Parties request stenographic copies, the Parties shall share the reproduction costs equally.
- 23.7** The time limits designated in this Article for processing Grievances and for bringing a matter to Arbitration may only be extended by mutual written consent.
- 23.8** All conferences and meetings resulting from the application of provisions in this Article shall be held during regular work hours.
- 23.9** The signing of a Grievance by employees or representative of either the Company or the Union shall not be construed by either Party as a concession, nor shall it be construed as an agreement that the Grievance constitutes an arbitral issue or is properly subject to the Grievance machinery under the terms of this Article.

ARTICLE 24

GOVERNMENT SECURITY

- 24.1 Security Responsibility:** The Company has certain obligations in its contracts with the government pertaining to security and that security is vital to the Company and the Union in carrying on their part in the National Space Program.

If the National Aeronautics and Space Administration (NASA) through their duly authorized representatives concerned with security advise the Company that employees are denied access to the Kennedy Space Center, Cape Canaveral Air Force Station or Patrick Air Force Base the employees shall be subject to any action as to their employment, up to but not limited to termination.

Employees unable to obtain the necessary security clearances, if applicable to their work area, shall have no seniority rights while such determination is unresolved. In this case if a review by the appropriate government authority results in a reversal of the original ruling, employees' rights shall be reinstated. If employees have been removed from employment for security reasons and a reversal is obtained after their removal, they shall be offered reinstatement with all their rights restored.

24.2 Financial Liability for Security Actions: There shall be no liability, financial or otherwise, on the part of the Company for any suspension, change in status, or transfer growing out of this denial to work on Kennedy Space Center or Cape Canaveral Air Force Station or Patrick AFB. This action shall not preclude employees from pursuing any legal remedy they may have against any agency, organization or person outside the Company by virtue of their suspension, change in status, or transfer under this clause.

Suspension because of a denial of a security clearance by the appropriate government agency shall not be subject to Article 22 (Grievance) or Article 23 (Arbitration), pages 54-56 and 57-58, respectively.

24.3 Security Regulations: The Company, all representatives of the Union having access to the premises, and all employees are required to comply with applicable government security regulations when performing work for the government. The government shall reveal security information to persons properly cleared and after it has been determined they have a need to know.

- 24.4 Failure to Obtain A Security Clearance:** The Company may terminate employees who are not granted an unescorted access authorization within ninety (90) calendar days from the first (1st) day of their employment for all work areas in which they are required to work, if such an authorization is required.

ARTICLE 25

GOVERNMENT MOTOR VEHICLE OPERATION

- 25.1** The Company has certain obligations in its contract pertaining to government motor vehicle operation and the operations of motor vehicles are vital to the Company meeting its contractual obligations. In the event employees are unable to operate or are restricted from operating a government motor vehicle, the employees shall be assigned to a work area that does not require the operation of a vehicle.
- 25.2** Employees normally required to operate a government motor vehicle who have been restricted from operating a vehicle by KSC OHF shall have sixty (60) workdays to return to a driving status. Employees who are not considered medically fit to operate a motor vehicle at the expiration of the sixty (60) workday period shall be assigned to a work area that does not require the operation of a government motor vehicle. The assignment to such a work area shall continue until the OHF releases the employees from their driving restrictions so that they are able to operate a government motor vehicle.
- 25.3** A new employee under the sixty (60) calendar day probationary period must be able to acquire and maintain a valid Florida State Driver's License. An employee unable to fulfill this requirement within the sixty (60) day probationary period shall be terminated.
- 25.4** Employees required to operate a government motor vehicle who have had their Florida State Driver's License suspended or revoked shall be assigned to a work area that does not require the operation of a motor vehicle. The Company shall assigned these employees to work areas that do not require the operation of a government motor vehicle until such time they are able to obtained a valid Florida State Driver's License
- 25.5** The disciplinary guidelines, concerning government vehicle accidents whenever employees are issued a citation stating that they are at fault, shall be as set forth by the Company or SGS.

It is understood the government motor vehicle accident guidelines, as set forth by the Company or SGS, shall not preclude the Union from filing a Grievance, as stated in Article 22, pages 54-56.

ARTICLE 26

UNION REPRESENTATIVES AND UNION ACTIVITY

26.1 The Company agrees to recognize three (3) Stewards and before a change to the number of Stewards can occur, a meeting between the Manager, Administrative Services, or a designee and the Union's Business Representative shall be held. No unilateral change may be made to the number of Stewards recognized by the Company.

The Stewards shall be employees of the Company's Mail and Special Services operation and selected in accordance with I.A.M. Local Lodge 2061 Bylaws.

Of the three (3) Stewards, the one with the longest continuous tenure as an I.A.M. Steward shall be recognized as the Chief Steward.

The Union shall provide the Company with a list in writing of the names of the accredited Stewards and their assigned areas of responsibility no later than the end of the month of March of each calendar year.

26.2 The Stewards' Union activities on Company time shall fall within the scope of the following functions:

- (a) To consult with employees regarding the presentation of a request, complaint, or grievance which the employees want the Steward to present on their behalf.
- (b) To investigate a complaint or grievance of record before presentation to the appropriate Supervisor.
- (c) To present a request, complaint, or grievance to the employees' immediate Supervisor in an attempt to settle the matter for the employees who may be directly affected.
- (d) To meet by appointment with the designated Representative of the Company, when necessary, to adjust Grievances in accordance with Article 22 (Grievance), pages 54-56. The Company and the Union agree that the minimum amount of time should be used in the performance of these duties.

26.3 Subject to existing security regulations, the Business Representative or other authorized Representative of the Union shall have access to the Company's work areas during working hours for the purpose of investigating grievances, complaints, or matters arising out of the interpretation or application of this Agreement. This access shall also be for the purposes of attending meetings in accordance with Article 22 (Grievance), pages 54-56.

The Business Representative shall obtain authorization from the Company for each visit, and such visit shall be subject to such regulations as may be made from time to time by the Company. The Company shall not impose regulations that exclude The Business Representative from the work areas nor render ineffective the intent of this Article.

26.4 New employees shall be introduced to the Union Stewards within five (5) workdays from the date of their employment with the Company. The function of the Stewards at this meeting is to explain their responsibilities under the terms of this Agreement.

26.5 When Stewards are required to leave their regular duties for the orderly and expeditious handling of a grievance, complaint, or other recognized Company and/or Union Business, the procedure outlined below shall be followed:

- (a) Stewards shall notify and obtain permission from their immediate Supervisor before leaving their work assignments for the purpose of investigating complaints or claims of a Grievance on the part of employees or the Union or contacting the Business Representative in regard to such a claim or grievance. This permission shall be granted except where there is a substantial reason for delaying the contact or the investigation due to safety conditions or a critical operation is in process.
- (b) After securing permission to leave their work assignments, the Stewards may be required to let their immediate Supervisor know of the reason that they are leaving their work area, where they are going and the individuals to be contacted.
- (c) The Supervisors may be present during any discussion relating to any complaint or grievance. However, upon the request of the employees or the Stewards, the Supervisors shall authorize the Stewards to participate in a private discussion with the employees or Business Representative relating to a complaint or Grievance.
- (d) Discussions of the type described in this 26.5 shall be conducted without a change in pay status for the Stewards or the employees provided the discussions do not exceed two (2) hours.
- (e) After completing the business for which approval to leave had been obtained, the Stewards shall report to their Supervisor and resume their assigned duties.

26.6 The Company shall provide bulletin boards to be used by the Union within each work group and/or work area that are conveniently accessible to employees.

The utilization of these bulletin boards shall be restricted to the following:

- (a) Notices of Union recreational and social affairs.
- (b) Notices of Union elections and results.
- (c) Notices of Union meetings.
- (d) Notices regarding Union Business, which shall be signed by the Union President or principal officer.
- (e) Any other information that is mutually agreed upon by the Senior Supervisor, Mail Services, or a designee and a Union representative or Steward.

26.7 If the Business Representative or other representative of the Union wants to meet with officials of the Company, permission must be obtained in advance before entering the Company's premises. The meeting between a Business Representative and the Company shall take place in the Manager, Administrative Services, or a designee's office. If the Union desires to inspect the work area in connection with a pending Grievance over working conditions, the Union Representatives may do so provided the Senior Supervisor, Mail Service, or a designee accompanies them.

26.8 Meetings between the Union's negotiating committee and the Union's Business Representative for the purposes of preparation of a proposal for the next Agreement shall take place during the hours of the first shift. The Union's Business Representative shall notify the Company of the proposed date and proposed time of the meetings with committee members a minimum of three (3) calendar days prior to any scheduled meetings.

It is understood that the Committee's proposal shall be completed a minimum of forty-five (45) calendar days prior to the termination of the current Agreement.

26.9 Meetings to renegotiate a new Agreement between the Company and the Union's Business Representative and the committee members shall take place during the first shift at a place mutually agreed upon by the Parties.

It is understood that the first meeting for the purpose of exchanging proposals between the Parties shall take place a minimum of fifty (50) calendar days prior to the termination date of the current Agreement.

ARTICLE 27

JOB DESCRIPTIONS

27.1 The job descriptions of each of the job classifications listed below shall be as follows:

(a) **Senior Distribution Clerks** assigned to mail units with two (2) or more employees or to the Distribution work area shall:

- (1) Make job assignments for bargaining unit employees, within their respective job classifications, in their work area.
- (2) Sort mail.
- (3) Act as vehicle coordinator.
- (4) Be familiar with all Company governmental regulations pertaining to the preparation, handling, and receipt of mail and other documents and materials.
- (5) Serve as the working “Lead” of Distribution Clerks, Post Office Clerks or Messenger Drivers assigned either on a permanent or temporary basis in their work area.
- (6) Provide on-the-job training.
- (7) Wrap all official business mailings.
- (8) Locate all mail.
- (9) Perform all duties of job classifications within their work area.

(b) **Senior Document Control Clerks** assigned to the Procurement work area shall:

- (1) Make job assignments for bargaining unit employees, within their respective job classifications, in their work area.
- (2) Serve as working “Lead” of Distribution Clerks, Post Office Clerks or Messenger Drivers assigned either on a permanent or temporary basis in their work area.
- (3) Provide on-the-job training.

- (4) Prepare work orders for reproduction on IFB's, RFO's, RFP's, RFQ's, PO's, PO modifications, contract awards, contract modifications, and amendments to the IFB's, RFO's, RFP's, and RFQ's.
- (5) Dispatch overnight or U.S. Postal Express packages for the NASA Procurement office.
- (6) Maintain a file on all IFB's, RFO's, RFP's, and competitive RFQ's that consist of a source list and copies of distribution sheets on each document.
- (7) Prepare and maintain a log of NASA Procurement certified mailings.
- (8) Be familiar with governmental regulations pertaining to the preparations, handling, receipt, and mail of IFB's, RFO's, RFP's, RFQ's, and respected amendments or contract awards.
- (9) Maintain a log of all distributions.
- (10) Be responsible for daily, weekly, monthly, quarterly, and yearly reports for the Procurement work area.
- (11) Place large mailings in properly labeled U.S. Mail pouches before sending to the KSC Post Office.
- (12) Perform all duties of job classifications within their work area.

(c) **Senior Post Office Clerks** assigned to the Mail Services Post Office operation shall:

- (1) Make job assignments for bargaining unit employees, within their respective job classifications, in their Work Area.
- (2) Serve as a Working Lead of Post Office Clerks, Distribution Clerks or Messenger Drivers assigned either on a permanent or temporary basis in their Work Area.
- (3) Perform on-the-job training.
- (4) Order postal supplies and stamp stock.
- (5) Prepare all daily, weekly, monthly, quarterly, and yearly postal reports.

- (6) Be familiar with all postal regulations pertaining to the preparations, handling, and receipts of U.S. and Foreign mail.
 - (7) Perform all duties of job classifications within their work area.
- (d) **Distribution Clerks** assigned to the Distribution work area or to the Patrick Air Force Base mail unit shall:
- (1) Sort mail.
 - (2) Perform on-the-job training.
 - (3) Be familiar with all operations in the Distribution work area or Patrick AFB mail unit.
 - (4) Be responsible for securing and transporting controlled and uncontrolled data between the Air Force, Army, Coast Guard, Navy, and their respective contractors located at Port Canaveral and Florida Radar Sites at Cape Canaveral Air Force Station Cocoa Beach, Malabar, Melbourne Beach, Merritt Island and Tequesta (Jonathan Dickinson Missile Tracking Annex) when assigned to the Patrick AFB mail unit.
 - (5) Be able to obtain a secret security clearance in order to perform the duties as listed in 27.1(d)(4).
 - (6) Wrap all official business mailings.
 - (7) Locate all mail.
- (e) **Post Office Clerks** assigned to the Post Office work area shall:
- (1) Sort and/or "face" all incoming and/or outgoing U.S. and Foreign mail.
 - (2) Maintain log of insured, certified, and registered mail.
 - (3) Maintain log of post office daily business.
 - (4) Man launch and landing site postal booths.
 - (5) Cancel all U.S. mail to include philatelic mail.
 - (6) Maintain cancellation machine, stamp machine, and other cancellation equipment.

- (7) Maintain a daily log of all NASA Foreign mail and semiannual NASA mail meter counts.
- (8) Man the post office window that entails working with the public selling stamps, postage for both U.S. and Foreign Mail.
- (9) Be familiar with all operations in the Post Office work area.
- (10) Rent post office boxes, maintain a post office box card file and notify customers of box rental due dates.
- (11) Perform on-the-job training.
- (12) Close out at the end of the business day (preparation of Postal Form 1412A).
- (13) Dispatch Express Mail.

(f) **Messenger Drivers** assigned to the Mail Units shall:

- (1) Sort mail.
- (2) Perform on-the-job training.
- (3) Perform assigned floor runs within assigned buildings.
- (4) Perform "outside" mail runs, which entails the operation of government motor vehicles, except as stated in Article 25 (Government Motor Vehicle), page 60.
- (5) Wrap all official business mailings.
- (6) Locate all mail.

27.2 A Senior Clerk or "Lead" shall be assigned to the Second shift or the Night Shift or to Mail Units of two (2) or more employees.

27.3 Senior Distribution Clerks, Senior Document Control Clerks and Senior Post Office Clerks shall serve as a working "Lead" in their respective work areas. The "Lead" shall not appraise the work of other employees. The "Lead" shall not make, as a result of solicitation by a Supervisor, recommendations concerning employment, release, transfer, upgrading, promotions or disciplinary action concerning other employees, or to be directly responsible for the quality or quantity of work produced by other employees within the bargaining unit.

The Company may require a “Lead” to initial Personnel Action Form requests of employees permanently assigned to their work area. This action shall not be interpreted to signify the “Lead” is approving or disapproving employees’ requests.

The Company may require the next senior employee to initial Personnel Action Form requests of the “Lead” assigned in the work area. This action shall not be interpreted to signify the next senior employees are approving or disapproving the requests of the “Lead”.

- 27.4** On occasion due to emergency situations or unforeseen excessive work loads which may occur during a regular workday, employees, without loss of pay, may be required to perform duties below or equal to their pay grades.

These occurrences shall not preclude a Distribution Clerk’s upgrade to a Senior Distribution Clerk or to a Senior Document Control Clerk and a Post Office Clerk’s upgraded to a Senior Post Office Clerk or to a Senior Document Control Clerk.

27.5 Employees who have been assigned to work areas, that historically have been a part of the KSC mail services prior to October 1, 1998, shall be able to refuse to pick up all hardware items. The delivery of a hardware item shall be the responsibility of the mail service if a mail services employee mistakenly placed the item in the J-BOSC mail system.

The exception to the foregoing pertains to employees assigned to the Company’s Patrick Air Force Base mail unit section responsible for the preparation of downrange shipments to Antigua and Ascension Islands. The employees in this section shall not handle hardware items that exceed seventy pounds (70lbs).

27.6 Employees shall be responsible for separating, sorting and “facing” U.S. Postal Service (USPS) mail.

27.7 The Company agrees to make every reasonable effort to cross-train all employees within their respective job classifications and as defined in Article 9.3 (Overtime), pages 17-19.

ARTICLE 28

GENERAL PROVISIONS

28.1 The Company shall maintain an electronic time sheet as a record of employees' paid and unpaid hours. Individual time sheets shall be verified and signed by employees and a Supervisor.

A six (6) minute leeway shall be allowed at the start of a shift before the Company penalizes employees for their tardiness.

28.2 Employees who donate blood for a Red Cross Blood Drive(s) shall be allowed two (2) hours time off, without loss of pay, at a time mutually agreed upon between employees and their Supervisor.

28.3 The terms Manager, Supervisor, immediate Supervisor or Senior Supervisor where used in this Agreement does not include employees within the bargaining unit.

28.4 Paydays shall be on alternating Fridays. If the payday occurs on a holiday, as listed in Article 14.8 (Holiday), pages 33-34, the payday shall be the last regular workday before the holiday.

28.5 Employees shall be allowed one (1) hour time off without loss of pay to vote in all Florida State primary elections and all general elections. The Manager, Administrative Services, or a designee may require proof of voter registration.

28.6 Employees shall be allowed five (5) minutes time off without loss of pay to wash up at the end of their shift.

28.7 Employees placed on limited or light duty by their personal physician or the KSC OHF, who requests the Company place them on limited or light duty, shall be required to perform the work performed by employees covered by this Agreement. If a temporary work assignment within the scope of the employees' medical limitations are available, as determined by the Company, the employees' current rates of pay, as shown in Schedule B (Column D), page 76, shall continue for a maximum of ninety (90) workdays for an illness or injury.

Employees on limited or light duty shall be entitled to all the benefits as stated herein. The limited or light duty shall not exceed ninety (90) calendar days for an illness or injury.

Employees on limited or light duty shall be removed from the overtime roster until they are returned to full duty, at which time they shall be returned in accordance with Article 9.5(f) [Overtime], page 20.

28.8 From time to time employees, upon the approval of their immediate Supervisor, shall be allowed to start their regular workday up to two (2) hours early for the purpose of departing early without loss of pay or having to utilize their sick leave or vacation credits.

28.9 Employees' travel reimbursements shall be in accordance with the Policy set forth by the Company or SGS and the Union.

28.10 Employees having to utilize their personally owned vehicles (POV) in the performance of their assigned duties or to attend mandatory meetings or training shall be reimbursed the mileage placed on their POV at the current cents per mile rate set by the Federal government.

28.11 Sixty (60) days after the date of ratification, an original hard copy, diskette, or compact disk (CD) of this Agreement shall be sent to a local printer.

ARTICLE 29

SEPARABILITY

The Parties hereto agree that should any Article, part or paragraph of this Agreement be in conflict with Federal or State Laws or declared by a Federal or State Court of competent jurisdiction in the premises to be unlawful, invalid, ineffective or unenforceable, said Article, part or paragraph shall not affect the validity and enforceability of any other Article, part or paragraph hereof, and the remainder of this Agreement shall continue in full force and effect. Company compliance with Federal or State Laws and/or Federal or State Court decisions shall not be subject to Article 22 (Grievance) or Article 23 (Arbitration), pages 54-56 and 57-58, respectively.

ARTICLE 30

SUCCESSOR

It is expressly agreed between the Parties that the terms of this Agreement and any accrual of benefits shall be binding on their Successor contractor whether the Successor contractor takes control of all or part of the operation. This Agreement shall inure to the benefit of the Parties hereto, their Successors and assigns.

ARTICLE 31

DURATION

This Agreement shall become effective April 1, 2005 and shall remain in full force and effect until midnight March 31, 2009. It shall automatically be renewed for consecutive periods of one (1) year thereafter unless one Party notifies the other in writing between sixty (60) and seventy-five (75) calendar days prior to March 31, 2009 of its desire to terminate the Agreement. This Agreement shall terminate midnight March 31, 2009 unless renewed or extended by mutual written agreement. In the case of a written notification to terminate this Agreement, the Parties shall meet immediately thereafter for the purpose of negotiating a new Agreement.

SIGNATURE OF THE PARTIES

IN WITNESS WHEREOF, the Company, Space Gateway Support and the Union have caused this Agreement to be signed by their duly authorized representatives.

FOR:

INTERNATIONAL ASSOCIATION
OF MACHINISTS & AEROSPACE
WORKERS

John H. Walker
Business Representative
I.A.M. & A.W.

William G. Mutter
Committee Member

Daniel M. Solomon
Committee Member

Thomas A. Spaur
Committee Member

FOR:

SPACE GATEWAY SUPPORT
AND TEAM MEMBER,
INDYNE, INC.

William A. Sample, Jr.
President
Space Gateway Support

Johnny L. Wood
Manager, Labor Relations
Space Gateway Support

J. L. Skip Olson
Senior Vice President
InDyne, Inc.

Frank J. Kiep
Manager, Administrative Services
InDyne, Inc.

Thomas L. Ogden
Manager, Labor Relations
InDyne, Inc.

Alfred C. Nelson
Senior Supervisor, Mail Services
InDyne, Inc.

SCHEDULE A

PAY GRADES

| PAY GRADE | <u>JOB CLASSIFICATION</u> |
|-----------|---|
| | |
| 1 | Senior Distribution Clerk (Lead) |
| 1 | <u>Senior Document Control Clerk (Lead)</u> |
| 1 | Senior Post Office Clerk (Lead) |
| | |
| 2 | Distribution Clerk |
| 2 | Post Office Clerk |
| | |
| 3 | Messenger Driver |

SCHEDULE B

RATES OF PAY

| A | B | C | D |
|--|---|----------------------------|--------------------------------------|
| EFFECTIVE DATE (Change Rate of Pay) | BASE RATE (3% Progressive GWI) | WAGE CONCESSION | PAY GRADE 1 (Rate of Pay) |
| 1 OCT 2005 | \$22.10 | \$0.60 | \$21.50 |
| 1 JAN 2006 | | \$0.70 | \$21.40 |
| 1 OCT 2006 | \$22.76 | \$0.70 | \$22.06 |
| 1 JAN 2007 | | \$0.80 | \$21.96 |
| 1 OCT 2007 | \$23.45 | \$0.80 | \$22.65 |
| 1 JAN 2008 | | \$0.95 | \$22.50 |
| 1 OCT 2008 | \$24.15 | \$0.95 | \$23.20 |
| 1 JAN 2009 | | \$1.10 | \$23.05 |

| A | B | C | D |
|--|---|----------------------------|--------------------------------------|
| EFFECTIVE DATE (Change Rate of Pay) | BASE RATE (3% Progressive GWI) | WAGE CONCESSION | PAY GRADE 2 (Rate of Pay) |
| 1 OCT 2005 | \$21.29 | \$0.60 | \$20.69 |
| 1 JAN 2006 | | \$0.70 | \$20.59 |
| 1 OCT 2006 | \$21.93 | \$0.70 | \$21.23 |
| 1 JAN 2007 | | \$0.80 | \$21.13 |
| 1 OCT 2007 | \$22.59 | \$0.80 | \$21.79 |
| 1 JAN 2008 | | \$0.95 | \$21.64 |
| 1 OCT 2008 | \$23.26 | \$0.95 | \$22.31 |
| 1 JAN 2009 | | \$1.10 | \$22.16 |

| A | B | C | D |
|--|---|----------------------------|--------------------------------------|
| EFFECTIVE DATE (Change Rate of Pay) | BASE RATE (3% Progressive GWI) | WAGE CONCESSION | PAY GRADE 3 (Rate of Pay) |
| 1 OCT 2005 | \$20.39 | \$0.60 | \$19.79 |
| 1 JAN 2006 | | \$0.70 | \$19.69 |
| 1 OCT 2006 | \$21.00 | \$0.70 | \$20.30 |
| 1 JAN 2007 | | \$0.80 | \$20.20 |
| 1 OCT 2007 | \$21.63 | \$0.80 | \$20.83 |
| 1 JAN 2008 | | \$0.95 | \$20.68 |
| 1 OCT 2008 | \$22.28 | \$0.95 | \$21.33 |
| 1 JAN 2009 | | \$1.10 | \$21.18 |

Column A: Effective dates of changes to the pay grade rates of pay.

Column B: Three percent (3%) progressive GWI for four (4) years before concessions.

Column C: Hourly wage concessions increase progressively for four (4) years by \$0.10, \$0.10, \$0.15 and \$0.15.

Column D: Pay grade rates of pay per hour for four (4) years after concessions.

SCHEDULE C

COMPANY PENSION FUND CONTRIBUTIONS

| A | B | C | D |
|----------------------|-----------------------------|------------------------------|---------------------------|
| DATE OF CONTRIBUTION | COMPANY HOURLY CONTRIBUTION | UNION HOURLY WAGE CONCESSION | TOTAL HOURLY CONTRIBUTION |
| 1 JAN 2006 | \$1.50 | \$0.70 | \$2.20 |
| 1 JAN 2007 | \$1.60 | \$0.80 | \$2.40 |
| 1 JAN 2008 | \$1.75 | \$0.95 | \$2.70 |
| 1 JAN 2009 | \$1.90 | \$1.10 | \$3.00 |

The Company's contribution to the I.A.M. National Pension Fund for employees increases progressively (from \$1.40) for the next four (4) years by \$0.10, \$0.10, \$0.15 and \$0.15, respectively on the dates shown in the table. The contributions by the Company are increased during the same period by the Union's hourly wage concessions that are also progressively increased (from \$0.60) by \$0.10, \$0.10, \$0.15 and \$0.15.

ADMINISTRATIVE LETTER NO. 1

April 1, 2005

John H. Walker, Business Representative
International Association of Machinists and
Aerospace Workers, AFL-CIO
171 Taylor Avenue
Cape Canaveral, Florida 32920

The purpose of this letter is to state the Parties' agreement concerning the "Employee Reliability Program".

The Parties agree to the necessity of providing a safe and secure environment for everyone. Intoxicated, impaired or drug-abusing employees can endanger themselves, the Company, and the lives of their friends and co-workers.

Drug tests shall be administered under the following circumstances: when there is specific, objective reason to believe that the individual to be tested is jeopardizing workplace safety or is not performing his job because of intoxication and/or impairment, or when an employee is involved in an accident and/or injured while on duty.

No test other than post accident or injury shall be administered until the Company has reason to believe that the employee is impaired through direct observation by at least two management officials, one of whom is not the employee's immediate supervisor. The employee's union representative shall be advised immediately, if available, or as soon as possible thereafter.

If an employee realizes he has a drug or alcohol dependence problem and voluntarily seeks help, then we shall assist that employee in obtaining professional help. However, it is understood that the burden rests on the employee to seek and accept professional help.

It is understood and agreed that all employees represented by this unit shall sign the forms consenting to drug and/or alcohol tests as presently attached to the "Employee Reliability Program". However, no employee shall be required to sign any waiver of his Constitutional Rights in conjunction with the administration and processing of this program.

ADMINISTRATIVE LETTER NO. 1

April 1, 2005

Page 2

The Company agrees to provide the Union with a more detailed outline of the various drugs and the levels that have been established as unacceptable.

Employees testing positive shall be subject to disciplinary action, which may include a requirement to participate in a rehabilitation program.

With the above clarifications, the Parties agree to the Company's "Employee Reliability Program".

Employees that are on layoff status for a period of time in excess of ninety (90) calendar days shall be subject to drug and/or alcohol screening upon their Recall to work.

Employees that test positive shall not be allowed to report to work and shall be subject to the provisions of the "Employee Reliability Program".

If the foregoing correctly expresses your understanding of our agreement concerning this subject, please sign and send the original to the undersigned.

ACCEPTED AND AGREED TO:

JOHNNY L. WOOD
Manager, Labor Relations
Space Gateway Support, J-BOSC Prime

JOHN H. WALKER
Business Representative
I.A.M. & A.W.

THOMAS L. OGDEN
Manager, Labor Relations
InDyne Inc., J-BOSC Team Member