

RFP: NNG14446460R/AMOC Follow-On

Attachment B - Wage Determination - Collective Bargaining Agreement CBA Rates Revision 1

REGISTER OF WAGE DETERMINATION UNDER
THE SERVICE CONTRACT ACT
By direction of the Secretary
of Labor

U.S. DEPARTMENT OF LABOR
EMPLOYMENT STANDARDS ADMINISTRATION
WAGE AND HOUR DIVISION
WASHINGTON D.C. 20210

Diane Koplewski
Director

Division of
Wage Determinations

Wage Determination No.: CBA-2013-6087
Revision No.: 0
Date Of Last Revision: 9/12/2013

State: Virginia

Area: Accomack

Employed on NASA/GSFC/Wallops Flight Facility contract for Aircraft Maintenance and Operations Contract.

Collective Bargaining Agreement between contractor: Airtec Inc., and union: International Association of Machinists and Aerospace Workers Local District, effective 10/1/2009 through 2/20/2014.

In accordance with Section 2(a) and 4(c) of the Service Contract Act, as amended, employees employed by the contractor(s) in performing services covered by the Collective Bargaining Agreement(s) are to be paid wage rates and fringe benefits set forth in the current collective bargaining agreement and modified extension agreement(s).

AGREEMENT

BETWEEN

**INTERNATIONAL ASSOCIATION OF MACHINISTS
AND
AEROSPACE WORKERS
DISTRICT LODGE 74**

AND

AIRTEC

EFFECTIVE

October 01, 2013 through September 30, 2016

AGREEMENT

This Agreement is made as of the 25th day of September 2013, by and between Airtec, its successors and assigns, hereinafter referred to as the Company, and the International Association of Machinists and Aerospace Workers (IAM&AW) hereinafter referred to as the Union, covering certain employees of the Company employed at the National Aeronautics and Space Administration, hereinafter referred to as NASA, Wallops Flight Facility, Wallops Island, Virginia, and assigned under NASA Contract No. 5-00026 and its successor contracts as successor contracts is defined under the Service Contract Act.

Whereas the Parties hereto desire to establish a standard of conditions under which the employees shall work for the Company during the term of this Agreement, and regulate the mutual relations between the parties hereto with the view of securing harmonious cooperation between the parties and avoiding disputes.

Now therefore, in consideration of the mutual promises and agreements herein contained, the parties hereto agree as follows:

ARTICLE 1 UNION RECOGNITION AND BARGAINING UNIT

- A. The Company agrees to recognize the Union, certified by the National Labor Relations Board on September 16, 1974 (Case No. RC-9061), as the exclusive collective bargaining agent for all its employees stipulated in the Board's certification, and as further stipulated in this Agreement, at the NASA Wallops Flight Facility, Wallops Island, Virginia, and assigned under NASA Contract No. 5-31046 and its successor contracts as successor contracts are defined under the Service Contract Act, who are eligible employees to be represented by the Union.
- B. As used in this agreement, the term "employee" shall mean any employee of the Company assigned to a job classification listed in Appendix "B" or any classification subsequently established which involves work of a kind or nature covered by the NLRB certification stated in Paragraph "A" above.

ARTICLE 2 MANAGEMENT RIGHTS

- A. Except as otherwise provided in this Agreement, the Company shall have the full and exclusive right of management of its business, but not limited to, the direction of the work force, the right to determine the number of employees necessary to accomplish the work at any given time, the right to plan, direct and control all business operations, the right to assign work duties and responsibilities to all employees, the right to hire employees, the right to schedule all hours of work, the right to hire employees from whatever source it desires, the right to suspend or discharge employees for just cause, the right to promote, demote, or transfer employees on the basis of qualifications,

performance, skill and ability, the right to layoff employees because of lack of work or other business reasons, the right to change or eliminate existing jobs or job classifications, or to create new jobs and new job classifications, the right to promulgate and enforce work and/or safety rules, and the right to perform work on any kind or nature.

- B. The foregoing enumeration of the Company's rights shall not be deemed to exclude other rights, including preexisting rights and rights it has by law, precedence or otherwise. Nothing in this Agreement shall limit or be deemed to limit the Company in the exercise of customary and recognized functions and prerogatives of management, including the right to make such agreements and enter into such agreements as it may deem necessary to successful operation of its business, including, but not limited to, the right to subcontract all or any part of the work covered under this Agreement.
- C. Furthermore, the above enumerated rights and other rights, including, but not limited to, preexisting rights, are not subject to the grievance and arbitration provisions of this Agreement.

ARTICLE 3 RESPONSIBILITY TO THE GOVERNMENT

- A. The Union recognizes that the Company is a Contractor to the Federal Government at NASA, and that the Company is required at all times to fully meet its obligations as a Contractor. Nothing in this Agreement is intended nor will any provision of this Agreement inure to prevent the Company from fully meeting its obligations and responsibilities as a Contractor. The Union fully recognizes that from time to time the Government may impose various demands or obligations upon the Company and that the Company and its employees must meet such demands, obligations or comply with such rules or regulations, including those covering security, health and safety, passports, ect., as may be promulgated or imposed by the Government. It is further understood and agreed that in the event a security clearance is required in order to perform work in job classifications covered by this Agreement, then such security clearance shall be a condition of continued employment with the Company. Employees shall be subject to investigation for security clearance(s) under regulations prescribed by the Department of Defense or any other authorized and appropriate agency of the United States Government and each employee cooperate fully with representatives for a clearance or denial or withdrawal of such clearance by such governmental agency shall be cause for discharge of any employee without further recourse by the Union under the terms and conditions of this Agreement.

ARTICLE 4 COMPANY AND UNION NONDISCRIMINATION

- A. It is agreed that there shall be no discrimination, interference, restraint or coercion by either party against any employee because of his membership or non-membership in the Union.

- B. In accordance with the law, it is agreed that there shall be no discrimination against any employee or applicant for employment because of his age, race, color, sex, national origin, religion, veteran status, disability or other status protected by federal, state or local law, regulation, or statute. It is agreed that, consistent with the Rehabilitation Act of 1973 and the Americans with Disabilities Act (ADA), there will be reasonable accommodations to employees who applies with disabilities, and the parties agree to cooperate to that end.
- C. All references to "employee", "employees", "man", or "men", "he", or "his", in this Agreement refer to both male and female employees. The terms are used for the sole purpose of brevity and clarity of language construction only, and do not imply or refer to sex or gender in any way whatsoever.
- D. Each employee shall adhere to the provisions and intent of Section C of this Article, in his dealings with fellow employees, suppliers and customers of the Company under its contract no. NAS 5-31045 and its successor contracts as successor contracts are defined under the Service Contract Act.

ARTICLE 5 UNION REPRESENTATION

- A. The Company will recognize one (1) Steward and one (1) alternate selected from full time employees within the Bargaining Unit who have completed their trial period; the Union will specify the selected Steward in writing to the Company. In the event the Company establishes a multi-shift operation or the Unit significantly increases, the parties will agree to reasonable provisions which will provide the Union representation.
- B. In exercising their responsibilities to Bargaining Unit employees, Stewards shall guard against the use of excessive or unnecessary work time and will not unduly interfere with the operations of the Company.
- C. The Steward will notify and coordinate his absence with his assigned Supervisor before leaving his work station and report back to the Supervisor upon return to his work station.
- D. Time spent by Stewards investigating grievances and complaints during his regular working hours as provided in this Agreement shall be considered as time worked.
- E. The Steward shall be granted preferential seniority and will be retained without regard to seniority, as long as the Company has work for which he is qualified to perform. In event the Steward is laid off or terminated (for lack of work he is qualified to perform) he shall be the first recalled when work he is qualified to perform becomes available.
- F. Nothing in this Article shall be construed as the right to deny the International Representative or Business Agent the privilege or processing a grievance on behalf of a Unit employee, or to participate in a grievance meeting conducted in accordance with the Grievance Procedure.

- G. The Union shall be free to withdraw a grievance at any step of the Grievance Procedure without prejudice.

ARTICLE 6 SUCESSOR CLAUSE

- A. The provisions of this Agreement shall be binding upon the Company and its successors, assigns or future purchasers, and all of the terms and obligations herein contained shall not be affected or changed in any respect by the consolidation, merger, sale, transfer or assignment of the Company of any or all of its property, or affected or changed in any respect by any change in the legal status, ownership or management of the Company. It is the intent of this Article to promote industrial peace and harmony, to insure continuity of employment and representation, through good faith collective bargaining regardless of the identity of the employer organization having jurisdiction over the work of this Bargaining Unit.

ARTICLE 7 SUB-CONTRACTING

- A. The Company agrees not to sub-contract Bargaining Unit work for the purpose of terminating Bargaining Unit employees or inhibiting long-term Bargaining Unit growth. Nothing herein shall be construed as prohibiting the Company from sub-contracting work of short duration which will not reasonably support full time employment of additional employees or the recall of an employee on layoff. It is the sole intention of the Company to engage in its longstanding practice of subcontracting work where the Company determines that such work cannot be effectively and economically performed by its own employees due to lack of time, skills, tools, equipment, facilities, or availability of manpower, or as required by its contract with the Government. The Union recognizes that the Company has been provided with specific Small Business and Small Disadvantaged Business subcontracting goals by the Government and may be required to subcontract where effective and economic criteria are not used in order to meet the criteria of the Government Affirmative Action program goals. Such subcontractors shall be bound by the terms and conditions of this Agreement unless the subcontract is for a period of ninety (90) days or less.

ARTICLE 8 UNION SECURITY

- A. An employee shall not be required to become a member or continue membership in the Union, or pay any fees or dues to the Union, as a condition of employment if employed at a location which is subject to a state law prohibiting or otherwise making unlawful membership in, or payment to, a labor organization as a condition of employment.
- B. Where allowed by the applicable laws, bargaining unit employees will be required as a condition of employment or continuation of employment, to be or become a member of the Union, and to pay any dues or the applicable service fee to the Union. In such event,

employees shall be required to make application for membership or to pay applicable service fees after the 31st day of employment.

- C. The Union shall indemnify and save the Company harmless against any and all claims, demands, suits, judgments and/or any other forms of liability or cost and/or expenses that shall arise out of, or by reason of, action taken or not taken by the Company in reliance upon check-off authorization and/or certified lists furnished by the Union or for the purpose of complying with any of the provisions of this Article.
- D. The Union shall indemnify and save the Company harmless against any and all claims, demands, suits, judgments and/or judicial or administrative orders of any governmental agency, or any other forms of liability, or cost and/or expenses that shall arise out of, or by reason of, the Company's complying with any demand of the Union for any information concerning any bargaining unit employee of the Company where such information is, either by common law and/or Federal, State or local decision or policy or administrative order, protected and/or privileged.

ARTICLE 9 TRIAL PERIOD

- A. Each new employee shall undergo a trial period of ninety (90) working days of employment, during which time his/her tenure of employment shall be at the sole discretion of the Company and shall not be subject to review under the grievance and arbitration procedures contained herein. Upon completion of the trial he shall acquire seniority rights and the seniority shall be retroactive to his/her last date of hire.

ARTICLE 10 STRIKES AND LOCKOUTS

- A. The Company agrees that during the term of this Agreement it will not engage in a lockout of its employees. The Union agrees that during the terms of this Agreement there shall be no strikes, sympathy strikes, sit-downs, work stoppages, boycotts, picketing, or any other interference with the operations of the Company, directly or indirectly for any reason, and that no officer, agent, representative or member of the Union shall ever authorize, call, instigate, aid, condone or acquiesce in any of such actions and that no employee covered by this Agreement shall participate in any such actions.
- B. Any employee who engages in any form of activity prohibited by this Article may be subject to appropriate disciplinary action.

ARTICLE 11 NON-BARGAINING UNIT EMPLOYEES WORKING

- A. The Company shall use its best efforts to enforce compliance with the intent of this paragraph.

B. It is the intent of the Company that non-bargaining unit personnel shall not perform work performed by the employees in the Bargaining Unit except in the following types of situations:

1. In the instruction of training of employees;
2. In an emergency where immediate action is required in order to prevent injury to employees or damage to Company or customer property or equipment;
3. In circumstances where technical or scientific personnel perform duties which relate to or are a part of the procedures they must follow to accomplish their assignments;
4. When an employee fails to report to work or when other qualified employees are not available at the site;
5. In order to prevent damage to property;
6. When necessitated by security requirements of specialized clearances which are not possessed by bargaining unit employees;
7. When required for safety;
8. When the task to be performed is incidental to their work;
9. When required to maintain their personal qualification and proficiency.

ARTICLE 12 SUPERVISION

- A. Employees within the Bargaining Unit shall be assigned to and answerable to designated Supervisors and/or Managers of the Company.
- B. To the extent that the Company is permitted, and is able, pursuant to the terms of its contract with NASA, it shall endeavor to have all instructions relative to job performance of its employees including those covered by this Agreement, to emanate from the Company's designated supervisors. Consistent with the heretofore acknowledged obligation of the Company and of its employees to fully and satisfactorily perform the obligations and performances set forth in said Contract with NASA, the Company shall exercise reasonable effort to minimize instances where instructions are given to employees by NASA and other Government representatives. In consideration of said undertaking by the Company, the Union agrees that where occasions arise in which such instructions are given by such representatives, employees will fully comply with said instructions from NASA and other Government representatives.

ARTICLE 13
SAFETY AND HEALTH

- A. Employees covered hereby shall be required to comply with all safety rules and regulations established by the Company and to wear such protective clothing or use such safety equipment as may be required and provided by the Company. Protective clothing and safety equipment furnished by the Company remain the property of the Company and each employee shall be responsible for proper care and use thereof.
- B. When an employee is injured so seriously as to require that he/she be excused from work by an authorized representative of Management, he/she shall be paid for the balance of the regular scheduled shift on which the industrial injury occurred.
- C. Should the Company have reason to believe and employee covered hereby is physically or mentally unable to satisfactorily perform the duties of his/her job classification; such employee shall be required to take such medical examinations as may be directed by the Company. The Company shall pay for each such examination.
1. Should an employee fail to pass the Company's medical examination and, as a result thereof, is determined by the Company to be unable to perform the duties of his/her job classification, the Company agrees to meet with the Union for the purpose of endeavoring to agree on reassignment of the employee to available work for which he/she is qualified and which he/she is able to perform.
 2. If the Company and the Union are unable to reach agreement, the employee may then be reassigned to available work for which he/she is qualified or placed on leave of absence from the active service of the Company. Disputes arising from the provisions of this paragraph shall be subject to the Grievance Procedure.
- D. The Company will reimburse employees up to a maximum of \$150.00 (one hundred fifty dollars) for the purchase of safety shoes and \$100.00 (one hundred dollars) for the purchase of prescription safety glasses for employees required to wear such articles in the performance of their job. It is understood and agreed that reimbursement for safety glasses will be limited to the amount required for the safety-hardened lenses and basic frames and that no reimbursement will be made for personal preference charges such as tinting or fashion frames. This Section shall become effective on the effective date of this Agreement and will be reviewed by the Company and the Union each year of the contract and where necessary adjust allowances to meet changed conditions. Safety shoe(s) reimbursement shall be limited to one (1) pair per calendar year and safety glasses to one (1) pair every two (2) calendar years.
- E. The Company and the Union encourage employees to submit to the Company written suggestions for improvement of conditions relating to on-the-job safety.
- F. Should a walk-around safety inspection of the Company's assigned work locations be conducted pursuant to the provisions of OSHA, the Steward shall have the right to accompany the inspection team during regular duty hours.

- G. Physical examinations required by the Company shall be promptly complied with by all employees. The employee(s) will be paid for the time spent for such examination and the cost of such examination shall be borne by the Company including travel time effective November 1, 1991.
1. All such required examinations will be conducted at medical facilities designated by the Company. If the employee disagrees with the results of such examination the employee may have the employee re-examined by a licensed physician of their choice at employee expense.
 2. In the event of a disagreement between the Company physician and the physician selected by the employee, the Company and employee physicians shall jointly select a third physician within thirty (30) calendar days to conduct a third examination. The results of such examination will be final. The expense of the third examination will be equally divided by the employee and the Company.
 3. It is understood and agreed that the procedures defined in G. 1. and G.2. above shall not apply in cases where Random Drug Screens result in a Positive Drug Screen. In such cases the employee or the Union may have the original sample retested at a NIDA certified laboratory of their choice. The cost of each such test will be born by the employee or the Union, whoever requested the retest. In the event such test results in a Negative Drug Screen the parties will select a third NIDA certified laboratory to conduct a third Drug Screen of the original sample. The cost of the third Drug Screen shall be borne equally by the parties and the results of such screen shall be considered final.
 4. Drug screen are not considered medical examinations.

ARTICLE 14 HOURS OF WORK

- A. No provision of this Agreement shall be construed as a guarantee of any specified number of hours of work either per day or per week.
- B. The workweek shall consist of seven (7) days beginning 0001 on Friday and ending at midnight the following Thursday.
- C. The workday shall be defined as a period of twenty-four (24) consecutive hours beginning immediately after midnight of one day and ending at midnight on the following day.
- D. Eight (8) consecutive hours, exclusive of a lunch period of no less than thirty (30) minutes nor more than one (1) hour, shall constitute a normal work shift.
- E. Normal shift shall be from 8:00 a.m. to 4:30 p.m.

- F. Upon reasonable advance notice to the Union or appropriate Steward, the Company may for good and sufficient cause (to include NASA requirements) change the starting time of the work shift and/or the schedule lunch period.
- G. Any employee, in the absence of notice not to report for work, who reports for work on his/her regular shift and for whom there is not work available shall, except when such lack of work is due to an Act of God, sabotage, national emergency or other circumstances beyond the control of the Company, receive a minimum of four (4) hours pay at his/her straight time base rate. Such paid hours not worked shall not be considered as time worked for purposes of computing overtime.
- H. When an employee covered by this Agreement has completed an eight (8) hour work shift and has been relieved for the day, or when an employee is on one of his/her regularly scheduled days off, and is recalled to work, he/she shall be guaranteed a minimum of four (4) hours work, or pay in lieu thereof, at his/her applicable rate of pay. Hours not worked but paid in lieu thereof shall not be considered as time worked for purposes of computing overtime. Nothing in this Agreement, however, shall be construed to guarantee any specific number of hours of work, or pay in lieu thereof, to any employee who is required to perform overtime work connected to his/her regularly scheduled shift hours.
- I. For field service duty the starting time of the work shift shall vary as required to meet the needs of the mission. The employee is guaranteed eight (8) hours pay minimum based on an eight (8) consecutive hour work shift per day Monday through Friday. In the event of a call back to work Monday through Friday, overtime will be paid only for hours actually worked.
- J. When there is a requirement to staff a shift other than the "normal shift" defined in E, above, the following procedure shall be utilized: Qualified employees will first be canvassed to determine if sufficient volunteers exist. If the number of volunteers exceeds the requirement, the most senior volunteer will be assigned to the shift. If the number of volunteers is not sufficient to meet the requirement, the least senior qualified employee will be assigned to the shift. Such assignments will normally be for periods of thirty (30) days and the employee's new shift will not be disturbed during that period unless the employee requests to return to the "normal shift" or their services are no longer required on the new shift.
- K. Employees assigned to a shift other than the "normal shift" defined in E, above, will be paid base pay per hour worked while assigned to such shift. It is understood and agreed that such premium shall not apply to overtime hours worked subsequent to the "normal shift" or to hours worked on Field Service Duty.
- L. Employees assigned to stand-by time for less than two (2) hours who are not subsequently call in to work will be provided two (2) hours pay at their base rate of pay. Employees assigned to stand-by for less than (2) hours who are subsequently called in to work will be paid only for the hours they subsequently work or for the minimum of for (4) hours, whichever is greater. Employees assigned to stand-by for more than two (2)

hours who are subsequently called in to work will be provided two (2) hours of pay at their base rate plus pay for hours actually worked or plus four (4) hours, whichever is greater.

ARTICLE 15 ABSENCE FORM WORK

- A. Except for illness, injury or other reasons beyond their control, employees are expected to report for work as scheduled unless the absence is authorized by the Company. Unauthorized absences shall subject employees to appropriate disciplinary action.
- B. It is the duty of every employee who, for any reason, is unable to report to work as scheduled, or who expects to report to work late, to notify the Company of the reasons therefore, indicating when he/she expects to report for work. Absent employees will make every reasonable effort to notify the Company within one (1) hour after their scheduled starting time.
- C. Employees may be granted time off with pay to a maximum of two (2) hours to vote in national, state, local and primary elections, provided that such employees are unable to vote either before coming to work or after leaving work.

ARTICLE 16 LEAVE OF ABSENCE

- A. Personal – To the extent permitted by workload commitments, an employee covered by this Agreement will be granted a leave of absence, without pay, for a period not to exceed thirty (30) calendar days. When circumstances permit, applications in writing for such leave of absence, stating the reasons therefore, must be submitted to the Company no less than two (2) calendar weeks prior to the first work day of such requested leave. Should emergency exist, two (2) week time period would be waived.
- B. Military Leave – The Company agrees to observe all provisions of present law or laws hereafter enacted relating to its obligations to those of its employees who have left or hereafter leave the service of the Company to enter the Armed Services of the United States.
- C. Military Reserve Duty – For employees required to engage in annual 14 day continuous period of military service training, including National Guard, who have completed twelve (12) months of employment immediately prior to commencement of the leave period, the Company will pay once per year the difference between the reserve training pay and the employee's regular pay for the 14 day period on his/her normal work schedule. The latter amount will be determined at the employee's regular rate in effect on the last day immediately preceding the date the training leave commences, including shift bonus and other premium payment applicable to his/her normally scheduled working hours excluding overtime.

- D. Funeral Leave – In case of the death of a member of the immediate family of an employee, the employee shall be granted a maximum of five (5) working days off with straight time pay to attend the funeral and tend to administrative details. Members of the immediate family shall be the spouse, children, stepchildren, parents, stepparents, brother, sister, grandchild, spouse's parents, half-brothers and half-sisters. Pay for all such time shall be at the employee's base straight time rate. Such paid absence time will not be counted as time worked for purposes of computing overtime. The Company may require reasonable proof of death under this Article.
- E. Jury Services – When an employee is necessarily absent from his/her regular work shift by reason of required jury service, or to report for jury examination, he/she shall be granted pay for those hours during which he/she is necessarily absent from his/her regular work shift, less any fee or other compensation paid to him/her by the court for such service.
1. Pay for such lost time shall be computed at the employee's straight time base rate of pay. In no event shall payment be made for jury duty performed on the employee's regularly scheduled days off, holidays defined herein or for any hours in excess of eight (8) in any regular work day or hours in excess of forty (40) in any work week.
 2. Pay for time lost shall not, for any employee, exceed a total of twenty (20) regular eight (8) hour work days in any one (1) calendar year, less any fee or other compensation paid to him/her by the court for such service.
 3. To be eligible for payment of jury service pay, an employee must notify his/her Contract Manager no later than the completion of his/her regular work shift next following receipt by him/her of such notice or summons. Further, he/she shall be ineligible to receive jury service pay until such time as he/she presents to the Company a statement from an official of the court attesting to the date or dates and time of such jury service, and the fee or compensation paid to him/her therefore by the court, exclusive of transportation allowances.
- F. Union Business Leave – Upon furnishing the Company reasonable advance notice, employees will be granted leave of absence without pay for the purpose of Union business other than organization activities. Such leave is limited to thirty (30) calendar days but the Company will give consideration for an extension, if required, upon written request to the Company. The Union may request, and the Company will grant, leave of absence of three (3) days or one without pay to Union members for Union business of Local Lodge 2552 and excuse absences of less than three (3) days without pay to Union members for Union business of Local Lodge 2552. Such leaves and excused absences will be requested only for two (2) employees at any one time and at reasonable times upon twenty-four (24) hours' written notice to the Company except when such notice is waived by mutual agreement. Employees on approved Union leave of absence will continue to accrue seniority.
- G. Sick Leave – Effective 01 October 1997, employees will accrue sick/personal leave up to a maximum of eighty (80) hours per contract year as follows. For the purposes of this

Article, the term "eligible employee" shall be defined as any employee covered by this Agreement. The Company reserves the right to require proof of illness for any period of sick leave exceeding three (3) days.

1. Eligible employees will accrue sick/personal leave to a maximum of eighty (80) hours per contract year, accrued at the rate of 1.54 hours for each week in which the employee records any compensable hours.
 2. An employee may request up to three (3) days sick/personal leave provided he/she receives the prior approval of the Contract Manager and/or his/her designated supervisor(s), and further provided the employee has sufficient sick/personal leave hours accrued pursuant to the provisions of this Article, and further provided that said time off does not unduly interfere with the operations of the Company. Said sick/personal leave may be extended provided the employee has sufficient hours accrued pursuant to this Article, and further provided the employee receives the prior approval of the Contract Manager to extend said sick/personal leave. Said sick leave may be scheduled in minimum increments of thirty (30) minutes.
 3. Any unused sick/personal leave may be carried forward to the subsequent contract year until a maximum of thirty (30) days is accrued. Sick/personal leave may not be accumulated in excess of thirty (30) days. Any sick/personal leave accrued in excess of thirty (30) days shall be forfeited by the employee. The employees shall not be entitled to any cash payment or premium pay on account of any sick/personal leave days not used and/or forfeited, nor shall any cash payments whatsoever be made in lieu of sick time off.
 4. An employee will not be paid for unused sick/personal leave upon termination of employment.
 5. The employee agrees the employer may offset sick/personal and vacation with each other at the employer's option.
- H. Maternity Leave – The Company agrees that it will grant unpaid leave of absence as maternity leave. The length of such maternity leave of absence shall start when medically necessary due to the employee's pregnancy and shall end when it is no longer medically necessary. Anyone returning from such maternity leave of absence shall notify the Company one (1) week in advance of intended return and shall present a doctor's certificate authorizing such return to duty. The time limits for maternity leave of absence specified herein may be shortened or lengthened upon the execution of a full release of the Company of any liability or responsibility except that arising under the state's Workmen's Compensation Act.
- I. Physicals – Employees required to take physicals will be provided two (2) hours paid time and reimbursement for round-trip mileage up to ninety (90) miles at the current NASA Travel Regulation rate. Such time will be considered as time worked for the purpose of computing overtime pay. It is understood and agreed that the Company will be

responsible for scheduling of and payment for such physicals. In the absence of a legitimate emergency, an employee who fails to appear for or reschedules such physical resulting in a charge to the Company for the "no-show" "late cancellation" will be responsible for the full cost of the subsequently rescheduled physical.

- J. The Company will comply with the provisions of the Family Medical Leave Act.

ARTICLE 17 WAGE RULES

- A. The rates set forth in Appendix B attached hereto and made a part of this Agreement shall prevail on and after the effective date indicated thereon.
- B. Productivity Bonus: A one-time Productivity Bonus of \$1000.00 (Gross Up) for each employee on the employee roster on the day of this contract ratification. Payment will be made the first payroll after March 01, 2014 following a successful ratification. Payment will be on a separate check.
- C. When a new job classification in addition to those listed in Appendix B is created, the wage rate thereof shall be determined by negotiation between the Company and the Business Representative of the Union. If no Agreement can be reached, either party may refer the matter of Wage Rate Determination to arbitration. The Arbitration shall establish the wage rate on the sole basis of the relationship the new job bears to that of existing jobs.

ARTICLE 18 JOB CLASSIFICATIONS

- A. Job classifications covered herein shall be those job classifications specifically enumerated, attached hereto as Appendix B, and made a part of this Agreement.
- B. It is understood and agreed that the Company may temporarily (for thirty (30) days or less) assign an employee to work in any other classification when no work is available in the employee's regular classification or when such assignment is required by work schedules. The Union shall be notified of such assignments in advance (except in emergencies). In the event of a disagreement the grievance and arbitration provisions of this Agreement apply.
- C. The Company reserves the right, pursuant to the terms and conditions of the contract to designate a Group Leader for any classification covered by this Agreement. Group Leaders designated by the Company will be compensated at a differential of one dollar (\$1.00) per hour above his/her base rate for all hours worked in this capacity.

- D. The Company reserves the right, pursuant to the terms and conditions of the contract to designate Collateral Duty Inspectors. Employees designated, by the Company, as Collateral Duty Inspector (CDI) will be compensated at a differential of one dollar (\$1.00) per hour above his/her base rate for all hours worked while so designated.
- E. Copies of Job classification shall be forwarded by the Company to employees no later than sixty (60) days after the effective date of this Agreement.

ARTICLE 19 OVERTIME

- A. The provisions of this Article are intended only to provide the basis for calculation and payment of overtime and shall not be construed as a guarantee of any specific overtime hours per day or per week. In the calculation of overtime for the purpose of this Article hours paid except as excluded in Articles 14 and 16, will count towards hours worked in the week for computation of overtime.
- B. It is recognized and agreed from time to time overtime work may be necessary, and provided reasonable advance notice is given except in emergency situations, the Company may assign employees to work overtime. Such assignments are to be made in a fair and equitable manner, based on the employee's classification, in increments of one-half (1/2) hour or more. The Company shall give as much advance notice as possible.
- C. The Company agrees to maintain records of all overtime worked by classification. Overtime records shall be made available to the Union or a representative designated in writing by the Union for inspection to resolve specific complaints with respect thereto. All overtime assignments shall be offered first to the employee in the classification with the least overtime recorded.

Exceptions, to the overtime distribution rules set forth above, may be made by the Company in the following circumstances.

1. Continuation of jobs which commence during the regular shift and extend into overtime where continuity is necessary for efficient completion of the job.
 2. Special skill requirements which necessitate assignment of individuals within a classification possessing expertise or training not generally possessed by other employees within the classification.
 3. While it is recognized the above exceptions may result in temporary imbalances in overtime distribution, it is agreed and understood that such imbalances will be minimized to the extent reasonably possible by scheduling of anticipated overtime work and additional training within classifications affected.
- D. Employees who are properly notified and decline to work overtime offered shall be charged the number of overtime hours declined for distribution purposes. Employees on sick leave, or vacation, for periods not exceeding two (2) weeks, shall not be charged with having declined overtime. Employees on sick leave or vacation, for periods in

excess of two (2) weeks, shall be charged the average number of hours worked by all employees within the classification during the entire absence.

- E. Employees entering the Unit after an overtime list has been established for the particular classification will be credited with the average overtime worked to date in that classification. Effective with the date of this Agreement the overtime account of each employee will be considered as having a zero balance.
- F. Nothing in this contract shall be construed as requiring the Company to call in employees for overtime work when qualified employees are on the Company premises.
- G. In addition to regular straight time pay, overtime pay shall be paid as follows:
 - 1. At fifty percent (50%) of the employee's hourly rate for all hours worked in excess of eight (8) hours on any regular scheduled work day.
 - 2. At fifty percent (50%) of the employee's rate for all hours worked in excess of forty (40) in a work week.
 - 3. At fifty percent (50%) of the employee's rate for all hours worked on Saturday.
 - 4. At one hundred percent (100%) of the employee's rate for all hours worked on Sunday.
 - 5. At fifty percent (50%) of the employees' hourly rate for qualified employees assigned to aircrew duties for each flight hour flown as flight/hazardous duty pay.
 - 6. The Company may pay bonuses at the Companies sole discretion.
- H. No overtime shall be worked except by direction of the Company.
- I. There shall be no pyramiding of overtime and/or other premium payments.

ARTICLE 20 HOLIDAYS

- A. The following ten (10) days are designated as holidays:

- New Year's Day
- Martin Luther King's Birthday
- Washington's Birthday
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day
- Veteran's Day

Thanksgiving Day
Christmas Day

In addition to the holidays listed above, the Company will observe any holidays declared as a legal holiday by Congress, the President or military authority and observed by the military where government employees are paid. (Example: "Moon Day", Eisenhower's death, etc.). Such holiday and observance shall be handled the same as a recognized holiday at the National Aeronautics and Space Administration facility at the Wallops Flight Facility, Wallops Island, Virginia, or the location at which the employee is working at. If there is a military holiday for which government employees are not paid, which would otherwise require an employee to lose a day's pay, he may take one day of accrued sick leave or vacation leave, if available.

- B. Should a designated holiday as listed in Article 20 (A) fall on a Saturday or Sunday, such holiday will be observed on the day observed by the National Aeronautics and Space Administration facility at the Wallops Flight Facility, Wallops Island, Virginia, or the location at which the employee is working at the time of the holiday.
- C. In order to be eligible for holiday pay, an employee must have worked or have been on a vacation or a paid leave on the last work day before or the first work day after the holiday, except that when the holiday falls on the day before employment or the day after termination, or during an employee's Leave of Absence, no pay under this Section shall be granted.
- D. Unless otherwise excepted by this Agreement, eligible employees shall receive, as holiday pay, eight (8) hours pay, at the straight time base rate, plus shift bonuses, if applicable.
- E. Holiday work shall be treated as overtime work for assignment and distribution purposes. When an employee is required to work on a holiday, in addition to holiday pay provided in Paragraph D above, he/she shall receive two hundred percent (200%) of his/her straight time base rate of pay for all hours worked.

ARTICLE 21
VACATIONS

- A. Each regular full time employee who has completed his/her trial period, with Airtec, Inc shall earn vacation for each completed Semimonthly pay period paid. The amount of vacation which an employee will earn for each Semimonthly pay period shall be determined by the number of years of continuous service completed by the employee from his/her most recent date of hire with Airtec, Inc., as defined by the provisions of the Service Contract Act, in accordance with the following chart:

| ACCRUAL RATE | YEARS OF SERVICE |
|---------------------|--|
| Semimonthly | |
| 3.33 | 1 st YEAR THROUGH 10 th YEAR |

| | |
|------|---|
| | (80 hrs yearly) |
| 5.00 | 11 th Year THROUGH 15 th YEAR (120 hrs yearly) |
| 6.5 | 16 th Year and succeeding years (150 hrs yearly) |

- B. The Company shall retain the right to approve, deny, schedule, and cancel all vacations. If two (2) or more employees request the same vacation date(s) and the Company determines to approve some but not all such vacation requests for such date(s), the request of the senior employee(s) shall be honored. Request for vacation will be returned either approved or disapproved within five (5) workdays from receipt. Once an employee's vacation request is approved it will not be overridden by a request from a more senior employee for the same time frame.
- C. An employee, whose designated job classification is listed in Appendix B of this Agreement, shall be compensated for vacation at the straight time base pay rate of pay for the designated job classification at the time the vacation is taken.
- D. Paid holidays falling within an employee's authorized and previously scheduled vacation period, shall not be charged to the employee's vacation account.
- E. Upon completion of their trial period, employees shall vest earned vacation as it accrues. Upon completion of the trial period, employees will be credited the number of hours accrued during the trial period and those hours shall be vested at that time.
- F. An employee who leaves the employ of the Company will be paid for his/her vested vacation credits at his/her straight time hourly rate.
- G. Trial period employees who terminate employment, are eligible to receive pay for non-vested vacation hours only under the following conditions:
1. Terminations caused by employee's death, or
 2. The employee joins the Armed Forces of the United States.
- H. Accrued vacation leave time may not exceed two times the employee's annual accrual rate at any time. Any vacation leave accrued in excess of two times the employee's annual accrual rate shall be paid to the employee.
- I. Employees may, due to humanitarian reasons, donate vested vacation leave to other bargaining unit employees who have insufficient leave. This donated leave will be converted in a manner so that the Company will incur no additional financial cost.

- J. Employees shall upon reasonable notice to the Company and consistent with operational requirements be permitted to utilize vacation on a casual day to day basis, to a maximum of one (1) week's earned vacation per year.
- K. Base Closure. In the event of base closures due to severe weather or other acts of God, safety stand down, government/customer shutdowns, technology upgrades, the Company agrees to continue the employee's pay at the employee's then current base rate, up to a maximum of 30 hours per year.

ARTICLE 22 SENIORITY

- A. Seniority shall be defined as the length of continuous service, whether employed by the Company or its predecessor, from the employee's latest date of hire and shall be recognized on a Bargaining Unit wide basis.
- B. The Company shall furnish the Union each six (6) months with an accurate seniority list of all employees in the Bargaining Unit. Such list is to include the name, classification, classification entry date, latest date of hire, wage rate, and home address of record of each employee.
- C. Classification seniority shall mean the length of accumulated service within a classification.
- D. In administering this Agreement, the principle of Classification Seniority shall be the determining factor in effecting layoffs, recalls, promotions, demotions and in respect to other working conditions where specifically stated in this Agreement.
- E. Seniority shall be canceled and terminated upon the happening of any of the following events:
 - 1. An employee quits.
 - 2. An employee is discharged.
 - 3. An employee fails to return to work within five (5) days of notice of recall given by the Company by registered or certified mail.
 - 4. An employee is absent for three (3) days without previously notifying the Company, except in cases of extenuating circumstances.
 - 5. An employee overstays a leave of absence without notifying the Company, except in cases of extenuating circumstances.
 - 6. An employee engages in other employment during a leave of absence without obtaining prior permission of the Company.
 - 7. An employee gives false reasons for obtaining a leave of absence.

8. Settlement has been made for total disability.
 9. An employee has retired.
 10. An employee has been in a layoff status, or is absent because of sickness or injury or similar cause, for more than one (1) year.
- F. An employee heretofore or hereafter transferred from a classification covered by this Agreement to an hourly paid or salaried occupation not covered by this Agreement shall continue to accumulate seniority in the Bargaining Unit prior to such transfer and in the event of subsequent placement to an occupation covered by this Agreement, such seniority shall apply.
- G. Although employees may expect their work assignment to be in keeping with their regular job classifications, the Union expressly recognizes the need for flexibility in the work force and agrees that an employee in one classification shall not be restricted from doing temporarily the work normally done by an employee in another classification. In the event an employee temporarily works in a classification for which the normal rate of pay is higher than the rate of pay received by the employee in his/her normal classification, he/she shall be temporarily promoted to the higher classification and shall receive the higher rate of pay. In the event an employee is assigned work temporarily in a classification lower than his/her normal classification, he/she shall receive his/her regular rate of pay.
- H. In making assignments to a permanent job vacancy or a new job, the Company shall consider the desires of the employees. A notice of any such vacancy or new job shall be posted on the bulletin board for seven (7) calendar days (during which time the vacancy shall be considered temporary). The Company, at the end of such time period, shall consider those employees who have submitted a bid notice (the form and content of which the parties shall mutually agree upon) and consistent with the needs of the Company, shall assign the senior qualified employee.
- I. In the event no employee signs such a bid notice for a job opening, or there are not qualified employees, it is agreed and understood that the Company may fill such job from any source. Any employee who is awarded a job opening is expected to be qualified to perform the tasks of such job following initial break-in instructions and guidance from supervision.
- J. Employees assigned or transferred pursuant to this Article shall be given thirty (30) calendar days in which to prove they are capable of performing the duties of the new job in a satisfactory manner. In the event such employees do not satisfactorily meet the requirements of the new job, they shall be returned to their prior position or its equivalent without prejudice. Any employee, upon request, shall be advised in the presence of his/her Union Representative or Steward of the specific reasons for not meeting the requirements of the job and disputes arising therefrom shall be subject to the Grievance Procedure. Employees who are accepted on any bid job and are returned to their former job for failing to meet job requirements shall not be permitted to bid on any job for a period of six (6) months.

- K. When a reduction of working forces becomes necessary in the Company's judgment, employees shall be retained by the Company in accordance with the principles of Paragraph D, according to the number of employees the Company determines is necessary within each Bargaining Unit classification for the reduced operations contemplated by the Company. Recall of employees shall be accomplished by the same procedure in reverse. An employee promoted and later demoted to a job classification assigned a lower rate shall receive the rate of the lower job classification.
- L. Any employee within a particular job classification who is affected by a layoff within his/her classification may bump, based only on Bargaining Unit seniority, the least senior employee in any lateral or lower rate classification, but only if qualified to perform the work within such classification.
- M. Notification of openings for recall shall be given by the Company by registered or certified mail to the last mailing address furnished by the employee. An employee recalled from layoff shall respond within seventy-two (72) hours of receipt of the recall notice as to his/her intent to return to work. A copy of such notice shall also be sent to the Union. If no response is received by the Company within seven (7) calendar days from the date the notice is mailed, the next employee on the seniority list may be recalled and the notified employee will be terminated. If no qualified employee remains on the seniority list, a new employee may be hired or assigned to the open position. Failure of the employee to keep the Company advised in writing of his/her current correct address shall relieve the Company of all obligations indicated in this paragraph (M).

ARTICLE 23 GRIEVANCE AND ARBITRATION

- A. It is the intent of this Article to establish means for prompt adjustment of working problems and personal grievances at the job level by a conference between the Contract Manager and the employee involved, provided a Union Representative has been given an opportunity to be present. If not resolved in this informal level, a formal grievance shall be filed and processed in accordance with the steps and time limits and mutually agreed upon extensions specified below. For the purpose of this Article, a formal grievance under this agreement is defined as a written statement by the Company or the Union, an individual employee, or a group of employees (herein called "Grievant") claiming a violation by the other party of the terms of this written Agreement.
- B. Except for payroll adjustments, no grievance shall be filed or processed based on facts or events or omission within the employee's knowledge, which have occurred more than ten (10) working days before such grievance is filed. Both parties agree to exert an earnest effort to settle such grievances promptly through the following steps:

STEP 1 – The employee involved and the Contract Manager or his designated representative shall meet in order to amicably settle the matter, provided a Union representative has been given an opportunity to be present. Any and all grievances shall be handled without any unnecessary interruption of cessation of work. Grievances settled at this step are on a non-precedent setting basis.

STEP 2 – Should the grievance not be satisfactorily settled by the discussion outline in STEP1 above, the grievance shall be submitted in writing to the Contract Manager or designated representative of the Union, whichever is appropriate within five (5) working days thereafter, and this written grievance thus presented must contain the complete factual basis of the grievants claim. Within ten (10) working days from the time the Union submits the written grievance, a designated Union representative shall meet with the designated Company representative and they shall make every effort to settle the dispute.

STEP 3 – In the event the grievance is not satisfactorily disposed of in STEP-2 within ten (10) work days, the Union Representative may present the grievance to the Director of Human Resources of his designated representative, provided it is presented in writing as above stated, within seven (7) days after the decision is tendered by the appropriate party or the expiration of time for the appropriate party to render such decision. The Director of Human Resources or his designated representative, will confer at mutually convenient times with the Union Representative about said grievances presented in the manner aforesaid and the appropriate party will render a decision setting forth the complete facts in writing within seven (7) work days after the final conference relative to such grievance. For purpose of this Article the term “meet” or “meeting” shall be deemed to include telephonic communication.

STEP 4 – If a satisfactory settlement is not reached in STEP 3, the party seeking to advance the grievance to arbitration must notify the other Party of such intent within thirty (30) calendar days of the date the written decision stipulated in STEP 3 is received or within thirty (30) calendar days from the time the limit to respond to STEP 3 has expired if no response is received. In the absence of such written notification of intent to arbitrate the grievance will be viewed as settled based on the last written decision.

Upon delivery of the written notice of intent to arbitrate, the moving Party shall request a panel of seven (7) arbitrators from the Federal Mediation and Conciliation Service (F.M.C.S.) within ten (10) workdays. Upon receipt of such panel from the F.M.C.S., the Parties shall meet within ten (10) workdays to strike names. The Union will first strike two (2) names and then the Company will strike two (2) names, then each party shall strike one (1) name, and the last remaining name shall be the chosen arbitrator. The Party requesting the panel shall notify the F.M.C.S. of the selection within five (5) workdays of such selection.

The arbitrator shall not have the authority to alter, amend, change, add to, subtract from, modify, or change any of the terms or provisions of this Agreement or any terms made supplemental hereto, or to arbitrate any matter not specifically provided for by this Agreement or arbitrate any new provision into this Agreement, and his/her decision shall be limited to the particular grievance in question. The arbitration decision shall be final and binding on the Parties.

- C. The parties will equally share the cost of the neutral arbitrator's fee. Each Party shall make all arrangements, including pay and/or expenses of any witnesses called or other representatives or persons requested to attend any arbitration case. The number of

employee witnesses summoned at any one time shall not be greater than the number which can be spared without interference with the operation of the Company's work.

- D. All time limits prescribed herein may be extended by mutual agreement of the Parties. Failure of the appropriate Party to respond within the time limits shall constitute a basis for escalating the grievance to the next step. Failure of the appropriate Party to process the grievance to the next step within the time limits shall constitute a basis for denying the grievance.
- E. In any case involving discharge or discipline imposed by the Company, back wages, if any are awarded, shall be limited to the amount of wages that the employee would otherwise have earned less and unemployment compensation or substitute earnings during the period of discharge or suspension.

ARTICLE 24 SUPERSEDING EFFECT OF AGREEMENT

- A. It is expressly agreed and understood that the wages, working conditions and fringe benefits provided in this Agreement are in lieu of any and all working conditions and fringe benefits of any kind previously provided by the Company or its predecessor for employees within the Bargaining Unit.
- B. This Agreement shall supersede all existing agreements and terms affecting the wages, hours and working conditions of the employees covered under this Agreement.
- C. Any additions, deletions, changes, amendments, or waivers whatsoever affecting the terms of this Agreement shall only be discussed by mutual agreement of both Parties in writing, and shall not otherwise be subject to arbitration or negotiation. Further provided that any such modification or this Agreement shall be mutually agreed upon and signed by both Parties and shall be co-terminus with this Agreement.

ARTICLE 25 SAVINGS CLAUSE

- A. Should any part or provision of this Agreement be rendered invalid by any court of competent jurisdiction by reason of any existing or subsequently enacted legislation, such invalidation of any part or provision hereof shall not serve to invalidate the remaining parts or provisions and they shall remain full force and effect for the term of this Agreement. Upon such invalidation the Parties agree to meet and negotiate substitute provisions for such parts or provisions rendered or declared illegal or an unfair labor practice and shall be restricted and limited to determining a substitute provision to provide for the same specific objective and purpose of the provision rendered or declared illegal if possible. If the Parties are unable to agree the matter shall be referred to arbitration.

ARTICLE 26 TRAVEL AND PER DIEM

- A. It is agreed that an employee may be required to travel on field duty to locations outside and away from the National Aeronautics and Space Administration facility at the Wallops Flight Facility, Wallops Island, Virginia. An employee shall be considered to be on field duty when required to travel on temporary assignment where the assignment is at such distance that it requires him/her to obtain lodging other than his/her established residence.
- B. An employee so assigned to field duty shall be allowed a per diem to cover living expenses as per "NASA Travel Regulations". Per diem rates will not be changed after issuance of travel orders.

ARTICLE 27 RETIREMENT PLAN

- A. All employees in the Bargaining Unit will participate in the IAM National Pension Plan. The Company will make contributions to the IAM National Pension fund in the amounts shown below for each compensable hour up to a maximum of forty (40) hours per week as of the effective dates shown.

\$3.00 per hour effective October 1, 2012

\$3.50 per hour effective March 1, 2014

\$3.75 per hour effective March 1, 2015

\$4.00 per hour effective March 1, 2016

ARTICLE 28 EMPLOYEE GROUP INSURANCE

- A. The Union, through an insurance carrier, shall provide to all full-time employees covered by this Agreement, life, hospitalization, major medical, short term disability, supplemental life insurance (at the employee's cost), vision and long term disability insurance coverage, dental plan and prescription drug plan. The insurance carrier shall assume complete and sole responsibility for obtaining, managing, and administering these plans, including, but not limited to, claims processing, employee counseling and inquiries, legal compliance, and coordination of benefits with other plans. Such coverage shall become effective on the first day of the month following the employee's date of hire.

For the purpose of this Article, the term "full-time employee" shall be defined as an employee who is regularly scheduled to work forty (40) hours per week. Part-time employees will be provided no benefits under this Article.

- B. The Company shall make monthly payments to the Insurance Carrier on behalf of its affected employees as described in this Article. Payments will be made for each month that an individual employee's coverage is effective except as described in paragraph C below. Such payments will be made to the Insurance Carrier on or before the 15th of the month following the month for which payment is made. In the event such payment is

insufficient to provide the coverage specified in A, above, the Insurance Carrier shall notify the Company in writing of the additional amount per month required to continue the coverage. Upon receipt of such notice, the Company shall, within ten (10) workdays, distribute payroll deduction authorizations to affected employees. Employees desiring to continue such coverage will authorize the Company's bi-weekly deduction of the amount required to continue such coverage. Such amounts will be born equally by all affected employees. In the event an employee declines to continue such coverage, he/she shall certify such declination in writing. Thereafter, such employee will be provided no benefits under this Article and the Company shall make no payment to the Insurance Carrier on his/her behalf.

The Union shall be contracted to Atlantic Coast Health Plan from September 30, 2013 through September 30, 2016. If the Union chooses to select another Insurance Carrier, the Union will give Atlantic Coast Health Plan a thirty (30) day notice prior to 30 November 2006.

1. Effective September 30, 2013 through February 28, 2014, the Company's contribution to the Atlantic Coast Health Plan toward the cost of the insurance specified in A, above, shall be \$580.00 for each full-time employee.
2. Effective March 01, 2014 and thereafter, the Company's contribution to the Atlantic Coast Health Plan toward the cost of the insurance specified in A, above, shall be no greater than the employees H&W fringe rate as provided in the table as seen below per month for each full-time employee.

a. The Company will provide the following "Cash in Lieu" per hour for all hours paid, not to exceed 40 hours per week or 80 hours per pay period, to be used by the employee to purchase health and welfare benefits. Any unused monies will remain with the employee, unless otherwise required by law:

| <u>Cash in Lieu</u> | <u>Effective March-1-2014</u> | <u>Effective March-1-2015</u> | <u>Effective March-1-2016</u> |
|-----------------------|-------------------------------|-------------------------------|-------------------------------|
| <u>Per Hours Paid</u> | <u>\$4.00 P/H/P</u> | <u>\$4.25 P/H/P</u> | <u>\$4.50 P/H/P</u> |

- b. The Company will offer employees the opportunity to purchase group medical insurance for employees and their dependents through the Atlantic Coast Health Plan. All issues such as eligibility, enrollment, and claims will be as specified in the plan documents. Bargaining unit employees may use some or all of their pay in lieu of benefits to purchase health and welfare insurance.
3. Effective September 30, 2013 through September 30, 2016, the employee's contribution shall be the balance of the monthly premium. Employee contributions shall be made by Company payroll deduction and the Company

shall forward both the employee contributions and the Company contributions in the manner and within the times limits as described in B, above.

- C. The Company's contribution to the Insurance Carrier on behalf of full-time employees granted Leaves of Absence pursuant to Article 16 of this Agreement shall be limited as follows:
1. Personal Leave – The Company's contribution will be limited to a period of one (1) month.
 2. Military Leave/Military Reserve Duty – The Company's contribution will be limited to a period of one (1) month.
 3. Funeral Leave – The Company's contribution will be limited to a period of one (1) Week.
 4. Jury Services Leave – The Company's contribution shall be limited to a period of one (1) month.
 5. Union Business Leave – The Company's contribution will be limited to a period of one (1) month.
 6. Sick/Maternity Leave – The Company's contribution will be limited to a period of six (6) months. It is understood and agreed that the term "Sick/Maternity Leave" shall include leaves wherein the employee is provided indemnity benefits from the Insurance Carrier's short term disability plan or the Company's workers compensation plan.
 7. Family Medical Leave – The Company's contribution will be as limited by the statute.
- Employees exceeding the limits noted above shall be responsible for appropriate payments to the Insurance Carrier in order to continue coverage and the Company shall have no obligation to make further payments on their behalf.
- D. The Company's obligation for payment to the Insurance Carrier on behalf of an employee shall cease upon the employee's termination.
- E. The Company shall notify the Insurance Carrier of all employees exceeding the limits for Leaves specified in C, above, and of all terminations and additions of employees covered by this Agreement.
- F. In the event either Party to this Agreement believes the performance of the Insurance Carrier in providing the benefits identified in A, above, to be unsatisfactory, they may request to meet with the other Party for the purpose of identifying alternative methods of providing those or similar benefits. In the event the Parties subsequently agree to an alternate provider(s) for those benefits, it is understood and agreed that the Company's contributions to such benefit provider(s) will not exceed the amounts specified in B, above. Further, it is understood and agreed that in the event the Parties, during the term of this Agreement, agree to such alternative means of providing benefits, the Company's contributions to the Insurance Carrier shall cease and the Company shall have no further obligation to the Insurance Carrier.

ARTICLE 29

GENERAL

- A. Employees covered by this Agreement shall be governed by all Company rules, regulations, and orders which are not in conflict with the terms and conditions of this Agreement. Such rules, regulations or orders shall be effective upon posting.
- B. No changes in this Agreement or interpretations thereof (except interpretations resulting from Grievance or Arbitration proceedings hereunder) will be recognized unless agreed to in writing by the Company and the Union. All grievances may be settled by the methods set forth in the grievance procedure herein.
- C. The employee will be responsible for reasonable care of customer and/or Company furnished equipment and will notify the Company of any sabotage, willful or un-willful damage to Company, customer or employee property or materials.
- D. The Union and the Company recognize that employees covered hereby are performing services for the U.S. Government in U.S. Government facilities and by use of U.S. Government equipment. The Company is not authorized to maintain, modify, or repair government facilities except as contractually directed.
- E. No rules, customs, or practices shall be permitted which limit production or increases the time required to do any work, and there shall be no limitation or restriction of the use of machinery, tools or other labor saving devices as long as safe operations are maintained.
- F. Employees will be required to wear uniforms designated by the Company and to maintain them in a neat and clean condition. Employees will have the option of selecting either long or short sleeve uniform shirts.
 - 1. The Company shall provide five (5) sets of new uniforms upon an employee's initial hiring or upon uniform change. Each set of uniforms shall consist of one (1) pair of pants, one (1) shirt and one (1) T-Shirt. Thereafter, employees shall be entitled to four (4) sets of new uniforms each year.
 - 2. The Company shall also provide two (2) caps to each employee each year concurrent with the annual uniform issue.

ARTICLE 30

DISCIPLINARY ACTION

- A. Disciplinary action shall be initiated by the Company only for just cause and any penalty imposed shall be consistent with proven offenses. It is agreed and understood by the Parties that the concept of disciplinary action is to first correct the offending employee and all discipline imposed shall be consistent with the offense committed. In this regard where it is reasonable to assume that a letter of reprimand will correct the offending employee, such course of action will be followed by the Company.

- B. Any disciplinary action documentation will be removed from the employee's file after twelve (12) months provided the employee has not repeated the same or similar offense during that period. Once removed from the file, such documentation cannot be used for progressive discipline or introduced into evidence in any Arbitration proceeding.
- C. Prior to taking disciplinary action (letter of reprimand, suspension, or discharge) against an employee in the Bargaining Unit, the affected employee will be advised of his/her right to Union representation in the presence of his/her shop steward.
- D. Disciplinary action in any form imposed by the Company shall be subject to the grievance and arbitration procedure.

ARTICLE 31 DURATION

- A. This Agreement shall become effective October 01, 2013, and shall remain in full force and effect until September 30, 2016 and from year to year thereafter unless either Party shall, no more than ninety (90) and no less than sixty (60) days prior to any anniversary date thereof, notify the other Party of a desire to amend or terminate this Agreement. In the event such notice is given, the Parties shall meet not later than fifteen (15) days after receipt of such notice for the purpose of negotiating a new Agreement.
- B. No Agreement, waiver, alteration, understanding, variation or modification of any terms or conditions contained herein shall be made by any employee, or group of employees with the Company, and in no case shall it be binding upon the Parties hereto unless such Agreement is made and executed in writing upon the Parties hereto, and the same has been ratified by the Union. Further provided that any such waiver, alteration, understanding, variation or modification of the Agreement shall be mutually agreed upon and signed by both Parties and shall be co-terminus with this Agreement.
- C. The waiver of, or any breach of conditions of this Agreement, by either Party, shall not constitute a precedent in the future enforcement of all the terms and conditions herein.
- D. All Economic Improvements become effective on March 01, 2014.

IN WITNESS WHEREOF THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT
THIS 25th DAY OF SEPTEMBER 2013.

INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS

AIRTEC, Inc

Tony Blevins

Tony Blevins

IAM&AW

Grand Lodge Representative

Larry Young

Larry Young

IAM&AW, District Lodge 74

Directing Business Representative



Steven J. Wildman

CEO Airtec

John Doyle

IAM&AW, Local Lodge 2552

Negotiation Committee Member

Wayne Jester

IAM&AW Local Lodge 2552

Negotiation Committee Member

APPENDIX B
JOB CLASSIFICATIONS AND WAGES

| Classification | WAGE TABLE | | | |
|-------------------------------|---------------|--------------|--------------|--------------|
| | Current Wages | March-1-2014 | March-1-2015 | March-1-2016 |
| A&P Mechanic | \$34.00 | +3% | +3% | +3% |
| A & P Mechanic with I/A | \$36.00 | +3% | +3% | +3% |
| Avionics Technician | \$30.00 | +3% | +3% | +3% |
| Aviation Electrician (Master) | \$36.00 | +3% | +3% | +3% |
| P3 Flight Engineer | \$36.00 | +3% | +3% | +3% |
| Aviation Support Equipment | \$28.00 | +3% | +3% | +3% |

ATTACHMENT C
MACHINISTS CUSTOM CHOICE WORKSITE BENEFITS PROGRAM

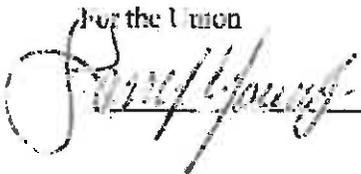
It is understood and agreed between the parties that the Machinists Custom Choice Worksite Benefits Program of supplemental insurance benefits will be offered to employees in the bargaining unit through their designated agent, Employee Benefit Systems, Inc. (EBS). Members of the bargaining unit will be given an opportunity to spend up to fifteen minutes with an EBS Counselor at the worksite during normal working hours, once per year. The Company reserves the right to coordinate the schedule with EBS to prevent conflict with mission requirements.

The Company will honor payroll deduction requests and remit deductions to the underwriting insurance Company designated by EBS on a schedule, which is mutually agreed to by the Company and EBS. The Union will defend, save, and hold harmless and indemnify the Company from any and all claims, demands, suits or any other forms of liability that shall arise out of the execution of this letter by the Company.

The Company agrees to implement the provisions of this letter as soon as possible after the administrative systems and financial requirements are worked out between the Company and EBS.

The parties agree that the provision of this Letter of Understanding will be effective for the term of the current Collective Bargaining Agreement between the parties unless rescinded or amended earlier by mutual agreement between the parties.

For the Union

 Date 12/1/13

For the Company

 Date 8/3/2013