# COLLECTIVE BARGAINING AGREEMENT

## SGT, Inc.
and
## International Brotherhood of Teamsters Local 293

at the
National Aeronautics and Space Administration
John H. Glenn Research Center at Lewis Field
Cleveland, Ohio

April 20, 2012 to April 19, 2017

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## AGREEMENT

The Agreement is made this19th day of April, 2012, by and between Stinger Ghaffarian Technologies, Inc. (SGT) (hereinafter referred to as the "Company"), and the International Brotherhood of Teamsters, Local 293 (hereinafter referred to as the "Union"), covering certain employees of the Company employed at the National Aeronautics and Space Administration (NASA) Glenn Research Center, Cleveland, Ohio, under NASA prime Contract No. NNC05CB17C and its follow-on contracts.

## ARTICLE I MANAGEMENT RIGHTS

(1) Except as specifically limited by this Agreement, all management rights, powers, and authority possessed by the Company prior to the execution of this Agreement are retained by the Company, and remain exclusively and without limitation within the rights of the Company.

(2) The Company shall have full and exclusive rights, subject to the terms of this Agreement, of managing the business, including, but not limited to, the direction of the workforce, the right to plan, direct, and control all business operations, assignment of duties, and qualifications of employees to perform work, scheduling of all hours of work and other aspects of production and business methods and the determination of quality standards, right to hire, promote, demote, and transfer employees, to discipline, suspend, or discharge for just cause, to classify, reclassify, lay-off or relieve employees from duties, change or eliminate existing jobs or create new jobs, establish rules of conduct, and to maintain efficiency of employees. Any of the rights, powers, functions, or authority not specifically abridged by the Agreement are retained by the Company.

(3) Employees are responsible for abiding by the Company's Disciplinary Guidelines for Employees at the Glenn Research Center (Work Rules), the Logistics Safety Policy, and other contract documents, such as Job Hazard Analysis, Work Instructions, etc. Any non-editorial changes to Logistics policies and work rules will be submitted by the Logistics Manager to the union through a designated Steward for comments regarding reasonableness. The union will have five (5) business days to respond; no response will imply concurrence.

(4) In accordance with the terms and provisions of this Agreement, it is understood that the Company has the right to discipline or discharge an employee for any just and sufficient cause. The Company will not discipline or discharge any employees without requesting that the employee obtain Union representation.

(5) During the probationary period, an employee may be discharged or disciplined at the Company's option without recourse to the grievance procedure.

(6) An employee who has passed his/her probationary period may appeal a disciplinary or discharge action in accordance with the provisions of the grievance procedure.

(7) The Union will cooperate in assisting and maintaining the Company's rules and regulations concerning discipline and discharge.

(8) Warning notices, disciplinary actions, reprimands or counseling statements shall not be effective after one year from the date of such actions. Warning notices, disciplinary actions, reprimands, or counseling statements which occur on or after April 20, 2012 shall not be effective fifteen months from the date of such actions.

(9) The foregoing enumeration of the Company's rights shall not be deemed to exclude other preexisting rights, which do not conflict with the provisions of this Agreement, and nothing in this Article shall be deemed to limit the Company in the exercise of customary and recognized functions and prerogatives of management.

## ARTICLE II REPRESENTATION-UNION SHOP

(1) The Company recognizes the Union as the sole and exclusive collective bargaining agent for all employees of the Company as certified by the National Labor Relations Board Case No. 8-RC-13536, dated March 11, 1987, as follows:

(2) Logistics Specialists, including Bus Drivers; Work Leaders; Truck Drivers; Mechanics; Mail Persons; Fuel Specialists; Riggers; Dispatchers; Movers; Supply Group; and Equipment Management Group, including Property Custodians; Inventory Specialists; Inventory Managers and Warehouseman employees employed by the Company at the NASA Glenn Research Center, 21000 Brookpark Road, Cleveland, Ohio 44135, but excluding all Technicians, and all Professional employees, Guards and Supervisors as defined in the National Labor Relations Act, with respect to wages, hours, and all other terms and conditions of employment.

(3) The term "employee" or "employees" as used in this Agreement refers to persons covered by this Agreement regardless of sex.

(4) The Contract, Addendum and/or Letters of Agreement shall be printed at the Company's expense and distributed by the Company to each employee on the payroll as of the signing of the Contract, Addendum and/or Letters of Agreement, as well as to each person who is hired or rehired during the duration of this Agreement. The Company shall furnish a reasonable number of Contract copies and/or Addendum or Letters of Agreement to the Union.

(5) It shall be a condition of employment that all employees of the Company covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing and those who are not members on the effective date of this Agreement shall, on the thirty-first (31st) day following the effective date of this Agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the thirty-first (31st) day following the beginning of such employment become and remain members in good standing in the Union.

(6) The Company shall notify the Union within thirty (30) days, in writing, as to the date of original employment.

(7) A new employee, whether member or non-member, shall work under the provisions of this Agreement, but shall be employed only on a ninety (90) day probationary period, during which period he/she may be discharged without further recourse. When the Union requests, the Company shall state the reason for the discharge of an employee. After an employee has completed the ninety (90) day probationary period, he/she becomes a full-time employee, he/she shall be placed on the regular seniority list with his/her seniority date being his/her date the employee joined the Union.

## ARTICLE III CHECK - OFF UNION DUES

(1) The Company shall deduct each employee's Union membership dues bi-weekly, and shall also deduct Union initiation fees of new or transferred employees in such manner as shall be determined by the Union, Company and the employee. Such deductions of membership dues and initiation fees will only be made for those employees who voluntarily and individually, through the Union, file with the Human Resources Department a check-off authorization in a form agreed upon by the Company and the Union.

(2) In the event an employee's earnings during the pay period from which deductions are to be made are less than the amount to be deducted, no deduction shall be made for that month. If no deduction is made in any month, either due to insufficient earnings or the failure of the Union to deliver a signed authorization card no later than the first day of the month in which the first deduction is to be made, such deductions, along with the current month's deductions, will be made the following month, but not in a greater amount than one month's arrearage.

(3) The Company shall promptly remit by check all monies so deducted to the Secretary-Treasurer of the Union. It is further agreed that the Company shall remit such deductions to the Union prior to the end of the month for which such deduction is made.

(4) The Union agrees that it will indemnify the Company and save it harmless from any and all claims which may be made against the Company by reason of any deductions taken from an employee's pay and remitted to the Union at its request. The presentation of a check-off card calling for deductions from an employee's pay shall be deemed a request by the Union for such deduction and remittance.

(5) NATIONAL D.R.I.V.E.-For those employees who individually authorize it in writing, the Company shall deduct once each pay period from the employees earnings that amount so authorized and remit it to National D.R.I.V.E. To begin the first payroll period after 01/01/88.

## ARTICLE IV WORKWEEK-HOURS AND OVERTIME

(1) The established workweek for payroll purposes for all employees shall be seven (7) consecutive days beginning Monday at 0001 hours, and ending the following Sunday at 2400 hours. The company reserves the right to change such days, times and hours as the company may determine with seven (7) days notice to the union.

(2) An employee's workweek normally consists of five (5) eight (8) hour workdays and two (2) consecutive days off.

(3) The first and second scheduled days off, Saturday and Sunday, in an employee's workweek are counted as the sixth and seventh days of the week for overtime purposes.

(4) The normal workday shall consist of eight (8) consecutive hours, exclusive of meal periods.

(5) All regular employees, Monday through Friday, shall receive no less than eight (8) hours pay in any one (1) day when called to work. These eight (8) hours are to be continuous with only time out for lunch, not to exceed thirty (30) minutes, according to Company policy. If any employee requires more than thirty (30) minutes, the employee shall make such request to the supervisor.

(6) Regular employees who are scheduled for and report for work at the start of the workday on the first day of their workweek, shall be guaranteed forty (40) hours of work or pay at their regular hourly rates in that workweek, provided the employee who so reports the first day of the scheduled workweek shall be able and willing to work the balance of the workweek. (In any week in which one of the recognized holidays falls, the applicable workweek guarantee will be thirty-two (32) hours instead of forty (40) hours. The workweek guarantee provided herein shall not be applicable, (a) when an employee is discharged or suspended for just cause during the workweek or (b) when an employee is called in for part-time or extra work or to replace an employee absent for any reason. (c) Employees who are eligible under the Family Medical Leave Act (FMLA). Employees coming back from FMLA leave will be required to work a minimum of thirty-two (32) hours per workweek and will continue no longer than the period stated in the Company policy. (Note: This article is only applicable when the Government provides the necessary funding to support the work effort.)

(7) All employees will be paid overtime at the rate of one and one-half (1-1/2) times his/her regular straight time hourly rate for all hours worked in excess of eight (8) hours in one (1) day.

(8) Overtime for all employees shall be offered according to classification seniority within a work group. In the event the overtime requirement cannot be met, it will be assigned to employees within the work group, in inverse order.

(9) Any regular employee who has completed his/her regular eight (8) hour workday and has left the Company's premises, but is called back by the Company the same day, such employee shall be guaranteed a minimum of four (4) hours pay at one and one-half (1-1/2) his/her regular wage rate.

(10) All regular employees shall receive a minimum of four (4) hours pay at one and one-half (1-1/2) times his/her hourly rate of pay when he/she is scheduled or is called in to work on Saturday. All hours worked on Saturday shall be paid at one and one-half (1-1/2) times his/her hourly rate of pay.

(11) Regular employees who are scheduled or are called in to work on Sunday shall receive a minimum of eight (8) hours pay at two (2) times his/her hourly rate of pay. All hours worked on Sunday shall be paid at two (2) times the hourly rate of pay.

(12) In the event the Research Center is closed for any reason (such as severe weather), with the exception of a Government furlough, and the regular employees are unable to report to work as scheduled, such employees shall receive eight (8) hours of pay at their regular hourly rate of pay.

(13) During a Government furlough employees will be considered to be laid off. The Government has the right to designate the essential functions that must be performed to protect the interest of the Center. If an employee is required to report to work ("essential employees") under such conditions, he/she shall be guaranteed at least eight (8) hours of pay at three (3) times his/her regular hourly rate of pay.

(14) Regular work shifts, starting times, assignments, and/or such shifts shall be made whenever necessary. Regular work shifts shall not be changed, nor new or additional work shifts established without twenty-four (24) hours advance notice given to affected employees prior to a shift change. In critical situations employees will be notified by the end of their shift the day prior to said change. Posting by the Company of the notice of starting times on Company bulletin boards shall be considered as meeting the notice requirement.

(15) An employee shall receive the shift differential applicable to the shift to which he/she is regularly assigned for all work performed while he/she is so assigned.

(16) The applicable shift differential will be paid on all hours worked.

(17) Starting times and assignments to shifts are the exclusive function of management and shall be made whenever necessary. Shift assignments will continue for a period of no less than five (5) working days.

(18) Except as specifically provided herein, no provisions of this Agreement shall be construed as a guarantee of any specified number of hours of work either per day or per week.

(19) No overtime shall be compensated for unless work is performed at the direction of a supervisor.

(20) It is understood and agreed that the Company reserves the right to require employees covered by this Agreement to perform overtime work.

## ARTICLE V HOLIDAYS

(1) All employees shall receive eight (8) hours of pay without labor for the following holidays:

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|---|---|
| New Year's Day | Labor Day |
| M. L.K. Day | Columbus Day |
| President's Day | Veterans Day |
| Memorial Day | Thanksgiving Day |
| Independence Day | Christmas Day |

(2) When a holiday falls on a Saturday or Sunday, the holiday shall be observed on the same day that it is observed by NASA.

(3) An employee who is scheduled for or is called in to work on a holiday shall be paid a minimum of eight (8) hours at two (2) times his/her hourly rate of pay plus the holiday pay. All hours worked on a holiday shall be paid at two (2) times the employee's hourly rate of pay.

(4) In addition to the holidays listed above, any other day designated by Federal Statute, Executive Order or Presidential Proclamation as a holiday or a day off with pay, with the exception of a Government furlough, will be considered a paid holiday and employees shall receive eight (8) hours of pay at their regular hourly rate of pay.

(5) Paid holidays not worked shall be considered as time worked for the purpose of computing overtime premiums.

(6) To receive holiday pay an employee must be in a pay status either the day before the holiday or the day after the holiday. Pay status is defined as receiving eight (8) hours pay (can be regular hours, sick/personal time, vacation time, personal time, or bereavement). If an employee is on leave-without-pay on both the day before a holiday and the day after the holiday, they will not receive holiday pay.

## ARTICLE VI VACATIONS

(1) Vacation eligibility shall be computed and paid according to the employee's Company/Contractor Seniority Date of continuous employment at NASA Glenn.

(2) Each full-time employee who has completed his/her probationary period shall be entitled to paid vacation.

(3) The vacation credit shall accrue as follows:

(a) During the first (1st) year of employment and during each subsequent year thereafter, through and including the fifth (5th) year, an employee shall accrue one and fifty-four hundredths (1.54) hours of vacation credit per week for each eligible workweek.

(b) Starting the sixth (6th) year and during each subsequent year thereafter through and including the tenth (10th) year, an employee shall accrue two and thirty-one hundredths (2.31) hours of vacation credits per week for each eligible workweek.

(c) Starting the eleventh (11th) year and during each subsequent year thereafter through and including the twentieth (20th) year, an employee shall accrue three and eight hundredths (3.08) hours of vacation credits per week for each eligible workweek.

(d) Starting the twenty-first (21$^{st}$) year and subsequent years thereafter an employee shall accrue three and eighty-five hundredths (3.85) hours of vacation credits per week for each eligible workweek.

(e) The maximum amount of vacation accrual shall be eighty (80) hours over the maximum yearly accrual rate for any category.

(4) For purposes of accruing vacation credit, an eligible workweek shall be defined as a workweek during which an employee works no less than one (1) full workday, or is on vacation or other paid leave, except as limited below.

(5) Eligible employees shall continue to accrue appropriate vacation credits during absence compensated under the weekly indemnity insurance program.

(6) Vacation pay shall be computed at the employee's straight time base rate at the time of vacation, inclusive of all premiums, and shall be limited to those credits the employee has earned on the date of eligibility for such vacation.

(7) Vacation for employees must be requested a minimum of two (2) weeks in advance for forty (40) hours or more of vacation; and one (1) week in advance for vacations of seventeen (17) to thirty-nine (39) hours; and two (2) working days in advance for vacations of sixteen (16) hours or less. All vacations must be approved in writing by the employee's immediate supervisor. Vacation availability and approval are subject to review of the overall work load of the work group and section. The employee may not submit a request for leave more than 12 months in advance.

(8) Conflicts in vacation schedules will be resolved by granting preference to the employee who submitted the earliest vacation request and if requests are submitted on the same date, seniority shall prevail

(9) An employee must have six (6) months of continuous service to take any accrued vacation hours. Vacation hours accrued shall be paid to terminating employees regardless of the nature of termination, if they have a minimum of six months continuous service.

(10) When an employee is prevented from taking a vacation during the year due to operational requirements and they have reached one hundred (100) hours of vacation accrual, such employee may elect to receive up to forty (40) hours of vacation pay in lieu of vacation taken. Payment in lieu of vacation time may also be allowed upon the Program Manager's approval when severe personal circumstances dictate. Vacation payments will be distributed on the payday following request.

(11) Vacation may be taken in one (1) hour increments with 48 hours notice.

## ARTICLE VII SICK/PERSONAL LEAVE

A call-off is defined as any unplanned or unscheduled absence where eight (8) hours are taken consecutively during an entire shift.

(1) Employees will accrue sick leave at the rate of .93 hours per workweek not to exceed a total of six (6) days a year. The maximum amount of accrued sick leave for any employee will be -one hundred sixty (160) hours; the maximum amount of accrued sick leave pay-out for any employee will be one hundred twenty (120) hours.

(2) Sick leave will be used for illness, injuries, and emergencies. Employees are required to notify his/her immediate supervisor at least 30 minutes prior to their normal reporting time when they are not going to report to work the entire shift. If an employee is going to be late, the employee is required to notify his/her immediate supervisor at least 30 minutes prior to their normal reporting time.

(3) If an employee does not have any sick leave on account and does not report to work, the employee will have to take time as leave-without-pay. If the employee submits an acceptable documented excuse, the employee will be able to take vacation time in lieu of leave without pay. Where there is suspected abuse of leave-without-pay, the Company shall require documented evidence when leave without pay is taken.

(4) Employees will receive two (2) personal leave days added to their account with the first paycheck of each year. Use of personal leave by employees must be requested at least twenty-four (24) hours in advance. Personal leave requests will be submitted in writing and approved by the employee's immediate supervisor. Personal leave availability and approval will be subject to the review of the overall work load of the group and section.

(5) Personal leave must be used by the pay period in December that affects the last paycheck in December, employees will have the option of being paid out their remaining balance or carrying it over to the next year. At no time can an employee have more than five (5) personal leave days on the books.

(6) Conflicts in personal leave requests will be resolved by granting preference to the employee who submitted the earliest personal leave request and if requests are submitted on the same date, seniority shall prevail.

(7) Sick leave and/or Personal leave will be paid off at the time of termination, with the exception of being discharged for just cause.

(8) Sick leave and/or Personal leave are not permitted to be used until an employee completes his/her probationary period.

(9) Personal leave may be granted in increments of one-half (1/2) hour when approved by the immediate supervisor.

(10) Each employee covered by this Agreement will be granted one (1) additional day of personal leave each calendar year for participation in the Teamsters Blood Bank program. Proof of participation must be furnished to the Company. The time off for this program will

be scheduled by the Company to avoid any disruptions to on-going operations. The employee must schedule use of this day in the same manner as personal time.

## ARTICLE VIII PATERNITY LEAVE

(1) A paternity leave shall be granted to employees provided that such employee gives the Company written proof of his spouse's pregnancy or adoption. The leave shall be with pay eight (8) hours each day at the employee's regular hourly rate of pay for:

(a) The actual date of birth or placement of an adopted child.

(b) The three (3) work days immediately following the release of a spouse or partner from the hospital or placement of an adopted child.

(c ) The Company shall comply with Federal Regulations concerning the Family Medical Leave Act (FMLA).

## ARTICLE IX JURY DUTY/MILITARY DUTY

(1) Full-time employees will be reimbursed for the time they are required to serve as jurors. Reimbursement will be made for the difference between the payment as jurors and the employee's regular rate, inclusive of the shift premiums. Employees will be required to furnish a copy of the court payment voucher with their weekly timecard to qualify for reimbursement.

(2) Annual military leave for Reserve and National Guard training will be granted to affected employees. The Company will reimburse employees that difference between military duty pay and the employee's regular rate, inclusive of shift premiums. Payment for such leave will not exceed fifteen (15) working days. To qualify for payment, the employee must submit a copy of military orders or other appropriate certification stipulating the period of service and also provide a copy of the pay voucher certifying military pay and allowances. The Company shall comply with federal regulations concerning Military Leave.

## ARTICLE X BEREAVEMENT

(1) Full-time employees shall be allowed time off with pay in the event of a death in their immediate family, as follows:

(a) Four (4) work days with pay in the event of a death of a:

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|---|---|
| Spouse | Grandparent |
| Parent | Mother or Father In-Law |
| Child | Child-In-Law |
| | Daughter or Son In-Law |
| Brother | Step-Child |
| Sister | Grandchild |
| Step-Parent | Great Grandparent |

(b) One (1) work day with pay, the day of the funeral, in the event of a death of a Brother-In-Law or Sister-In-Law

(2) Pay for such time off shall be computed at eight (8) hours per day at the employee's straight time base rate.

(3) Funeral leave is to be taken only at the time of the death or funeral. The Company may request verification of death.

(4) Pay for time not worked under the provisions of this Article shall be considered as time worked for the purpose of computing overtime.

## ARTICLE XI LEAVE OF ABSENCE

(1) Upon approval of the Company, a leave of absence without pay of up to ninety (90) days may be granted an employee. During such leave, the employee will retain seniority for benefit purposes. Maternity leaves will be granted ninety (90) calendar days from the date of delivery. Pre and post term should not exceed a total of one hundred and twenty (120) calendar days unless there are complications. The employee will retain and accrue seniority during the period of maternity leave.

(2) The provisions of the Family and Medical Leave Act (FMLA) will be complied with by the Union and the Company. Company policy and procedures will be followed to comply with the provisions of the FMLA.

(3) Employees who accept gainful employment while on leave of absence, or do not return from leave of absence as scheduled shall be terminated.

(4) Any leave of absence must be approved by the Human Resources Manager.

(5) Upon written request by the Union, employees shall be entitled to a leave of absence without pay to attend a labor convention or serve in any capacity on other official Union business. The Union shall provide at least a one (1) week written notice of such leave.

## ARTICLE XII SENIORITY

(1) For purposes of this Agreement, there shall be three types of seniority:

(a) Contract Seniority will be the date used for determination of vacation accrual or eligibility for other employee benefits.

(b) Union Seniority shall be determined from the date the employee is hired into the unit.

(c) Classification Seniority within a work group shall be used for the purpose of scheduling overtime.

(2) The Company shall furnish to the Union a seniority list with both the Contract and Union Seniority dates listed. This list will be updated and furnished to the Union on a monthly basis.

(3) A promotion is defined as a reassignment to a classification with a higher rate of pay. All permanent job vacancies, which have been approved to fill, will be posted on Company/Union bulletin boards for four (4) workdays. All unit employees are eligible to bid on a job vacancy, however, employees may not bid on the same classification or a lower rated classification unless agreed by the Company and the Union.

(4) If an employee cannot physically perform their job because of physical and/or medical conditions, at the request of the employee, their job may be open for bid. The employee can bid on any vacancy that is created from the original bid and will be awarded by seniority. To be eligible, the employee must provide documentation from a physician stating the employee's condition. Final determination will be at the discretion of the Company.

(5) Promotions to classifications, other than Logistics VII and Logistics VIII will be awarded based on seniority assuming the employee has the physical ability to perform the work. Promotions in the above mentioned classifications will be awarded based on an evaluation of the applicant's skill level, prior performance record, education and training. When these factors are equal, the award will be based on seniority. If there are no qualified applicants, the Company may hire a new employee to perform the work. Employees who are promoted will be provided thirty (30) days to demonstrate proficiency in the new position. If the employee is unable to perform, he/she will be returned to his/her previous position and rate of pay.

## ARTICLE XIII LAY - OFFS AND RECALL

(1) If a reduction in force is required, it shall be affected by specific job function within a classification in inverse order of union seniority. The Company shall designate the least senior employee(s) for lay-off. Such designation may require some of the remaining employees to be reassigned to ensure that the necessary work is performed. The employee(s) designated for lay-off will be allowed to displace another employee in a higher or lower classification as long as they have the higher union seniority. If the new assignment would be in the Logistics VII or Logistics VIII classifications, the employee must meet the required qualifications for the respective group. If the assignment is in any other classifications, the employee will be given thirty (30) work days to demonstrate the necessary proficiency to perform the job. If they are unable to demonstrate the necessary proficiency, such employee will be reassigned to an area in which they can perform, provided they have sufficient union seniority.

(2) While on lay-off, employees will retain and accrue both Company and Union Seniority for a period of two (2) years. At the end of two (2) years, their names will be removed from the seniority list. In the event of recall, employees will be called back to work in order of union seniority. The recall notice will be sent to the employee's last known address by certified mail. The employees will have seventy-two (72) hours to respond to the recall notice after receipt. If no response is received, the employee's name will be removed from the seniority list. It is the employee's responsibility to keep the Company's' Human Resources Office informed of any change in address.

## ARTICLE XIV GENERAL

(1) **Uniforms** - The Company shall supply employees in designated areas (garage, fuels) with uniforms at no cost to the employee, including maintenance of said uniforms.

(2) **Personal Protective Equipment** - In the event personal protective equipment is needed, it shall be provided by the Company at no cost to the employee such as coveralls, glasses, goggles, gloves, protective shoes, etc. The employee must wear protective equipment as designated by the area Supervisor and as outlined in the applicable Job Hazard Analysis. If the employee reports to work without the proper protective equipment, he will be sent home for the day, and will be required to use sick leave.

(3) **Tools and Equipment** - If tools and equipment are needed, they shall be paid for by the Company. The Company will continue to make tool allowance payments to the mechanics and mechanics helpers.

(4) **Bulletin Boards** - The Company shall provide two (2) bulletin boards for the purpose of posting Union notices or correspondence. The Union shall not be permitted to post any document containing any inflammatory, scurrilous, or intemperate language or any language derogatory to the Company or its employees or in any way reflecting upon the Company or any of its employees.

(5) **Employee breaks** - The Company will designate a fifteen (15) minute period each half of the work shift, which may be taken without loss of pay for the purpose of relaxation. Rest periods must be taken at the place of work.

(6) **Bi-Weekly Pay** - Employees covered by this Agreement shall be paid bi-weekly.

(7) **Property Damage** - There shall be no deduction from the pay of an employee for damages to the property of the Company.

(8) **Conflicting Agreements** - Neither the Company or the Union will enter into any agreement or contract with the employees of the Company individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such agreement shall be null and void.

(9) **Physical Examinations** - Employees who are required by the Company to take a physical examination shall do so with a doctor selected by and paid for by the Company and the employee shall be paid by the Company for the time spent in such physical examination.

(10) **Non-Discrimination - Equal Treatment** - There shall be no discrimination, interference, restraint, or coercion by either Party to this Agreement against any employee because of his/her membership or non-membership in the Union. The Company shall not discriminate against any employee because of his/her membership in the Union or for legitimate Union activity. In accordance with applicable Federal Regulations, there shall be no discrimination against any employee or applicant for employment because of his/her race, color, religion, creed, sex, age, national origin, or handicap. Further, it is agreed that the provisions of this Agreement will apply equally to all employees regardless of his/her race, color, religion, creed, sex, age, national origin, or handicap. The Company shall take

affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era.

(11) **Contracting-Out Work** - The Company agrees that during the term of the Agreement, it will not subcontract work of the kind and character performed by the Bargaining Unit for the sole purpose of laying-off Bargaining Unit employees. It is the sole intention of the Company to continue 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. This Article has no effect, nor is intended to affect those situations whenever the Government or Customer, as opposed to the Company, expressly directs the Company to sub-contract out work which is normally performed by Bargaining Unit employees.

(12) **Supervisory Employees** - Supervisory employees or professional employees shall not displace any employee covered by the Agreement. However, it is understood and agreed that supervisory personnel may perform work of employees covered by the Agreement under the following conditions:

(a) For the purpose of instructing and training employees.

(b) Under emergency conditions.

(c) When an employee fails to report for work and other qualified employees are not available. It is agreed that the Company will make every reasonable effort to locate and assign qualified bargaining unit employees to perform the work.

(d) In order to prevent injury to employees or damage to property.

(e) In circumstances which are required to insure the quality of performance and/or the satisfaction of the Company's obligation and responsibilities as a contractor to the Federal Government.

(13) Nothing in this Agreement shall be construed to prevent an employee from performing work, which is below his/her classification when required to do so by the Company.

(14) It is understood and agreed that the Company may temporarily assign employees to other work for which they are qualified when no work exists appropriate to the employee's job classification.

(15) The reimbursement of employee's travel expenses will be in accordance with the Company policy on the reimbursement of employee's business expenses. The per diem rate and mileage rate will be in accord with the Company policy.

(16) Nothing in this Agreement shall require the Company to employ or continue to employ or to grant access to any of its facilities or work locations, any person to whom the cognizant Government security agency refuses access. Whenever possible, such employees will be reassigned in accordance with their clearance status.

(17) All employees are required to acknowledge the company's policy on the Drug Free Workplace Act. The Company will enforce the provisions of this act including the provisions regarding rehabilitation, for cause drug testing, and the requirements for employee discharge for violations of the Company policy on a drug free workplace. The Company currently complies with requirements for certain employees under this Agreement that are subject to mandatory random drug testing.

(18) All employees who are required to drive a company-provided vehicle are required to obtain, and keep current, the type of driver's license that is required by Department of Transportation and any other applicable federal or state regulation.

(19) Employees must notify a supervisor if they intend to leave the Glenn Research Center for any reason during their work shift, including their lunch period.

## ARTICLE XV STEWARDS/ACCESS TO PREMISES

(1) The Union shall have the right to designate stewards from among the employees of the Company. The steward shall be allowed a reasonable amount of time during working hours to conduct Union business.

(2) In the event of growth or additional facilities and with the consent of the Company, the Union may designate additional stewards as necessary.

(3) A Steward shall secure permission from his/her supervisor before leaving his/her workstation, reporting back to his/her supervisor upon return to his/her workstation. Upon entering the work area of another supervisor's responsibility, the Steward will contact the supervisor before attempting to contact any employee.

(4) The Business Representative of the Local shall be permitted to enter premises of the Company at all reasonable times for the purpose of transacting legitimate Union business relating to the administration of this Agreement.

## ARTICLE XVI GRIEVANCE AND ARBITRATION

(1) Should differences arise between the Company and the Union or any employee as to the meaning or application of any provision of this Agreement, such differences shall be settled in the following manner:

STEP I - The aggrieved employee or employees, accompanied by the Union Steward, if he, she, or they so desire, shall first take the matter up with the supervisor in charge of the Area.

STEP 2 - If no satisfactory settlement is reached in STEP 1, within five (5) working days, the employee as soon as possible shall reduce the grievance to writing and sign it. It may then be referred to the Union Business Representative and to the Human Resources Manager of the Company, or someone authorized to act for him/her. The parties shall schedule a conference to jointly review and hear the grievance. Within five (5) working days after the local level conference, the Human Resources Manager of the Company shall render his/her decision to the Union Business Representative.

STEP 3 - If no satisfactory settlement is reached in STEP 2, the grievance may be submitted, upon request of the Union, to a two (2) member Adjustment Board. One (1) member of the Adjustment Board shall be selected by the Secretary-Treasurer of the Union and the other member selected by the company. All grievances submitted to the Adjustment Board shall be considered by such Adjustment Board within five (5) working days from the date of submission. Any unanimous decision of the Adjustment Board shall be final and binding on the parties involved.

(2) If no satisfactory settlement is reached in STEP 3 of the grievance procedure, the grievance may be referred by the Union to arbitration within ten (10) working days after the answer has been given under STEP 3 of the grievance procedure. The parties will seek to agree upon an impartial arbitrator within five (5) working days after the receipt by the Company of written notice of arbitration submitted by the Union. If the parties fail to agree within this period upon an arbitrator who is willing and able to serve, the Federal Mediation and Conciliation Service shall be requested to submit a list of five (5) disinterested persons who are qualified and willing to act as impartial arbitrators. From the list the Union and the Company, in that order, shall within thirty (30) days from receipt of the list, each alternately strike one (1) name until four (4) names have been eliminated, and the person whose name remains shall be the selected arbitrator. As soon as the arbitrator has been selected, he/she shall proceed to hear the grievance in dispute. The award of the arbitrator shall be rendered in writing, together with his/her written findings and conclusions, and shall be final and binding upon the parties to this Agreement and upon the complaining employee or employees. The arbitrator shall have no power to add to, subtract from, modify or amend any provision of this Agreement. The arbitrator's fees and expenses shall be borne equally by the Company and the Union.

(3) No grievance shall be considered unless filed within ten (10) working days after the facts of the occurrence complained of became known to the complaining employee. Any grievance which is not appealed at any step of the grievance procedure within ten (10) working days after the answer given at such step (except in the case of appeal to arbitration which the time limit of ten (10) working days shall apply) shall be considered settled on the basis of the decision last made and shall not be eligible for appeal. The settlement of any grievance at any

step of the grievance procedure by agreement between the Company and the Union shall be binding upon the employee or employees involved.

(4) The parties agree that any of the time limits set forth herein may be lengthened by mutual agreement between the Company and the Union.

(5) Once each month the representative of the Company or someone authorized to act for him or her, will meet with the Union Stewards representing the employees in the bargaining unit to discuss matters affecting the interpretation and application of this Agreement. The meeting shall be held at a mutually convenient time. The Stewards shall be paid at their regular rates of pay for time spent in the meeting provided for by this paragraph.

## ARTICLE XVII HEALTH AND WELFARE

(1) The Company shall participate in the Welfare Fund of Local 293 and agrees to be a part of the Trust Agreement necessary for the administration of said fund, and/or designate the Employer Trustees under such Trust Agreement, hereby waiving all notice thereof and ratifying all actions already taken or to be taken by such Trustees within the scope of their authority.

(2) The Company will contribute to the Local 293 Health and Welfare Fund in accordance with the following schedule.

| Effective Date | Amount |
|---|---|
| 04/20/12 | $ 692.47 per month |

The Employees will continue to share in the cost and will continue to donate $10.00 per week through payroll deductions or any additional cost as determined by the Plan Trustees for the remainder of this contract. The employee contribution shall be taken on a pre-tax basis in accordance with federal, state, and local tax guidelines. The full monthly contribution with respect to each regular employee shall be payable in respect to each month in which the employee works for the Company one (1) day or eight (8) hours.

An hour worked shall mean an hour for which an employee is paid or entitled to payment by the Company on account of a period of time that the employee works, and also for which an employee is paid or entitled to payment during a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, Jury Duty, injury, sickness, illness or otherwise under this contract.

The Company agrees that when a regular employee is off work due to lay off or become deceased, the Company will make the monthly contribution for the month following the last month on account of which contributions are required to be made.

(3) If an employee is absent because of illness or off-the-job injury and notifies the Company of such absence, the Company shall continue to make the required contributions for a period of thirteen (13) weeks. If an employee is injured on the job, the Company shall continue to pay the required contributions until such employee returns to work; however, such contributions shall not be paid for a period of more than six (6) months.

(4) If the Company is more than sixty (60) days delinquent in payments to the Health and Welfare fund as provided for in this Article, seventy-two (72) hours notice by registered or certified mail of such delinquency shall be served on the Company by the fund administrator and the Union, separately. At the expiration of said seventy-two (72) hours, the Trustees of the Welfare Fund shall have the right to declare the Company to be in default and to commence legal action in any court for the recovery of the monies due plus all costs and expenses, including legal fees incurred in the collection.

## ARTICLE XVIII401(k) Savings Plan

The Company will include as eligible employees the employees covered by this collective bargaining agreement in the SGT 401 (k) Employees Savings Plan (the "401 (k) Plan"). Participating employees shall be subject to all the terms of the 401(k) Plan and all legal requirements applicable to the 401(k) Plan except that (i) the company will not match Bargaining Unit Employees' 401(k) Plan elective deferrals made by Bargaining Unit Employees and (ii) that the company will contribute $79.00 per week to the 401(k) Plan on behalf of each Bargaining Unit Employee for each week the Bargaining Unit Employee receives pay.

If a Bargaining Unit Employee is absent because of illness or off-the-job injury and notifies the Company of such absence, the Company shall continue to make the $79.00 per week 401(k) Plan contribution for a period of thirteen (13) weeks. If a Bargaining Unit Employee is injured on-the-job, the Company shall continue to make the $79.00 per week 401(k) Plan contribution until the Bargaining Unit Employee returns to work. However, the $79.00 per week 401(k) Plan contribution shall not be paid for a period of more than six (6) months.
No matter respecting the provisions of the SGT 401(k) Employees Savings Plan shall be subject to the grievance procedure.

In no event shall this Article XVIII be considered to amend the 401(k) Plan or create or provide any rights or obligations under the 401(k) Plan.

## ARTICLE XIXCREDIT UNION

Upon written authorization of any employee covered by this Agreement, the Company agrees to make one (1) deduction per pay period from earnings due the employee and to remit same monthly to The Ohio Teamsters Credit Union, Inc., with the names of the contributing employees and the amount contributed.

## ARTICLE XX TRAINING

(1) The Company shall provide employees covered by this Agreement the opportunity to receive both on-the-job and outside education and training to maintain their level of proficiency, learn new methods and procedures, upgrade skills and have the opportunity to qualify for internal promotions in their particular career field.

(2) The Company shall provide on-the-job training for employees under the following conditions:

(a) When required to certify new employees or to recertify current employees who are otherwise qualified.

(b) When operating equipment, systems or operational methods change, employees will receive hands-on and/or classroom training. Training of this type will be provided only to those employees directly affected by the change.

(3) All on-the-job training will be provided on Company time at no cost to the employee.

(4) The Company shall reimburse employees for outside education or training, which is off-site, and on the employee's own time under the following conditions:

(a) The training is directly related to the employee's current position or career field.

(b) The training is provided by accredited institutions.

(c) Application for reimbursement is made by the employee and approved by the Company prior to the course start date.

(d) The employee provides documentation of satisfactory course completion.

(5) The level of reimbursement will be determined in accordance with the following guidelines:

(a) "A" Grade 100% reimbursement
(b) "B" Grade 100% reimbursement
(c) "C" Grade 100% reimbursement
(d) "D" Grade or lower, no reimbursement

(6) For courses that are pass/fail or satisfactory/unsatisfactory, the reimbursement will be 100% if the employee passes or satisfactorily completes the course and no reimbursement if they do not. Reimbursement will include the cost of tuition and books.

(7) Outside educational or training reimbursement shall be limited to $1,000 per calendar year. Should the Company policy increase the amount paid for Educational or Training beyond the $1,000 limit, bargaining unit employees will receive the same increase.

## ARTICLE XXI CONTINUOUS EMPLOYMENT

The Union agrees that during the term of this Agreement it will not engage in any strike, including sympathy strikes, work stoppage or impeding of work. The Company agrees that during the term of this Agreement it will not lock out its employees.

## ARTICLE XXII SUCCESSORSHIP

The provisions of this Agreement shall be binding upon the Company and its successors, 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 the 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, to maintain the current and prospective level of wages, benefits, and working conditions contained herein and further to protect the gain made in said wages, benefits, and working conditions derived through good faith collective bargaining regardless of the identity of the Company organization having jurisdiction over the work of this bargaining unit.

The Company agrees to pay in full at the termination of the Company's contract with NASA accrued benefits, specifically, but without limitation accrued but untaken sick leave, personal days, or vacation days. If the union prefers (and the successor company agrees) the Company will provide the successor company a list of accrued leave balances for each employee and pay the successor company the total amount of all accrued balances.

## ARTICLE XXIII SEPARABILITY AND SAVINGS CLAUSE

In the event any of the provisions of this Agreement shall become or be declared unlawful by any agency of the Federal Government having the authority to do so, such decision shall not affect any of the other provisions of this Agreement and the parties shall meet as soon as convenient for the negotiation of a new provision embodying the intent of the parties so far as the same can be done lawfully.

## ARTICLE XXIV TERM OF THE AGREEMENT

THIS AGREEMENT shall take effect on April 20,2012 and remain in force and effect until April 19, 2017 and from year to year thereafter until terminated by either party giving the other written notice of its intention to do so, at least sixty (60) days prior to its expiration.

***IN WITNESS WHEREOF, we the undersigned duly authorize representatives of SGT, Inc. and TEAMSTERS LOCAL UNION NO. 293 affiliated with the INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN and HELPERS OF AMERICA, hereunto affix our hands as such representatives for and in behalf of such Company and such Local and Officers, Agents and members at Cleveland, Ohio.***

**For Sgt, Inc.:**

Jeanine P. Hanzel
TIALS Logistics Manager

Nancy A. Young
TIALS Business Manager

Melissa S. Yoby TIALS Human Resources Manager

Bruce A. Emmel,
Vice President,
TIALS Program Manager

Shelley Johnson Vice President,Chief Human Resources Officer

Joseph Morway Chief Financial Officer

**For Teamsters Local Union No. 293:**

Max Zemla
Secretary - Treasurer

Jack Sideris
President

Nick Sideris
Recording Secretary

Tom Tyrrell
Vice President

**Employee/Committee:**

Joseph Russell

Robert Whitlock

## APPENDIX A

## CLASSIFICATIONS AND WAGES

(1) During the term of this Agreement, the hourly wage rates of employees of the classifications covered by this Agreement shall be as follows:

| | **Year-One** 1st Monday following Ratification (04/23/12) | **Year-Two** 1st Monday following one year after Ratification (04/22/13) | **Year-Three** 1st Monday following two years after Ratification (04/21/14) | **Year-Four** 1st Monday following three years after Ratification (04/20/15) | **Year-Five** 1st Monday following four years after Ratification (04/18/16) |
|---|---|---|---|---|---|
| **Logistics V** | 20.79 | 21.41 | 22.05 | 22.71 | 23.40 |
| **Logistics VI** | 21.54 | 22.18 | 22.85 | 23.53 | 24.24 |
| **Logistics VII** | 21.64 | 22.29 | 22.96 | 23.65 | 24.36 |
| **Logistics VIII** | 23.41 | 24.11 | 24.84 | 25.58 | 26.35 |

(2) Any employee whose shift begins after 9:59 A.M. shall receive a $.50 (fifty cents) per hour shift differential.

(3) Work Leaders shall receive $1.00 per hour in addition to the hourly rate of pay for their classification.

(4) Work Leaders shall not act as Supervisors and the Company shall not require these employees to perform any supervisory duties.

(5) Employees assigned to work in a higher pay classification for a minimum of one (1) hour will receive the rate of the higher classification.

(6) Employees who are required to perform work in a pay classification below their regular pay classification shall receive their regular hourly rate of pay.

(7) The Company and the Union agree that in the event it becomes necessary to create a new job classification, both parties will negotiate a pay rate to cover such classification.

(8) Tool allowances will be $ 15.00 per week for designated employees.

(9) On an annual basis, the company will pay $150.00 towards steel toed shoes. Any costs exceeding $150.00 will be paid by the employee.

## APPENDIX B

**PART-TIME EMPLOYEES**

(1) Part-time employees shall not be used to defeat any of the provisions in this Agreementor used to reduce an increase in the number of regular full-time employees. If there is a reduction of the work force due to layoff, part time employees will not be used to displace a full time union employee.

(2) It is understood between the parties that the company has the right to employ Part-time employees. Part-time employees are defined as an employee not on the seniority list and are normally scheduled to work thirty hours or less per week. Part-time employees shall not be entitled to any benefits covered by the Collective Bargaining Agreement and therefore the following provisions of the Collective Bargaining Agreement will not be applicable to part-time employees:

| | |
|---|---|
| Article IV | Sections 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 19, 20 |
| Article V, | Section 1 holiday pay will be paid on a pro-rated basis based on the number of hours worked in the previous workweek.<br>Section 3, 4, 5, 6 |
| Article VI, | Section 1 Pro-rated based upon number of hours worked<br>Sections 2, 3, 4, 5 |
| Article VII | All Sections |
| Article VIII | All Sections |
| Article IX | All Sections |
| Article X | All Sections |
| Article XII | All Sections |
| Article XIII | All Sections |
| Article XVII | All Sections |
| Article XVIII | All Sections |
| Article XX | Section 1 as pertains to reimbursable training<br>Sections 4, 5, 6, 7 |

(3) A Part-time employee classified to a regular full-time employee shall accrue regular seniority from the date the employee becomes a regular full-time employee.

(4) Part-time employees shall join the Union after the thirty-first (31st) day of employment in accordance with Article II Section 5.

(5) Part-time employees will be paid no less than $10.00 per hour.