



AGREEMENT
BETWEEN
CAE USA Inc.
AND
DISTRICT W-2
LOCAL LODGE 463

INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS, AFL-CIO
LITTLE ROCK AFB, ARKANSAS

Effective Date
January 1, 2019 thru December 31, 2021



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PREAMBLE

This Agreement is effective January 1, 2019 by and between CAE USA Inc., hereafter referred to as the "Company", District Lodge W-2, and Local Lodge 463 (LL) of the International Association of Machinists and Aerospace Workers, hereafter referred to as the "Union". In making this Agreement the Company and the Union recognize their duty individually and collectively to comply and cooperate with the intent and purpose of this Agreement. This Agreement expresses the complete understanding of the parties on the subject of wages, benefits, hours of labor, and conditions of employment.

ARTICLE 1 RECOGNITION

The Company recognizes the Union, its designated agents and representatives, its successors and/or assigns, as the sole and exclusive collective bargaining agent on behalf of all of the employees of the Company within the bargaining unit as hereinafter defined, with respect to wages, hours, and all other terms or conditions of employment.

All full-time and part-time employees who have completed their probation period, Material Coordinators, Technical Writers, Simulator Technicians, TSSC Simulator Engineers, AMP Device Trainer/SME Technicians, Aircraft Equipment Operators, Aircraft/FUT Maintenance Technicians, Ground Controller/Load Team Members and other specialties that may be employed by the Company with regard to the C-130 ATS Training System (C130 ATS) program for the United States Air Force located at its Little Rock Air Force Base, (LRAFB) Arkansas facility as certified by the National Labor Relations Board in Case Number 26-RC-8022, but excluding all other employees, including office clerical employees, professional employees, and managers as defined in the Act are recognized as Collective Bargaining Unit (CBU) members.

ARTICLE 2 NON DISCRIMINATION

The Company and the Union separately and jointly recognize their obligation to abide by those state and federal laws relating to equal employment opportunity and nondiscrimination. The Agreement shall be applied fairly and shall not in any way be used to discriminate against employees on account of race, color, religion, sex, sexual orientation, gender identity, age, national origin, veteran or disability status. It is understood that wherever in this Agreement employees or jobs are referred to in the male or female gender; it shall be recognized as referring to both male and female employees.

ARTICLE 3 MANAGEMENT RIGHTS

Except as specifically limited by this Agreement, the management of the Company, and the direction of the work force, including but not limited to the service performed, the location of the work force, the schedules and fair standards of employee performance, the schedules and hours of shifts, the methods, processes, and means of providing services, materials to be purchased, the right to hire, promote, demote and transfer employees, the establishment of reasonable rules of conduct, the discharge or discipline of employees for just cause, and the maintenance of efficiency of employees, are the sole and exclusive rights and responsibilities of the Company.

ARTICLE 4 SUBSTANCE ABUSE POLICY

The Company and the Union are committed to providing employees with a drug-free and alcohol-free workplace. It is our goal to protect the health and safety of employees and to promote a productive workplace, and to protect the reputation of the Company, Union and employees. Consistent with these goals; the Company prohibits the use, possession, distribution or sale of drugs, drug paraphernalia or alcohol on the premises. A program of testing, if



necessary to comply with Federal and State regulations, will be instituted upon mutual consent of the Company and the Union. Testing through urinalysis may be conducted immediately on any employee where there is reasonable suspicion of drug or alcohol use or abuse. Pre-employment drug testing is a condition of employment

ARTICLE 5 MEMBERSHIP IN UNION & DUES CHECKOFF

Section 1: Agency Shop

The parties agree that if and when Little Rock AFB is legally determined to be a FEDERAL ENCLAVE, the parties will implement an agency shop. Upon receipt of a signed authorization form from the employee involved, the Company shall deduct from the employee's pay the dues payable by him to the Union during the period provided for in said authorization. The amount will be certified by the Financial Secretary of the Local Lodge and dues payable from the first pay of the employee after receipt of the authorization. Deductions will be made on the basis of the Company pay schedule.

Section 2: The Union will indemnify and hold the Company harmless from and against any and all claims, demands, charges, complaints or suits instituted against the Company which are based on or arise out of any action taken by the Company in accordance with or arising out of the foregoing provisions of this Article, or in reliance on any list, notice or assessment furnished under any of such provisions.

ARTICLE 6 SHOP STEWARDS

The Company recognizes and will work with accredited Union Representatives to resolve differences that may occur from time to time with respect to the terms and conditions of this Agreement. The Union will provide the Company the names of up to two (2) designated Shop Stewards and one (1) additional alternate who may be designated and shall act only in the event a primary Shop Steward is unavailable. Shop Stewards shall be the last employees laid off from the CBU within their job classification. Stewards will be afforded reasonable on-duty time required in the performance of their Steward duties in the preparation, investigation and presentation of grievances.

ARTICLE 7 NO STRIKE-NO LOCKOUT CLAUSE

The Union agrees that neither it nor any of the employees in the bargaining unit, covered by this Agreement will collectively or individually engage in or participate in any strike, slowdown or stoppage of work, including but not limited to sympathy strikes or refusals to cross a picket line, at this Company site during the term of this Agreement and the Company agrees that during the term of this Agreement it will not lock out any of the employees covered by this Agreement.

ARTICLE 8 SECURITY

The Union recognizes that the Company may now have, or may incur in the future, obligations with respect to the security of information and materials under contract with the Government.

The Union agrees that nothing contained in this agreement shall place the Company in violation of security agreements with the Government.

It is understood by and between the parties hereto that as a necessary condition of continued employment, employees shall be subject to investigation for security clearance or national agency check and/or unescorted entry authorization under regulations prescribed by the Department of Defense, or other agencies of the United States Government on government work,



and that denial of such clearance and/or unescorted entry authorization by such governmental agency shall be cause for release from the Company due to inability to meet job requirements.

It is understood that there shall be no liability on the part of the Company for any release growing out of the denial of clearance and/or unescorted entry authorization by the United States Government.

The Company will reinstate the seniority of an employee who's denied security clearance is reinstated by the Federal Government. A non-probationary employee who loses his security clearance or site access for any reason will not lose his seniority until final adjudication of his appeal. Any employee whose seniority is reinstated within twelve (12) months under this provision will be reinstated in his previously held occupational title.

ARTICLE 9 ENTIRE AGREEMENT

This Agreement expresses the complete understanding of the parties on the subject of wages, hours of labor, and conditions of employment. However this Agreement may be amended in writing by mutual agreement at any time.

Due to the critical nature of the C-130 ATS Program mission it is understood and agreed that U.S. Air Force personnel and Company engineering and supervisory personnel will be required to provide operational support in wage rate classification listed in Article 26 "Wage Rate Schedule", as deemed necessary by the Company, in support of the C-130 ATS Program national defense mission. The Company recognizes its obligation not to abuse the normal assignment of regularly scheduled work to the appropriate classifications.

The Union acknowledges the responsibilities of the Company's operation as they are related to the support of the United States Air Force objectives. The parties realize the United States Air Force may, from time to time, make unusual and immediate demands in conjunction with support requirements. Consequently, all personnel may be called upon to perform whatever duties are required for adequate performance of support requirements for the mission and operational capabilities for the C-130 ATS Program

ARTICLE 10 MISCELLANEOUS PROVISIONS

Safety: The Company and the Union shall use every effort to assure compliance with established State and Federal safety and health rules. The Union will designate a bargaining unit employee as safety representative. Employees will be required to comply with all safety rules.

Change of Address: Employees are responsible for notifying the Company of their proper mailing address and current telephone number. Laid off employees are also responsible to notify the Company of their proper mailing address and current telephone number to maintain recall rights. The Company shall be entitled to rely upon its records and shall be held harmless for any action that may arise out of said reliance.

Availability: The union recognizes that due to the vital National Defense mission of C-130 ATS Program it is essential that all available personnel report in emergency situations.

Resignation: Employees are requested to give at least fifteen (15) days' notice of intent to resign.

Part-Time Employees: A part-time employee is defined as an employee who averages less than thirty (30) hour per workweek. Part-time employees may be utilized at the discretion of the



Company. Part-time employees will not be used to displace full-time employees or fill full-time vacancies except by mutual agreement.

Part-time employees will accrue 1 hour of sick time for every 30 hours worked. Employees may only use sick leave if the day of absence is on their regularly scheduled work day. At the end of the calendar year, employees will be allowed to carry over a maximum of 56 hours. In total, sick time banks may not exceed 112 hours between current year and carry over bank. Sick time is not eligible for compensation upon termination of an employee for any reason. In the event the employee is rehired within 12 months of termination, the employee's sick time bank will be reinstated.

Bulletin Board: The Company will provide two (2) secure bulletin boards for the posting of Union notices. One to be located in Bldg. 253 (FUT Building) and the other one to be located in Bldg. 1230B Maintenance area. Only notices pertinent to the Union at the C-130 ATS Program facilities (notices concerning Union meetings, Union elections, results of Union elections, etc.), which have been authorized by the President or Secretary of the Union, will be posted. Notices must be given to and approved by the Company's Program Director or his designee prior to posting. Union notices will not be unreasonably denied.

Employee Assistance Plan (EAP): The Company will continue to provide an Employee Assistance Plan.

Performance of Work: Supervisors and other non-bargaining unit employees will not normally perform the duties of employees in the bargaining unit, except in emergency situations, for familiarization, or for the purpose of instructing employees. Supervisors or other non-represented employees are not to perform any bargaining unit work solely to prevent a bargaining unit employee from earning overtime.

Dress Code: Employees are expected to present a neat and professional appearance at all times. Presentable attire does not include dungarees, overalls, T-shirts, halter tops, short shorts, or other extreme outfits. Old clothes are permissible when assignment dictates their use (e.g. painting, moving, etc.). Mustaches or beards are permitted as long as they are neatly trimmed and well groomed.

The company will provide coveralls with cleaning services, for all trained FUT simulator technicians.

Safety Shoe Allowance: The Company will provide, to bargaining unit employees, such personal protection equipment that the Company requires to be worn. The Company will also reimburse up to one hundred fifty dollars (\$150.00) for Steel-toed footwear (receipts required), per year for work that under OSHA classification may result in "foot-crushing." Employees must wear approved Steel-Toed footwear at all times when performing work under these conditions.

Protective Clothing: The Company shall furnish coveralls and/or inclement weather gear as required for employees in the performance of their assigned job duties.

Emergency Leave: Personnel will be afforded up to three (3) days (24 hours) of emergency leave to manage any family emergency without pay.

Weather/Government Related Shutdowns: The Company will compensate employees in full, who are sent home as directed by the company, for those periods of time when a safety stand-



down, government/customer shutdown, periods of national mourning, or closing of the facilities and Little Rock AFB.

ARTICLE 11 NEW JOBS

When new bargaining unit jobs are required that cannot be properly encompassed within an existing job specialty, the Company will notify the Union, in writing, of the requirements and will endeavor to discuss with the Union the rate of pay prior to the Company establishing the new classification and rate of pay. The Union shall have thirty (30) days from the date of notification in which to challenge the rate of pay. If necessary, this matter is subject to the grievance procedure up to and including arbitration.

The Company has the right to determine the job qualifications. Copies of job descriptions and required qualifications shall be retained in the Program Manager's Office and shall be made available to employees upon request. The Union shall be advised, in writing, of any revisions or modifications of job descriptions or qualifications.

ARTICLE 12 TECHNOLOGICAL CHANGE

The Union will be given advance notice of any intended technological changes affecting the work of the bargaining unit. An opportunity will be given to the Union to discuss the impact of such changes with the Company prior to their implementation.

ARTICLE 13 PROMOTIONS

The Company will endeavor to transfer employees to higher paid positions from within the bargaining unit, if available employees have the skill and ability necessary to do the work. If two (2) or more employees are qualified and express an interest, selection will be made on the basis of seniority. The Company will notify the Union in writing of any openings to be filled within the Bargaining Unit prior to filling the position and will post said announcement on the Company bulletin board(s) where available for five (5) workdays and electronically send to each employee.

Upgraded or transferred employees will be considered on probation in the new position for one hundred twenty (120) days after upgrading. During this period, the Company may, at its discretion, reclassify the employees to their former occupations if it is determined by the Program Manager or designee that the employee is not meeting the qualifications for that job classification. Likewise, within one hundred twenty (120) days of being assigned to the new job classification, an employee may choose to return to his former job classification.

The Company may temporarily upgrade an employee to perform in a higher paid classification. The employee shall receive the rate of the higher occupation if he works for a minimum of four (4) hours per day in that classification. Employees selected for temporary upgrading will be selected on the basis of qualifications as determined by the Company.

ARTICLE 14 DISCHARGE AND DISCIPLINARY ACTION

The Company shall have the right to discipline employees for just and proper cause by reprimand, suspension without pay or discharge for violation or infraction of the Company rules. The Company agrees to notify the Union, in writing, of any action taken under this section. The disciplined employee is entitled to Union representation and will be notified of this right prior to discipline, if possible.

ARTICLE 15 SENIORITY

Probationary Period: Any employee who has been in the employment of the Company for one



hundred and eighty (180) consecutive calendar days shall be considered a Seniority Employee of the Company. During the probationary period the employee shall be subject to layoff, discipline, or discharge at the sole discretion of the Company, and such action shall not be subject to the grievance procedure.

Definitions:

- (a) Seniority is defined as including the whole span of continuous service with the present contractor, or successor, and with predecessor contractors, in the performance of similar work at the same Federal facility.
- (b) Seniority will not be broken for: (1) periods of approved absence with leave, (2) periods of layoff due to lack of work, (3) periods of absence due to injury or illness. Periods of absence set forth in (2) and (3) shall be determined by the employee's length of employment from the employee's last hire date to not exceed twenty four (24) months. In the case of occupational injuries, continuous employment will be for the length of the disability.
- (c) Part time employees are not eligible for any contractual seniority rights as specified.
- (d) The last four (4) digits of employees Social Security Number (SSN) will be used to break ties when seniority dates are the same. The largest SSN is the most senior on the list.
- (e) New positions will be offered first to qualified full time employees based on the principle of most senior.

Loss of Seniority: All seniority of any employee shall terminate if the employee:

- (a) Resigns.
- (b) Is discharged for violation of Company Rules.
- (c) Is on layoff status in excess of the employee's length of employment from the employee's last hire date not to exceed twenty-four (24) months.
- (d) Is barred by the customer's written order or whose security clearance has been revoked and is not legally reinstated. This paragraph is subject to the conditions noted in the "Security" Article.
- (e) Refuses recall to his/her previous held full time classification at the time of layoff notification.

Seniority List: A seniority list will be maintained by the Company and will be made available to the Union upon request. The Company will also furnish a list to the Union reflecting new hires or rehires, their classification, their date of hire, and termination or layoff dates as they occur. These lists shall be presented to a Steward designated by the Union.

ARTICLE 16 EMPLOYEES TRANSFERRED OUT OF BARGAINING UNIT

An employee who has established seniority rights within the bargaining unit and who is transferred to a position on the C-130 ATS Program not covered by this Agreement shall retain seniority rights for a period of one hundred twenty (120) days. Periods of temporary assignments to any position within or outside the C-130 ATS Program shall have no effect on seniority position.



An employee who is permanently transferred to a Company facility other than the C-130 ATS site, will lose bargaining unit seniority rights.

ARTICLE 17 LAYOFFS AND RECALL

When it becomes necessary to reduce the number of employees in a classification and job specialty, the employees in a job specialty shall be laid off in accordance with their seniority. Senior employees will be provided bump rights to equal or lower classifications within the same job family, if they can demonstrate the ability to perform at the lower classification. If an employee has previously accepted a promotion in accordance with Article 13, Promotions, to a job classification outside his original job family, that employee will retain seniority bump rights to his original job family or classification in the event of a layoff from his current position. All probationary and part-time employees will be laid off prior to any full time employee layoff with seniority rights.

Layoff Notice: The Company agrees to give four (4) weeks notice, when possible, to the employees affected. The Union will be notified of a layoff in advance of the layoff.

Recall: Employees laid off will be recalled as follows:

- (a) Laid off employees will be recalled, by job classification, in the inverse order of their layoff.
- (b) The Company will send recall notices, by certified mail, to employee's last official address. The employee has five (5) working days after receipt by the employee of the notice to accept re-employment.
- (c) If no laid off employees in a job classification, who are recalled, accept re-employment, then laid off employees outside the job classification, who are qualified in the classification, will be recalled as in (a) above.
- (d) New employees will be hired if no laid off employees, who qualify for the job classification, accept re-employment as outlined in this section.
- (e) Refusal to be recalled to a part-time position will not forfeit an employee's recall rights as established.

ARTICLE 18 ADJUSTMENT OF GRIEVANCES

"Grievances" shall mean, and be limited to disputes or difference between the Company and the Union, or employees so represented, with respect to the interpretation or application of any specific provision of this Agreement. Both parties agree to use their best efforts, including informal meetings involving Management, Supervision, Shop Steward, and the Grievant, to resolve matters without resorting to the grievance procedure except that any such meetings shall not extend the time limits set forth in this Article. In the event such informal methods do not resolve the grievance, all grievances shall be reduced to writing and processed in accordance with the following steps:

All grievances beyond Step 1 involving employee claims shall be in writing on grievance forms and shall be signed by all employees claiming rights there under. In an effort to adjust employee grievances by mutual agreement, they shall be presented in the following order and within the following time limits;

Step 1: The employee(s), with or without their steward, shall promptly bring a grievance to their supervisor within ten (10) working days following the event or discovery of the event giving rise



to the grievance. In the event an employee is unavoidably absent due to illness or injury or unavailable due to vacation or other approved reasons, the employee's Union representative may bring the grievance to the supervisor. If such grievance is not settled within five (5) working days then:

Step 2: A written grievance on a jointly accepted grievance form must be signed by the employee and set forth a statement of grievance and the article or section of the agreement which is claimed to be violated, and taken up by the Shop Steward with the Program Director or his designee, and a meeting will be scheduled within five (5) subsequent working days. If no agreement has been reached within ten (10) working days, the Company will reply in writing. If the written reply is not satisfactory, it may be moved to Step 3 if appealed within (5) working days.

Step 3: Company Labor Relations Representatives or designee, and the Business Representative of the Union shall meet within fourteen (14) working days after receipt of the grievance into a third step. A written reply from the Company will be given to the Union within fourteen (14) working days after the meeting. If no agreement has been reached within fourteen (14) working days, either party may submit the grievance or dispute to arbitration as covered in the "Arbitration Procedure" Article. Notification of the Arbitration request must be made within (30) calendar days of receiving the companies third step answer. If agreeable to both parties, mediation may be used prior to arbitration to resolve the grievance.

Precedents: A final decision made with respect to any grievance in the first or second step shall apply to that grievance only and shall not become a binding precedent in the case of other grievances, or a precedent, which shall bind the parties as in interpretation of the Agreement. All settlements must be consistent with the terms and conditions of the Agreement. Time limits may be extended by mutual agreements of both parties.

Any aggrieved employee and Union representative shall have the right to be present at any stage of the grievance procedure in which the grievance is being considered. No employee may leave the job, take up, or settle a grievance without requesting permission from the immediate supervisor. Such permission will be granted provided it does not retard or interfere with operations or create a hazardous condition. If permission cannot be granted, time limits will be waived until permission is granted. Witnesses called by either party may attend the grievance meeting at any step, subject to the same provisions above outlined for attendance of an aggrieved employee.

The Local Union or its authorized representative shall have the right to examine time sheets and other records pertaining to the computation of compensation of any individual or individuals whose pay is in dispute or other records pertaining to a specific grievance. Compensation will be paid for reasonable time spent discussing or investigating grievances during normal work schedules.

ARTICLE 19 ARBITRATION PROCEDURE

The party choosing to arbitrate shall give written notice to the other party setting forth the matter to be arbitrated. If said notice is not served within the specified time limits in Step 3 of the "Adjustments of Grievance" Section, it shall be deemed that the grievance has been satisfactorily adjusted and the right to arbitrate waived.

In the event the Union or the Company submits a grievance to arbitration, a representative selected by the Union shall meet with a representative selected by the Company within five (5) days of receipt of the above notice and attempt to agree on an arbitrator. In the event the parties



cannot agree on an arbitrator within (5) working days, the parties will petition with the Federal Mediation and Conciliation Service for a panel of nine (9) arbitrators. In the latter case, the party requesting arbitration has the first right to strike a name; the other party shall then strike a name. This procedure shall continue alternately until one (1) name remains.

The decision of the arbitrator shall be final and binding on all parties. However, the arbitrator shall not have jurisdiction or authority to add to, subtract from, modify or in any way change the provisions of this agreement. The expense and fees of the Arbitration Process shall be borne by the losing party.

ARTICLE 20 HOURS OF WORK

The normal workweek will begin at 12:00:01 a.m., Monday and end at 12:00 Midnight the following Sunday. The normal workweek for each employee shall consist of five (5) consecutive days per week. The company reserves the right to adjust the normal workweek based on student throughput and contractual commitments. However, qualifications and skills to perform the work will override seniority.

Section 1: Schedule

An employee schedule will be one in which the employee normally works a forty (40) hour, five (5) days per week. A minimum of twelve (12) hours off time will be scheduled between shifts. Three (3) calendar days' notice will normally be given for schedule posting and changes except on occasions when immediate support is necessary to meet contractual requirements. In the circumstances where a three (3) day notice is not given the work schedule will not be altered solely to avoid paying overtime. Work schedules other than those as outlined above may be arranged by mutual agreement by the Company, the Union, and the employees. With the concurrence of the employee's manager (or his designee), employees on a regular schedule may alter their daily work schedule to complete forty (40) hours in less than five (5) days. A daily work schedule may begin on one calendar day and end on another.

Work schedules shall consist of eight and one-half (8 ½) hours with (2) paid fifteen (15) minute break periods and one (1) unpaid thirty (30) minute meal period to be scheduled between the fourth (4th) and sixth (6th) hour.

The normal pay week will begin at 12:00:01 a.m., Saturday and end at 12:00 Midnight the following Friday.

Section 2: Emergencies

Employees may be required to respond to emergencies that occur during breaks or meal periods. When required to work during breaks or meal periods, they will be paid.

Section 3: Flextime

Employees will be permitted, with manager's permission, to flex their normal scheduled hours. Flexing can begin early or continue after normal hours. Employee may not schedule flextime to receive shift differential or overtime pay without manager's approval.

Section 4: Shift Premium/Differential

All employees who are assigned to work the second or third shift will be paid an additional four dollars and twenty five cents (\$4.25) per hour in addition to their base rate for hours worked during the assigned shift. The Company has the right to require at least



one bargaining unit employee to be responsible for each shift and that employee will receive lead pay. Management will determine shift assignments.

Section 5: OWW Shift Premium/Differential

Any employees assigned work week which includes a Saturday or Sunday will be paid an additional one dollar (\$1.00) per hour worked while assigned to the shift in addition to any other shift/differential pay. Management will determine shift assignments.

ARTICLE 21 OVERTIME

Section 1: Overtime, at one and one-half (1½) times the regular straight time rate, will be paid:

- For time in excess of forty (40) paid hours in a workweek.
- For time in excess of eight (8) paid hours in a workday (5x8 schedule).
- For time in excess of ten (10) paid hours in a workday (4x10 schedule)

With the approval of the supervisor (or his designee), employees on a regular schedule may alter their daily work schedule to complete forty (40) hours in less than five (5) days (example: 4/10 hour days).

Section 2: An employee who is called back by the company to perform work after the end of his shift shall be paid at the overtime rate for the hours actually worked, or shall be paid a minimum of four (4) hours straight time pay, whichever is greater.

An employee who is scheduled and reports to work at the scheduled time without having been notified not to so report, shall be given 4 hours work of any type which is available, or if no such work is available, he shall be given four (4) hours pay at the applicable rate.

When an employee is not scheduled, and is called and reports for work, outside their scheduled work week, they shall receive a minimum of four (4) hours pay at the applicable rate.

Section 3: Double-time shall be paid for all work performed on the 7th consecutive day of work.

Section 4: There shall be no duplication or pyramiding of overtime payments.

Section 5: Site Management must approve all overtime.

ARTICLE 22 EXCUSED ABSENCE

Leave without Pay:

Employees may with Company approval, be granted excused absence without pay for up to 90 days for a good cause stated in a written request submitted at least one (1) week in advance of said absence except in emergency situations. The ninety (90) day limit may be extended by agreement of the Company at its sole discretion. Continuous service credit and seniority shall accumulate during all leaves of absence described in this section unless otherwise noted.

Military Service Duty and Payment:

The employee should refer to the Military Leave Procedure for additional information regarding health and welfare benefits, return from military leave and reemployment opportunities. The Company will notify the Union of any changes related to this Procedure.



Temporary Absence and Payment for Jury Duty:

Full-time seniority employees who are required by proper court order or summoned to be absent from work in connection with jury duty will be paid the difference between the gross fee he received from the court and the earnings he would have received for a regular scheduled eight (8) hour shift, had the employee not been required to be absent from work. Employees called for jury duty and released by the court with less than four (4) hours service will be expected to return to work. Payment will be made at the employee's regular straight time wage rate. Jury pay differential will not exceed eighty (80) hours per calendar year.

Temporary Absence for Disabling Illness, Injury:

Full-time seniority employees having ninety (90) days or more of continuous service credit and who are found and certified by a physician to be unable to perform their regular assigned duties with the Company because of disabling illness or injury, shall receive a leave of absence without pay, but with service credit and seniority accumulating while such condition continues. If the disability continues beyond twelve (12) months and the employee has not returned to work, the employee's service credit and seniority will be computed in accordance the Company Policy. The Company will notify the Union of changes related to this procedure.

Absence for Union Business:

Employees accepting full time positions as union representatives shall be given an automatic leave of absence without pay for the term of their office, or any renewal thereof, without loss of seniority rights and with the privilege of returning to their former position. Likewise, employees shall be granted short term leaves absence without pay for the purpose of attending Union conventions, meetings, etc., schedule permitting.



ARTICLE 23 HOLIDAYS

The following ten (10) holidays will be provided:

- | | |
|------------------|------------------------------|
| New Years Day | Martin Luther Kings Birthday |
| Presidents Day | Memorial Day |
| Independence Day | Labor Day |
| Columbus Day | Veterans Day |
| Thanksgiving Day | Christmas Day |

For employees in the Bargaining Unit, the recognized holiday will be the day the holiday is observed.

In addition to the holidays listed above, the Company will observe any holidays declared as a holiday by the cognizant government authority for this contract (Procurement Contracting Officer – PCO).

When schedule dictates and with supervisory authorization, employees will be allowed to float a holiday to another day in the same calendar year.

Any employee required to work on a holiday will be paid 1½ times base rate plus holiday pay.

ARTICLE 24 VACATION

Following completion of each year of continuous service, full time employees covered by this agreement will be eligible for vacation with pay based on the following schedule.

YEARS OF SERVICE	AMOUNT OF VACATION
One year but less than five years	80 hours
Five years but less than ten	120 hours
Ten years but less than fifteen	140 hours
Fifteen years or more	160 Hours

Newly hired employees may use up to 40 hours of vacation in their first year of employment after completion of probationary period. Employees will be eligible to take 40 hours in advance each year with the approval of their supervisor. Vacation pay will be paid at the employee's regular straight time rate of pay in effect at the time the vacation is used. Employees will be allowed to carry over one year's worth of vacation accrual to the next benefit anniversary year. For example, if you earn 120 hours of vacation, you may carry over no more than 120 hours of vacation to the next benefit anniversary year. There will be no pay in lieu of time off. In the event of death, any unused vacation will be paid to the employee's estate.

In the event a seniority employee is indefinitely laid off or terminated for any reason, he will receive his total earned and unused accumulated vacation leave earned as of the date of termination. In addition, as employees receive vacation in arrears, terminating employees will receive a pro-rated amount of their earned and unused vacation through their termination date for completing a portion of the benefit anniversary year. Any vacation hours taken above the pro-rated amount will be owed back to the Company.

Vacation hours that are paid out in a lump sum at the end of employment with the Company will not be eligible for CIL payment.



If an employee’s scheduled vacation is canceled by the Company and the employee is not permitted to reschedule his vacation before the end of his vacation year, he shall receive an exception to the carry over limit and will not be held to the limit until the next benefit anniversary year.

In order to provide for scheduling of vacations, vacation requests must be submitted to the manager. The manager is the approving authority for all vacation requests. In the event of a conflict, vacation priority will be:

1. Time of first request.
2. Seniority.
3. Every effort will be made by the employee's supervisor to develop a fair and equitable vacation schedule. However in all cases, job requirements will take precedence.

ARTICLE 25 BEREAVEMENT

In the event of death in an employee’s immediate family, the employee may be granted up to three (3) days bereavement leave with pay. Two (2) additional days of paid leave may be granted if out of town travel is required beyond 300 miles from Little Rock Air Force Base.

Immediate family shall be considered as follows:

Spouse, domestic partner, parent, parent of spouse, legal guardian, child, brother, sister, stepparent, stepparent of spouse, aunt, uncle, aunt of spouse, uncle of spouse, stepchild, step grandchild, stepbrother, stepsister, grandchild, grandparent, grandparent of spouse, half-sister, half-brother, son-in-law, daughter-in-law, and legal dependent. “Child” includes a foster child placed in the employee’s home by a state agency.

ARTICLE 26 WAGE RATE SCHEDULE

The following wage rates are effective on the dates as shown below:

JOB CLASSIFICATION	CURRENT WAGE RATE	Equity adjustment	Effective 01/01/19 3%	Effective 01/01/20 3%	Effective 01/01/21 3%
Material Coordinator	\$30.11		\$31.01	\$31.94	\$32.90
Technical Writer	\$36.23		\$37.32	\$38.44	\$39.59
Simulator Technician I*	\$31.27	\$33.69	\$34.70	\$35.74	\$36.81
Simulator Technician II	\$37.38	\$39.38	\$40.56	\$41.78	\$43.03
Simulator Technician III	\$42.88	\$44.61	\$45.95	\$47.33	\$48.75
TSSC ATS Simulator Engineer**	\$44.22	\$45.95	\$47.33	\$48.75	\$50.21
TSSC ATS Simulator Engineer***	\$48.47	\$50.20	\$51.71	\$53.26	\$54.85
Aircraft Equipment Operator	\$22.95	\$24.03	\$24.75	\$25.49	\$26.26
Aircraft/FUT Maintenance Technician II	\$37.38	\$39.38	\$40.56	\$41.78	\$43.03
Aircraft/FUT Maintenance Technician III	\$42.88	\$44.61	\$45.95	\$47.33	\$48.75
Ground Controller/Load Team Member	\$28.63	\$31.05	\$31.98	\$32.94	\$33.93

* Denotes – Maximum one year as Simulator Technician I

**Denotes – Non Degreed Engineer

***Denotes – Degreed Engineer



ARTICLE 27 LEAD DIFFERENTIAL

Employees designated as “Shift Lead” and/or Simulator Technician III (SME) will receive a premium pay of four dollars and twenty five cents (\$4.25) per hour paid in addition to the employee’s base hourly rate. A lead is defined as an employee who is required to assist the Maintenance Manager in scheduling work, record keeping and maintaining a smooth flow of work. The Lead Technicians may be required to perform technical evaluations and reports to Maintenance Manager the reason for failure to maintain flow of work. The Lead Technicians may be called on to replace the Maintenance Manager temporarily in case of absence. The Company will assign the lead employees. The Company will assign one employee per shift on the C-130 ATS Program.

ARTICLE 28 INSURANCE PLANS

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:

Cash in Lieu	Current	Effective 01/01/19	Effective 01/01/20	Effective 01/01/21
Hours Paid	\$6.75	8.50	8.50	8.50

The Company will offer full-time employees the opportunity to purchase group medical insurance for employees and their dependents, which provides the same coverage, benefits and employee costs as the medical insurance provided to non-bargaining unit employees on a company-wide basis. 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.

ARTICLE 29 SICK/PERSONAL LEAVE

Employees will be entitled to ten (10) days (80 hours) of sick/personal days/hours per year. Employees will receive an annual lump sum of sick/personal time on October 1st of each calendar year. New hires will receive a pro-rated amount based on their hire date. Personnel will not be permitted to carry over sick/personal time.

ARTICLE 30 TUITION REIMBURSEMENT PLAN

The Company will provide a tuition assistance program that grants educational assistance to employees that enroll in and successfully complete accredited courses with a satisfactory grade according to current company policy.

ARTICLE 31 SAVINGS PLAN

The Company will provide a 401(k) Plan for bargaining unit employees, to which plan eligible employees may defer compensation within limitations provided by the plan document and the Company will match employee deferrals of compensation of up to four percent (4%). All conditions of participation, eligibility, vesting, and distribution of benefits will be governed by



the plan document. In no event will the company matching contributions exceed the maximum matching contribution permitted by the language of the 401K plan.

ARTICLE 32 SEVERENCE PLAN

Any employee laid off after the effective date of this contract, will be eligible for severance pay in accordance with the following schedule:

<u>Service Time</u>	<u>Severance amount</u>
Up to 5 years	2 weeks pay
5 years, but less than 10 years	3 weeks pay
10 years & beyond	4 weeks pay

Severance Pay does not apply if the Company loses the contract for any reason. When the company is notified of loss of contract, a WARN notice will be given to the employees.

ARTICLE 33 TRAVEL

Section 1. Employees will be paid in accordance with a) and b) below when they are required to travel more than 25 miles from the normal work place to perform duties for the Company.

- a) An employee, while on travel status, will be paid for:
 - 1) All actual work time when such work has been assigned and approved in advance; and
 - 2) Actual travel time by any conveyance; provided, however, that hours paid under 1) and 2) of this paragraph shall not be duplicative.
- b) On the days of travel to and from a temporary work site the travel time shall commence when the employee departs home/hotel and cease when the employee reaches home/hotel. Should travel be necessary outside an employee's normal daily work shift, the employee shall be paid in accordance with overtime rules as though they were at their normal duty location.

Section 2.

The Company will provide payment for travel as specified in the Company’s Travel Policy



ARTICLE 34 EFFECT OF LAW

In the event that now or hereafter there is any State or Federal Law or any directive order, rule or regulations made pursuant, thereto, which is in conflict with any provision or provisions of any agreement between the parties, the same shall supersede such provision or provisions and thereafter shall govern and control the relations and conduct of the parties so long as such law, directive, order, rule or regulations shall remain in force and effect. In the event that this or any other agreement existing between the parties hereto, now, or thereafter requires the approval of any Government authority before becoming effective, the same will and shall be subject to such approval. Furthermore, it is mutually agreed that within thirty (30) calendar days after such provision or provisions become unlawful, the parties shall meet to discuss a modification of such provision or provisions to comply with the law. In all other respects the provisions of this Agreement shall continue in full force and effect for the duration of this Agreement.

ARTICLE 35 SUCCESSORS AND ASSIGNS

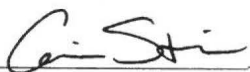
The Agreement shall be binding upon the successors and assigns of the parties hereto until expiration, or until it is changed by mutual agreement of the parties.

ARTICLE 36 TERM AND NOTICE OF CHANGE OR TERMINATION

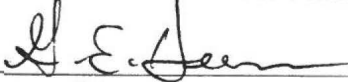
This Agreement shall be effective and shall continue in full force and effect through midnight, 31 December 2021 and therefore be automatically renewed from year to year, unless the party desiring termination or modification of the agreement serves written notice, by certified mail, upon the other party at least sixty (60) days prior to the expiration date of the agreement.

In witness whereof, the parties have caused this agreement to be executed by their authorized representative on the 29th day of November, 2018.

For CAE USA Inc.

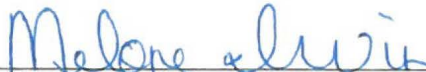


Carrie Stawski
HR and Labor Relations Manager




George Deacon
Program Manager, Operations

For the Union




Melone Irvin
IAMAW ADBR



Mike Hufstedler
CAE Chief Steward



Gary Mowry
Committeeman



David Meloan
CAE Steward