

COLLECTIVE BARGAINING NEGOTIATIONS

BETWEEN

Delaware Resource Group of Oklahoma LLC



And

**DISTRICT W-2, INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS,
AFL-CIO**

C-130J Maintenance and Aircrew Training System

Little Rock AFB, AR

January 1, 2019 – December 31, 2021

The Company reserves the right to amend, change, or propose any section of this agreement until a formal tentative agreement has been made. This includes changing proposed language or economic proposals throughout the course of the negotiations in order to achieve a good faith, arm's length negotiation.

Contents

| | |
|---|----|
| PREAMBLE | 4 |
| ARTICLE 1: RECOGNITION | 4 |
| ARTICLE 2: NON DISCRIMINATION..... | 4 |
| ARTICLE 3: MANAGEMENT RIGHTS | 4 |
| ARTICLE 4: SUBSTANCE ABUSE POLICY..... | 5 |
| ARTICLE 5: MEMBERSHIP IN UNION & DUES CHECKOFF | 5 |
| ARTICLE 6: SHOP STEWARDS..... | 6 |
| ARTICLE 7: NO STRIKE-NO LOCKOUT CLAUSE | 6 |
| ARTICLE 8: SECURITY | 6 |
| ARTICLE 9: ENTIRE AGREEMENT..... | 7 |
| ARTICLE 10: MISCELLANEOUS PROVISIONS..... | 7 |
| ARTICLE 11: NEW JOBS | 9 |
| ARTICLE 12: TECHNOLOGICAL CHANGE | 9 |
| ARTICLE 13: PROMOTIONS..... | 10 |
| ARTICLE 14: DISCHARGE AND DISCIPLINARY ACTION | 10 |
| ARTICLE 15: SENIORITY | 10 |
| ARTICLE 16: EMPLOYEES TRANSFERRED OUT OF BARGAINING UNIT..... | 11 |
| ARTICLE 17: LAYOFFS AND RECALL..... | 12 |
| ARTICLE 18 – GRIEVANCE PROCEDURES..... | 12 |
| ARTICLE 19: HOURS OF WORK..... | 16 |
| ARTICLE 20: OVERTIME..... | 17 |
| ARTICLE 21: EXCUSED ABSENCE..... | 17 |
| ARTICLE 22: HOLIDAYS | 19 |
| ARTICLE 23: VACATION..... | 19 |
| ARTICLE 24: BEREAVEMENT..... | 21 |
| ARTICLE 25: WAGE RATE SCHEDULE | 21 |
| ARTICLE 26: LEAD DIFFERENTIAL..... | 22 |
| ARTICLE 27: INSURANCE PLANS | 22 |
| ARTICLE 28: PERSONAL/SICK TIME OFF..... | 22 |
| ARTICLE 29: TUITION REIMBURSEMENT PLAN..... | 23 |
| ARTICLE 30: SAVINGS PLAN..... | 23 |

| | |
|---|----|
| ARTICLE 31 SEVERENCE PLAN | 23 |
| ARTICLE 32 TRAVEL | 24 |
| ARTICLE 33: EFFECT OF LAW | 24 |
| ARTICLE 34: I.A.M National Pension Fund National Pension Plan | 24 |
| ARTICLE 35: SUCCESSORS AND ASSIGNS | 25 |
| ARTICLE 36: TERM AND NOTICE OF CHANGE OR TERMINATION | 26 |

PREAMBLE

This Agreement is effective January 1, 2019 by and between Delaware Resource Group of Oklahoma, LLC, 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 regular full-time and part time employees who have completed their probation period, Material Coordinators, Simulator Technicians, Technicians, Aircraft Equipment Operators, NVG Technicians, and other specialties that may be employed by the Company with regard to the C-130J MATS Training System (C-130J MATS) 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 and to include the J-Model Simulator Technicians and Material Coordinator, as certified by the National Labor Relations Board in Case Number 26-RC-8401 & 26-UC-196, 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 non-discrimination. The Agreement shall be applied fairly and shall not in any way be used to discriminate against employees on account of race, color, religious affiliation, sex, age, national origin, veteran, gender identification, 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.

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 protect the reputation of the Company, Union and employees.

The Company has the existing right to require employees to submit to health examinations in the following circumstances: for any workplace health issues, such as workplace injury or as may be required by the contracting or Government authority.

For the safety of all workplace personnel, the Company has the existing right to require employees to undergo drug and/or alcohol screening if reasonable suspicion exists that an employee is using or under the influence of drugs and/or alcohol.

Health examinations required by the Company or Government shall occur during the hours of 9:00 a.m. to 5:00 p.m. except where the Company or government determines workplace safety interests are better served if the examination is conducted outside these hours. Drug and/or alcohol screening will take place as soon as possible after a safety incident or the Employer has reasonable suspicion that an employee is using or under the influence of drugs and/or alcohol.

Bargaining unit employees shall be compensated at their normal hourly rate (inclusive of shift differential, premium pays or OWW) for time spent in an examination or drug/alcohol screening required by the Company or Government.

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 four (4) designated Shop Stewards and two (2) additional alternates 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 eighteen (18) 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-130J MATS 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-130J MATS 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-130J MATS 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-130J MATS 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 hired to work for a
C-130J MATS LRAFB
Effective Date: 1 Jan 2019

period less than the normal schedule of twenty (20) hours per week. 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.

Bulletin Board: The Company will provide two (2) secure bulletin boards for the posting of the Union notices and the Company agrees to provide two (2) additional secure bulletin boards as required. One to be located in Bldg. 254 (FUT Building), one to be located in Bldg. 1231 Maintenance Area. Bulletin Boards will be 4' X 5', locked, glass enclosed. Only notices pertinent to the Union at the C-130J MATS 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 Manager 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. EAP company's contact information will be provided to a steward for posting on the union bulletin boards.

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, 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 OSHA standard safety footwear (receipts required), per year for work that under OSHA classification may result in "foot-crushing." Employees must wear OSHA approved footwear at all times when performing work under these conditions.

Clothing Allowance: All employees will receive an additional one hundred eighty dollars taxable (\$180.00) once per year, each October 1 anniversary date to be deposited into his/her direct deposit account . Probationary employees will receive the amount as stated above at the completion of their probationary period in his/her next payroll.

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 business hours) of emergency leave to manage any family emergency without pay. Nothing in this provision will affect or abridge any employees' rights to Family and Medical Leave Act (FMLA) leave or any other similar, applicable rights.

Weather/Government Related Shutdowns: When approved by the PCO, the Company will compensate employees in full, who are told not to report or sent home as directed by the company, for those periods of time when weather related shutdown, a safety stand-down, base delayed reporting, government/customer shutdown, periods of national mourning, other acts of God necessitate partial workday(s) or closing of the facilities and Little Rock AFB.

Should employees be required to report to work during a “mission essential personnel only” base closure the Company will compensate employees for all hours worked on a base closure day with pay at one and one-half (1 ½) times the regular straight time rate, plus any other compensation if applicable. If an employee had to report during a base closure and can’t make it in for safety reasons they will not be required to take vacation or PTO and will be fully compensated.

When base declares late reporting, employees will report for work at the appropriate time. If employees are required to show before base official reporting time or stay later than base official closing time, they will be compensated at pay at one and one-half (1 ½) times the regular straight time rate, plus any other compensation if applicable. When late reporting/early release has been declared management must take in account the personnel working, and take appropriate actions for their safety. Late reporting will be considered as a base closing for this section of the agreement

Employee Shifts: Any changes in Employee shifts will be offered by Seniority. An employee’s shift will be one in which the employee normally works a fixed (no rotation) shift. When a vacancy occurs on any shift by reasons of any available opening, the opening will be offered to most senior employee in the required classification.

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.

- A. Should the company revise an existing job classification, they shall have 30 days to notify the union in writing of the revision. The Union shall have the right to challenge the rate of pay based upon any changes.

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. For any new requirements/certifications required by the Government, the Company will support the initial cost for the additional training or certifications required for performance of duties. If an Employee fails certification testing, all future training expenses to earn a required certification will be borne by the Employee.

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 ninety (90) 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:

C-130J MATS LRAFB

Effective Date: 1 Jan 2019

- (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 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 Union and will be made available to the Company on 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-130J MATS 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-130J MATS Program shall have no effect on seniority position.

An employee who is permanently transferred to a Company facility other than the C-130J MATS 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 have twenty-four (24) months recall rights
- (b) Laid off employees will be recalled, by job classification, in the inverse order of their layoff.
- (c) 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.
- (d) 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.
- (e) New employees will be hired if no laid off employees, who qualify for the job classification, accept re-employment as outlined in this section.
- (f) Refusal to be recalled to a part-time position will not forfeit an employee's recall rights as established.

ARTICLE 18 – GRIEVANCE PROCEDURES

NOTE : For notifications regarding the Sections of this article, it is understood by both parties that read receipt email to the appropriate party(ies) is sufficient to serve as written notice for grievance process execution.

Section 18.1 Establishment of Grievance and Arbitration Procedure . Grievances or complaints arising between the Employer and its employees subject to this Agreement, or the Employer and the Union, with respect to the interpretation or application of any of the terms of this Agreement, shall be settled according to the following procedure. Subject to the terms of this Article relating to cases of dismissal or suspension for cause or of involuntary resignation, only matters dealing with the interpretation or application of terms of this Agreement shall be subject to this grievance procedure.

Section 18.2 Employee Grievances. In the case of grievances on behalf of employees and subject to the further provisions of Section 3 below, relating to cases of layoff or dismissal or suspension for cause of involuntary resignation:

STEP 1 . Oral Discussion . The employee first shall discuss his grievance with the Steward or Union Representative and if the Steward considers the grievance to be valid then the employee and the Steward will contact the employee's Program Manager and will attempt to effect a settlement of the complaint. To timely initiate the grievance process, this contact must occur within ten (10) work days from the first occurrence on which the grievance is based or when it was first discovered by the affected employee or Union Representative. This procedure, however, will not prevent an employee from contacting his supervisor directly if he so chooses. If the purpose of the employee's contacting his supervisor is to adjust the grievance, the Steward shall be given an opportunity to be present and such adjustment shall be in conformity with this Agreement.

STEP 2. Grievance Reduced to Writing. If no settlement is reached in Step 1, the Steward, if he considers the grievance to be valid, may reduce to writing a statement of the grievance or complaint which the grievant must sign. This written grievance must contain, at a minimum, the following:

- (a) The facts upon which the grievance is based.
- (b) Reference to the section or sections of the Agreement alleged to have been violated.
- (c) A detailed explanation of the remedy sought.

If any of the criteria listed above are not met, the grievance will be considered invalid, and the clock will not re-start on a timely filing.

The Steward shall sign and submit the written statement of grievance to the Program Manager for consideration, with a copy to Human Resources within five (5) work days after the oral discussion in Step 1 has taken place. Failure to submit the written grievance in accordance with the terms and within the five (5) work day deadline of this Step 2 will be deemed an abandonment of the grievance, and the matter will be closed. After such submission, the Program Manager and the Steward may, within the next five (5) workdays, unless mutually extended, settle the written grievance and, over their signatures indicate the disposition made thereof. Otherwise, promptly after the expiration of such five (5) day period, or agreed extension thereof, the Program Manager and the Steward shall sign the grievance and their signatures will indicate that the grievance has been discussed and reconsidered by them and that no settlement has been reached.

STEP 3. Written Grievance Handling at Union Representative/Employer Representative Level. If no resolution of the grievance is reached in Step 2 within the specified or agreed time limits, the Union Representative or his designee may initiate Step 3 by submitting the grievance to the Employer's Chief Operating Officer within five (5) work days after the signature of the written grievance as required in Step 2 has occurred. Failure to submit the written grievance in accordance with the terms and within the five (5) work day deadline of this Step 3 will be deemed an abandonment of the grievance, and the matter will be closed. After such submission, the designated representative of the Employer and the Union Representative or his designee may, within the next ten (10) workdays settle the grievance and, over their signatures, indicate the disposition made thereof. Otherwise, promptly after the expiration of such ten (10) day period the designated representative of the Employer and the Business Representative, or his designee, shall sign the grievance and their signatures will indicate that the grievance has been discussed and reconsidered by them and that no settlement has been reached.

STEP 4. Mediation. If resolution of the grievance is not reached under Step 3 above, the Union or the Employer wishing to take the grievance to Step 4 must notify the other party in writing of their desire to proceed to mediation and must formally request mediation in writing from the office of the Federal Mediation and Conciliation Service located nearest to the worksite. This request for Mediation and notice of request to the other party must be provided within ten (10) work days after the signature of the written grievance as required in Step 3 has occurred. Failure to submit the request for mediation and notice of request for mediation in accordance with the terms and within the ten (10) work day deadline of this Step 4 will be deemed an abandonment of the grievance, and the matter will be closed. Mediation under this section is required before arbitration. The request for mediation must be served in writing by the party requesting it on the Federal Mediation and Conciliation Service and the other party within this time period as a condition for processing the grievance up to and including arbitration. The mediation must be scheduled at a time and location mutually agreeable to the parties within thirty (30) calendar days of the request for mediation and notice of request for mediation, unless the parties mutually agree in writing to an extension of that 30-day period. If the Shop Steward's presence is requested by the Union, such request for time off without pay to attend the mediation will not be unreasonably denied.

STEP 5. Arbitration. If resolution of the grievance is not reached in Step 4 within the specified or agreed time limits, then either party may in writing, within ten (10) workdays thereafter, request that the matter be submitted to an arbiter for a prompt hearing as hereinafter provided in Sections 18.6 to 18.7, inclusive. Failure to submit the request for arbitration in accordance with the terms and within the ten (10) work day deadline of this Step 5 will be deemed an abandonment of the grievance, and the matter will be closed.

Section 18.3 Dismissals, Suspensions, Layoff, etc. In cases of layoff or suspension for cause, or of involuntary resignation, the employee shall be given a copy of the layoff, suspension or termination of service slip, as the case may be, if he is available to be presented with such copy. If he is not available, copies of the slip will be sent to the employee and to the Union office— . The employee shall have the right to appeal the action shown on the slip providing the Union files a written grievance with the designated representative of the Employer within seven (7) workdays after the date of layoff dismissal, or suspension for cause, or involuntary resignation. The written grievance then may be processed through Steps 2, 3 and 4 of the grievance process set forth in Section 18.2 above.

Section 18.4 Union Versus Employer. Processing of grievances which the Union may have against the Employer shall begin with Step 3 and shall be limited to matters dealing with the interpretation or application of terms of this Agreement. Such grievance shall be submitted in writing to the designated representative of the Employer, and shall contain the following:

- (a) Statement of the grievance setting forth the facts upon which the grievance is based.
- (b) Reference to the section or sections of the Agreement alleged to have been violated.
- (c) The correction sought.

The grievance shall be signed by the designated representative of the Union. If no settlement is reached within ten (10) workdays from submission of the grievance to the designated representative of the Employer, both shall sign the grievance and indicate that it has been discussed and reconsidered by them and that no settlement has been reached. Within ten (10) workdays thereafter the Union may in writing request that the matter be submitted to an arbiter for a prompt hearing as hereinafter provided in Section 18.6 and Section 18.7, inclusive. Failure to submit the request for arbitration within this ten (10) work day deadline will be deemed an abandonment of the grievance, and the matter will be closed.

Section 18.5 Retroactive Compensation. Grievance claims involving retroactive compensation shall be limited to ninety (90) calendar days; prior to the written submission of the grievance to Employer representatives, provided, however, that this ninety (90) day limitation may be waived by mutual consent of the parties. This does not however limit compensation going forward after a grievance is filed.

Section 18.6 Selection of Arbiter - From Federal Mediation and Conciliation Service. The parties shall jointly request the Federal Mediation and Conciliation Service to submit a panel of seven (7) arbiters. Such request shall state the general nature of the case and ask that the nominees, be qualified to handle the type of case involved. When notification of the names of the panel of seven (7) arbiters is received, the parties in turn shall have the right to strike a name from the panel until only one name remains. The right to strike the first name shall be determined by lot. The parties agree to strike the panel three (3) work days after receipt of such panel.

Section 18.7 Arbitration - Rules of Procedure. Arbitration pursuant to Step 4 shall be conducted in accordance with the following

- (a) The arbiter shall hear and accept pertinent evidence submitted by both parties and be empowered to request such data as he deems pertinent to the grievance and shall render a decision in writing to both parties within thirty (30) days, unless mutually extended, after the completion of the hearing.
- (b) The arbiter shall be authorized to rule and issue a decision in writing on the issue presented for arbitration which decision shall be final and binding on both parties.
- (c) The arbiter shall rule only on the basis of information presented in the hearing before him and shall refuse to receive any information after the hearing except when there is a mutual agreement, in the presence of both parties.
- (d) Each party to the proceedings may call such witnesses as may be necessary in the order in which their testimony is to be heard. Such testimony shall be limited to the matters set forth in the written statement of grievance. The arguments of the parties may be supported by oral comment and rebuttal. Either or both parties may submit written briefs with a time period mutually agreed upon. Such arguments of the parties, whether oral or written, shall be confined to and directed at the matters set forth in the grievance.
- (e) Each party shall pay any compensation and expenses relating to its own witnesses or representatives.
- (f) The Union and the Employer, shall equally share payment for the compensation of the arbiter including their necessary expenses.
- (g) The total cost of the stenographic record (if requested) will be paid by the party requesting it. If the other party also requests a copy, that party will pay one half of the stenographic costs.

Section 18.8 Extension of Time Limits by Agreement. Time limits designated in this Article for processing grievances and for bringing a matter to arbitration may only be extended by mutual written consent.

Section 18.9 Agreement Not to be Altered. In arriving at any settlement or decision under the provisions of this Article, neither the parties nor the arbiter shall have the authority to alter this Agreement in whole or in part.

Section 18.10 Conference During Working Hours. All conferences resulting from the application of provisions contained in this Article shall be held during working hours.

Section 18.11 Signing Grievance Does Not Concede Arbitrable Issue. The signing of any grievance by any employee or representative either of the Employer or of the Union shall not be construed by either party as a concession or agreement that the grievance constitutes an arbitrable issue or is properly subject to the grievance machinery under the terms of this Article.

ARTICLE 19: HOURS OF WORK

The normal workweek will begin at 12:00:01 a.m., Friday and end at 12:00 Midnight the following Thursday. 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 fixed (no rotation) 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.

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 ten percent (10%) of their base rate for hours paid 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

Employees assigned to a work –week which includes the weekend (either Saturday or Sunday or both) will be paid an additional one dollar and twenty-five cents (\$1.25) per hour paid while assigned to that work-week, in addition to any other shift/differential pay. Management will determine shift assignment.

ARTICLE 20: 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.

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 21: EXCUSED ABSENCE

Leave of Absence.

Employees may with Company approval, be granted excused absence without pay for a good cause stated in a written request submitted at least one (1) week in advance of said absence except in emergency situations; however, employees must use any accrued time off down to a balance of forty (40) hours before taking any LOA. 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 Uniformed Services Employment and Reemployment Rights Act (USERRA) and the Military Leave Procedure (See Company Policy Manual) 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. An employee on the active payroll of the company who is required to engage annually in up to twenty (20) days of military/reserve training will receive differential pay for each day served up to twenty (20) days.

Said employee shall be granted a leave of absence for the period of training and shall be paid the difference between the pay received for the training period and the amount of wages the employee would have received for this normal twenty (20) day work schedule.

Normal, for the purposes of this section shall mean an eight-hour day work schedule for each day of training at the employee's base rate of pay, for all hours paid.

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 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 Leave of Absence Procedure (See Company Policy Manual). 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 22: HOLIDAYS

The following ten (10) holidays will be provided:

| | |
|------------------|-----------------------------|
| New Year's Day | Martin Luther King 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 23: VACATION

Section 16.1 - General - It is the policy of the Employer to grant vacation to employees after each year of service. It is believed that a reasonable period of time away from the job is conducive to good health and well-being and can have a refreshing effect that is to the advantage of the Employer as well as the employee. Accordingly, it is management's responsibility to give each eligible employee the opportunity to take a vacation each year. Every effort will be made to ensure that each employee uses all his vacation credits for time off within the period of time available to him. If, at the time of separation from employment, an employee has unused earned-awarded vacation, he/she will be paid the value of unused vacation based on the termination date, less any balance of used vacation advance. Since vacation is earned on a pay period basis there is no payment of partial year vacation upon termination of employment. If an employee borrowed or used more vacation than he/she earned, the borrowed or excess amount used will be deducted from any wages the employee is owed at the time of separation.

Section 16.2 - Accumulation of Credits

16.2(a) Vacation credits will be awarded at the rate presented in the pay period accrual column of the table in below and is based on the anniversary date of each employee.

16.2(b) Vacation credits will not be accumulated during period on layoff, strike or a leave of absence (except in the case of Long Term Military Leave, Article 22).

| Years of Service Complete | Vacation Hours Earned | Pay Period Accrual rate |
|---|------------------------------|--------------------------------|
| Less than 5 years | 80 | 3.08 hrs |
| Equal to or Greater than 5 years, Less than 11 years | 120 | 4.62 hrs |
| Equal to or Greater than 11 years, Less than 15 years | 160 | 6.15 hrs |
| Greater than 15 years | 184 | 7.08 hrs |

Section 16.3 - Accumulative Credits - Employees will be allowed to carry over a maximum of 120 hours' worth of vacation accrual to the next benefit anniversary.

Section 16.4 - Use of Vacation Credits - Employees shall request vacation dates using the Employer's web-based Time-Off Request system. The Employer will endeavor to schedule his vacation as requested without negative impact on customer support requirements.

16.4(a) In instances where Employer management believes the awarding of vacations as requested would negatively impact customer support requirements, the scheduling of vacations shall be as near to the dates requested as possible. 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.

16.4(b) In scheduling vacations, the Employer will attempt to meet its customer support requirements. 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.

16.4(c) At the start of each anniversary year employees will be authorized up to a negative 40 hours in vacation balance. If the employee resigns, is surplusd or is terminated prior to accruing a positive vacation balance they will repay the Employer as part of their final payroll disbursement.

16.4(d) There will be no pay-in-lieu of time off for vacation. The intent of this provision is to cause each employee to use the vacation credits awarded for time off.

Section 16.5 – Termination An employee who is removed from the active payroll who has reached his first eligibility date shall be provided pay-in-lieu of vacation for all unused and awarded vacation credits in his account, regardless of reason for termination except as noted in other Articles of this agreement.

Section 16.6 Definitions: The vacation eligibility date is the date that determines how much

vacation an employee is entitled to receive. The vacation award date is the first full pay period when the benefit is awarded to the employee, and therefore available for use.

ARTICLE 24: 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, 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, brother-in-law, sister-in-law, and legal dependent. “Child” includes a foster child placed in the employee’s home by a state agency.

ARTICLE 25: WAGE RATE SCHEDULE

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

| Basic Wages | | | | |
|--|----------|--|----------|----------|
| C-130 JMATS, Little Rock AFB | | Starting with the first full pay period after the indicated date | | |
| Classification | Current | 1-Jan-19 | 1-Jan-20 | 1-Jan-21 |
| Material Coordinator | \$ 29.38 | \$ 30.56 | \$ 31.47 | \$ 32.42 |
| Simulator Tech I* | \$ 33.69 | \$ 35.04 | \$ 36.09 | \$ 37.17 |
| Simulator Tech II | \$ 39.38 | \$ 40.96 | \$ 42.18 | \$ 43.45 |
| Simulator Tech III** | \$ 44.61 | \$ 46.39 | \$ 47.79 | \$ 49.22 |
| Aircraft Equipment Operator | \$ 24.03 | \$ 24.99 | \$ 25.74 | \$ 26.51 |
| NVG Technician | \$ 34.85 | \$ 36.24 | \$ 37.33 | \$ 38.45 |
| | \$ - | \$ - | \$ - | \$ - |
| * Denotes maximum of one year as Simulator Technician I ** Denotes there will be one Simulator Technician III per shift | | | | |

A newly hired Simulator Technician I will be promoted if the training record for the individual allows that the newly hired employee qualifies as a Simulator Technician II after one year of service.

The Company and Union agree Simulator Technician I positions are utilized to train and educate newly hired technicians with less than 2 years of C-130J simulator experience. Simulator Technician I’s should never work alone and be supervised by a qualified technician in performance of their duties.

In the event of a layoff or recall, an individual that has held any classification of Simulator

Technician, once recalled, will only be required to hold the classification of Simulator Technician I for no more than 6 months from the start date of the promotion or recall. The recalled employee shall be promoted to a Simulator Technician II after 6 months from the start date in the position of Simulator Technician I and once the training record for the individual satisfies the requirement to be promoted.

ARTICLE 26: LEAD DIFFERENTIAL

Employees designated as “Shift Lead” will receive a premium pay of ten percent (10%) or hourly equivalent 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-130J MATS Programs.

ARTICLE 27: INSURANCE PLANS

The Company will provide a health and welfare allowance in the form of “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:

| Health and Welfare Plan | | | | |
|--|----------------|---|-----------------|-----------------|
| C-130 JMATS, Little Rock AFB | | Starting with the first full pay period after the indicated date | | |
| Classification (All) | Current | 1-Jan-19 | 1-Jan-20 | 1-Jan-21 |
| Declined | \$ 7.50 | \$ 8.00 | \$ 8.25 | \$ 9.10 |
| Employee Only | \$ 7.50 | \$ 8.00 | \$ 8.25 | \$ 9.10 |
| Employee/Spouse, Employee/Children or Family | \$ 7.50 | \$ 9.10 | \$ 10.00 | \$ 10.50 |

The Company will offer 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 28: PERSONAL/SICK TIME OFF

Upon completion of their probationary period, employees will be entitled to ten (10) days (80

hours) of personal/sick days/hours per year awarded each January 1st.

This award of PTO/Sick will be awarded in January of each calendar year for all new hires not transferred from the predecessor. Employees that start after 1 January will have a pro-rata award based upon hire date. Employees on probation will not be allowed to use personal time off. Personal time off will be prorated by month at 1/12th of the award. (Example 1 April start date, 9/12ths of the award – $80/12*9 = 60$ hours)

Personnel will not be permitted to carry over personal/sick time. Employees who do not use accumulated/earned PTO/sick by the end of the year in which it is awarded will lose it and such accumulated/earned PTO/sick will not be paid out upon employee's termination from the Company for any reason.

ARTICLE 29: 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. The Company agrees not to change its policy during the term of this Agreement for this site and contract (See *DRG Employee Policy Manual*).

ARTICLE 30: 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 effective January 1, 2016 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. Employees will be 100% vested from the start of employment.

ARTICLE 31 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 for completed years of service (only completed years are calculated):

| <u>Service Time Completed</u> | <u>Severance amount</u> |
|--------------------------------------|--------------------------------|
| Up to 4 years | 2 weeks' pay |
| 5 years to 9 years | 3 weeks' pay |
| 10 years & Beyond | 4 weeks' pay |

ARTICLE 32 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 and in accordance with Joint Travel Regulation.

ARTICLE 33: 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 34: I.A.M National Pension Fund National Pension Plan

A. The Employer shall contribute to the I.A.M. National Pension Fund, National Pension Plan for each hour/day or portion thereof for which employees in all job classifications

covered by this Agreement are entitled to receive pay under this Agreement as follows:

| IAM Pension Plan Contribution | | | | |
|--|----------------|---|-----------------|-----------------|
| C-130 JMATS, Little Rock AFB | | Starting with the first full pay period after the indicated date | | |
| Classification (All) | Current | 1-Jan-19 | 1-Jan-20 | 1-Jan-21 |
| Hourly Contribution | \$ 1.00 | \$ 1.00 | \$ 1.00 | \$ 1.00 |
| Up to a maximum of 2080 hours per year | | | | |

If the employee is paid only for a portion of an hour/day, contributions will be made by the Employer for the full hour/day.

B. The Employer shall continue contributions based on a forty (40) hour work week while an employee is off work due to paid vacations or paid holidays. The Employer shall also make contributions whenever an employee receives severance pay, vacation pay at termination, or vacation pay in lieu of time off.

C. Contributions for a new, temporary, probationary, part-time and full-time employee are payable from the first day of employment.

D. The I.A.M. Lodge and Employer adopt and agree to be bound by, and hereby assent to, the Trust Agreement, dated May 1, 1960, as amended, creating the I.A.M. National Pension Fund and the Plan rules adopted by the Trustees of the I.A.M. National Pension Fund in establishing and administering the foregoing Plan pursuant to the said Trust Agreement, as currently in effect and as the Trust and Plan may be amended from time to time.

E. The parties acknowledge that the Trustees of the I.A.M. National Pension Fund may terminate the participation of the employees and the Employer in the Plan if the successor collective bargaining agreement fails to renew the provisions of this pension Article or reduces the Contribution Rate. The parties may increase the Contribution Rate and/or add job classifications or categories of hours for which contributions are payable.

F. This Article contains the entire agreement between the parties regarding pensions and retirement under this Plan and any contrary provisions in the Agreement shall be void. No oral or written modification of this Agreement shall be binding upon the Trustees of the I.A.M. National Pension Fund. No grievance procedure, settlement or arbitration decision with respect to the obligation to contribute shall be binding upon the Trustees of the said Pension Fund

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. It is expressly agreed between the parties that the terms of this Agreement, and any agreed upon rights and benefits, are binding on any successor contractor who purchases the Company in part or in whole.

ARTICLE 36: TERM AND NOTICE OF CHANGE OR TERMINATION

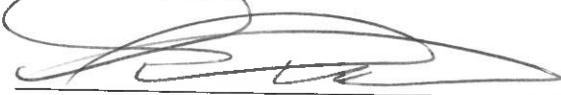
This Agreement shall be effective and shall continue in full force and effect through December 31, 2021 and therefore be automatically renewed from year to year, unless the party desiring termination or modification of the agreement serves written notice, by certified mail, upon the other party at least 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 representatives on December 6, 2018.

For DRG



Brian Busey
President and COO



Mike Callis
Vice President of Business Development

For the Association



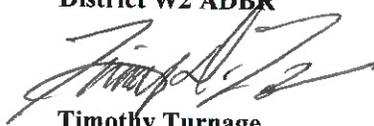
Jody Bennett
Aerospace Coordinator



Terry L. Ocheitree
Chief Steward



Melone Irvin
District W2 ADBK



Timothy Turnage
Steward



Sharon Smith
Recording Secretary, LL 463