

AGREEMENT BETWEEN

VSE Corporation



AND

INTERNATIONAL ASSOCIATION

OF

MACHINISTS AND AEROSPACE WORKERS



DISTRICT W2, LOCAL LODGE #463

314th Contractor Maintenance Squadron (CMX)

Effective Date: March 30, 2019 – March 30, 2022



CONTENTS

Preamble	5
ARTICLE 1: Recognition	5
ARTICLE 2: Non-Discrimination	5
ARTICLE 3: Management Rights	5
ARTICLE 4: Substance Abuse Policy	6
ARTICLE 5: Dues Checkoff	6
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
Safety	7
Change of Address	7
Availability	7
Resignation	8
Bulletin Board	8
Employee Assistance Plan (EAP)	8
Performance of Work	8
Dress Code	8
Clothing and Boots	8
Weather/Government Related Shutdowns	8
ARTICLE 11: New Jobs	8
ARTICLE 12: Technological Change	9
ARTICLE 13: Promotions	9
ARTICLE 14: Discharge and Disciplinary Action	9
ARTICLE 15: Seniority	9
Probationary Period	9
Definitions	10
Loss of Seniority	10
Seniority List	10
ARTICLE 16: Employees Transferred Out of Bargaining Unit	10



ARTICLE 17: Layoffs and Recall	10
Layoff Notice	11
Recall	11
ARTICLE 18: Adjustment of Grievances	11
Step 1	11
Step 2	12
Step 3	12
Precedents	12
ARTICLE 19: Arbitration Procedure	12
ARTICLE 20: Hours of Work	13
Schedule	13
Emergencies	13
Flextime	13
Shift Premium/Differential	13
ARTICLE 21: Overtime	13
ARTICLE 22: Excused Absence	14
Leave Without Pay	14
Military Service Duty and Payment	14
Temporary Absence and Payment for Jury Duty	14
Temporary Absence for Disabling Illness, Injury	14
Absence for Union Business	14
ARTICLE 23: Holidays	14
ARTICLE 24: Paid Time Off (PTO)	14
ARTICLE 25: Bereavement	15
ARTICLE 26: Wage Rate Schedule	15
ARTICLE 27: Lead Differential	15
ARTICLE 28: Insurance Plans	16
ARTICLE 29: Savings Plan	16
ARTICLE 30: Travel	16
Distance	16
Payment	16
Hours	17
Holiday Pay	17



ARTICLE 31: Effect of Law	17
ARTICLE 32: Successors and Assigns	17
ARTICLE 33: Term and Notice of Change or Termination	18



Preamble

This Agreement is effective March 30, 2019, by and between VSE Corporation, 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" with respect to work performed by Company employees by the Company on contract number FA8108-17-D-0017, order number FA8108-18-F-0029, or successor order number, at Little Rock AFB, Jacksonville, AR. In setting forth certain provisions pertaining to wages, hours of work and working conditions, the Company and the Union have agreed to cooperate in establishing and maintaining a harmonious relationship and have provided procedures for the peaceful settlement of all grievances that may arise under this Agreement.

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 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 employees who have completed their probation period, Aircraft Mechanic I, Aircraft Mechanic II, Aircraft Mechanic III, Tool and Parts Attendant, that may be employed by the Company with regard to the C-130J Contract Field Team (CFT) 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 15- RC-227645, but excluding all other employees, including office clerical employees, professional employees, supervisors 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, religious affiliation, sex, 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 establishment and amending of policies and procedures, the discharge or discipline of employees for just cause, the maintenance of efficiency of employees, the right to determine assign work and determine qualifications and job duties for employees, the right to determine the size of the workforce, to cease performing work in whole or part, and to subcontract work provided the wages and benefits in this Agreement are maintained are the sole and exclusive rights and responsibilities of the Company.

Any rules or regulations or directives, which are now or, which may hereafter be imposed on the Company by the United States Government, including but not limited to the removal of an employee from the Contract shall apply with equal force and effect to the employees covered under this Agreement.



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.

Employees will adhere to a program of testing in accordance with CGPM 5011, dated April 4, 2018.

ARTICLE 5: Dues Checkoff

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 based on the Company pay schedule.

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 three (3) Stewards, three (3) alternate Stewards and one (1) Safety Steward. The Union will make every effort to maintain at least one (1) Steward per shift. In the event no Steward or alternate Steward is available on a given shift, one (1) will be called in with no compensation.

One (1) of the named three (3) Stewards shall be known as the Chief Steward.

Shop Stewards shall be the last employees laid off from the CBU within their job classification. Stewards will be afforded reasonable on-duty time (one (1) hour per week per Steward) required in the performance of their Steward duties in the investigation and presentation of grievances to management. Alternate Stewards will be able to use the above referenced on-duty time only in the event a Steward is not available.

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. Termination for denial of workplace access, up to and including loss of security clearance, is not subject to a grievance under this Agreement. The Company will reinstate the seniority of an employee who's denied workplace access up to and including loss of security clearance if reinstated by the Federal Government. A non-probationary employee who loses workplace access up to and including loss of security clearance for any reason will not lose his seniority until final adjudication of his appeal. Any employee whose seniority is reinstated will have twelve (12) months recall rights beginning day of reinstatement. Under this provision the employee will be reinstated in his previously held occupational title provided there is a vacancy.

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 CFT mission it is understood and agreed that U.S. Air Force personnel and Company 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 CFT 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 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 CFT.

ARTICLE 10: Miscellaneous Provisions

Safety

The Company and the Union shall use every reasonable effort to assure compliance with established State and Federal safety and health rules. The Union will designate a bargaining unit employee as safety Steward. Employees will be required to comply with all safety rules, regulations and procedures that govern the worksite.

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 CFT it is essential that all available personnel report in emergency situations.



Resignation

Employees are requested to give at least fourteen (14) days' notice of intent to resign.

Bulletin Board

The Company will provide one (1) bulletin board for the posting of the Union notices located in building 234 Maintenance area. Bulletin Boards will be, glass enclosed. Only notices pertinent to the Union at the C-130J CFT 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.

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, for the purpose of instructing employees or to avoid non-compliance with the Company's contract with the Client. 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. Military uniform items are not authorized for wear during work shifts. Old clothes are permissible when assignment dictates their use (e.g. painting, moving, etc.). Employee attire and accessories will also be compliant with the PWS and any federal, state, or company established safety standards.

Clothing and Boots

All bargaining unit employees are responsible at their own expense for OSHA approved safety toed footwear, and VSE logo shop specific colored shirts displaying last name.

Newly hired bargaining unit employees working in an industrial area will be required to have approved safety toed footwear on day one and VSE logo shop specific colored shirts displaying last name within thirty (30) days. (Initial shirts provided by the company.)

Weather/Government Related Shutdowns

When approved by the PCO, the Company will compensate employees in full, 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. If not approved by PCO, lost time used will be charged as PTO/LWOP.

Employee(s) upon reporting to work shall be able to work eight (8) hours from their report time or go home at the end of their normal shift supplementing the lost hours with approved LWOP or PTO. Further employee(s) on full day closures may work extra hours during their remaining work days to make up the lost hours so long as it falls within the same work under these circumstances. LWOP, as referenced in this section, will not be considered as hours listed in ARTICLE 22: Excused Absence "Leave Without Pay".

ARTICLE 11: New Jobs

In the event the Customer request and/or Company requires to establish new occupational classifications and such occupational classifications are included in the bargaining unit, by mutual agreement of the Parties hereto,



the applicable wage rates shall be determined by negotiation between the Company and the Union. Operations shall not be delayed through failure to immediately agree upon wage rates applicable to any such occupational classification. In such cases, pending the results of negotiations, the Company will establish the new occupational classifications and the Company-proposed wage rate applicable thereto, and shall place such occupational classifications and such wage rates into effect. Negotiated rates finally established which are higher than the Company-proposed rates will be paid retroactive to the date of the start of the occupational classification but, in no event, prior to thirty (30) days from the date which the Union notified the Company in writing challenging said wage rates. During any and all such negotiations, all other provisions of this Agreement will remain in full force and effect and resolution of any such negotiations must be arrived at by agreement between the Parties.

ARTICLE 12: Technological Change

The Union will be given advance notice, if possible, of any intended government 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 if possible.

ARTICLE 13: Promotions

The Company will endeavor to transfer employees to higher paid positions from within the bargaining unit, if available employees have the knowledge, skills, relevant experience and ability necessary to do the work. The Company will notify the Union in writing electronically 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 three (3) workdays or post and electronically. The Company will award such position to the employee it determines is most qualified with due consideration given to seniority.

Upgraded or transferred employees will be considered on probation in the new position for ninety (90) days after upgrading.

ARTICLE 14: Discharge and Disciplinary Action

The Company shall have the right to discipline employees for just cause by reprimand, suspension without pay or discharge for violation or infraction of the Company rules or other conduct warranting discipline or discharge in accordance with CGPM 5000, dated July 31, 2013. 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.

The Company may remove an employee while a violation is investigated for no more than five (5) work days, but if it is determined that suspension is not warranted, the employee will be paid for lost time.

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

- 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 twelve (12) months, except when necessary to comply with federal or state law.

- c. 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.

Loss of Seniority

All seniority of any employee shall terminate if the employee:

- a. Resigns.
- b. Is discharged for violation of Company Rules or otherwise for cause.
- c. Is on layoff status in excess of the employee's length of employment from the employee's last hire date not to exceed twelve (12) months.
- d. Is barred by the customer's written order or whose workplace access up to and including loss of security clearance has been revoked and is not legally reinstated. This paragraph is subject to the conditions noted in ARTICLE 8: Security.
- e. Refuses recall to his/her previous held full-time classification at the time of layoff notification.

Seniority List

A seniority list, initially provided by the company, will be maintained by the Union and will be made available to the Company on request, no more than once quarterly. In the event of any conflict on the seniority list, the employee will be responsible for providing documentation stating otherwise mutually agreeable to the union and the company. The Company will also furnish a list quarterly 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 the Chief Steward.

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 CFT Program not covered by this Agreement shall retain seniority rights for a period of ninety (90) days. Periods of temporary assignments to any position within or outside the C-130J CFT Program shall have no effect on seniority position.

An employee who is permanently transferred to a Company facility other than the C-130J CFT 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 the assigned duties of the position in the equal or lower classification on day one. The



Company has the sole right to determine qualifications and if an employee is capable of performing a job they seek to bump into. 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 position in the event of a layoff from his current position. Employees exercising bump rights must notify the Company in writing within two working days of the layoff notification of their intention to bump. After bumping, Employees who fail to demonstrate the skills or contract mandated requirements necessary to perform in the job classification they bumped into, as determined by the Company, will be returned to lay off status. All probationary employees will be laid off prior to any full-time employee layoff with seniority rights.

Layoff Notice

The Company agrees to give four-week notice (if possible), to the employees affected. The Union will be notified of a layoff in advance of the layoff or within twenty-four (24) hours of official government notification whichever is greater.

Recall

Employees laid off will be recalled as follows:

- a. Laid off employees will be recalled, by job classification in each individual shop, in the inverse order of their layoff.
- b. The Company will notify the employee(s) to be recalled by email, phone, or certified mail, the employee is responsible to maintain accurate contact information, and failure to respond within three (3) working days will result in loss of recall.
- 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 for the position 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.

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 their steward, shall promptly bring a grievance to the Site Lead within five (5) working days following the event or discovery of the event giving rise to the grievance. The grievance must set for the names of the aggrieved employees, the dates and circumstances of the claimed violation(s), the provision(s) of this Agreement claimed to be violated and the relief sought. 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 Site Lead. If such grievance is not settled within five (5) working days, then it must be appealed to Step 2 within five (5) working days of the Site Lead's final determination.



Step 2

A written grievance on a jointly accepted grievance form must be signed by the employee and set forth with the information described above and taken up by the Chief 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 five (5) working days.

Step 3

Company Labor Relations Representatives or designee, and the Business Representative of the Union and Chief Steward shall meet within ten (10) working days after receipt of the grievance into a third step. If the Company Labor Relations is not on-site, the meeting may take place by telephone. 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 ARTICLE 19: Arbitration Procedure. Notification of the Arbitration request must be made within thirty (30) calendar days of receiving the companies third step answer. The parties agree mediation may be used by mutual consent prior to arbitration to resolve the grievance.

The time deadlines set forth in this Article are mandatory and must be complied with otherwise the grievance is deemed to be abandoned by the Union. If the Company fails to respond within the deadline at any step, the grievance is moved to the next step.

Precedents

All settlements must be consistent with the terms and conditions of the Agreement. Time limits may be extended by mutual agreements of both parties.

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.

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 the requesting party will request that the Federal Mediation and Conciliation Service provide a panel of seven (7) arbitrators. The Union and the Company shall alternately strike one name from such list (the Company and the Union shall alternate which party shall make the first strike) until one (1) name remains and that person shall be the arbitrator. Absent mutual consent, only one grievance may be heard at a time. The arbitrator is to issue a written decision no later than thirty (30) days after the hearing or submission of post hearing written arguments, whichever is later. Either party may have the hearing transcribed and submit post-hearing written arguments for consideration by the arbitrator.

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, determine wage rates or changes benefits or other terms and conditions of employment. The arbitrator is limited to awarding an employee lost wages and benefits less any interim earnings including unemployment compensation. If an employee is reinstated, such reinstatement is subject to the employee becoming requalified if necessary and approval by the Client. Any remedy is limited to ten (10) working days prior to the filing of the



grievance. The expense and fees of the Arbitrator shall be borne by the losing party.

ARTICLE 20: Hours of Work

The normal workweek will begin at 11:00:01 pm., Sunday and end at 11:00:01 pm the following Friday. The normal workweek for each employee shall consist of five (5) consecutive days per week. The company reserves the right to extend the normal workweek based on contractual requirements.

Schedule

Normal operating shifts will be as follows: Mid-shift (2300-0800) Sunday-Friday, Dayshift (0700-1600) Monday-Friday, Swing Shift (1500-0001) Monday-Friday. Changes to shift operating hours to meet operational requirements including the adjustment of workdays may be required to include working on a Saturday or Sunday. Employees will be given a regularly scheduled day off of their choice prior to the required Saturday or Sunday work. Hours may be adjusted after approval as long as the intent of the contract is met and there is twenty-four (24) hour coverage. Employee(s) scheduled to work Saturday, or Sunday will receive a minimum of three (3) days' notice or they will not be required to work. No employee will be required to work more than eight (8) Saturday or Sundays per calendar year.

Work schedules shall consist of nine (9) hours with two (2) paid fifteen (15) minute break periods and one (1) unpaid one (1) hour meal period to be scheduled between the fourth (4th) and sixth (6th) hour, mission permitting. The normal pay week will begin at 11:00:01 p.m., Sunday and end at 11:00:00 p.m., the following Sunday.

Emergencies

Employees may be required to respond to emergencies or complete mission critical tasks that occur during breaks or meal periods. When required to work during breaks or meal periods, they will be paid. Alternatively, the employee can end his/her shift early by an equivalent amount of time lost if mutually agreed upon by the employee and the Company. This is done on a case by case basis with prior approval by site lead or his designee and is not to be used by employees to regularly end shifts early.

Flextime

Employees may be permitted, on a case by case basis, with site lead or designee'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.

Shift Premium/Differential

All employees who are assigned to work the second or third shift will be paid an additional one dollar (\$1.00) on top of their base rate for hours worked during the assigned shift. Lead pay and shift differential cannot be used concurrently. Shop leads will assist management in determining shift assignments for their respective shops.

ARTICLE 21: Overtime

Overtime, at one and one-half (1½) times the regular straight time rate, will be paid for time in excess of forty (40) worked hours in a workweek.

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. 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.

There shall be no duplication or pyramiding of overtime payments.



Site Management must approve all overtime prior to an employee working overtime.

ARTICLE 22: Excused Absence

Leave Without Pay

All excused absences without pay will be in conformance with Company Policy GPM 5105, dated November 3, 2011.

Military Service Duty and Payment

The employee should refer to the Uniformed Services Employment and Reemployment Rights Act (USERRA) and the Military Leave Procedure (in accordance with GPM 5105, dated November 3, 2011) 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 Policy.

Temporary Absence and Payment for Jury Duty

In accordance with GPM 5105, dated November 3, 2011.

Temporary Absence for Disabling Illness, Injury

The Company will comply with Family Medical Leave Act with the support of third party leave administrator in conjunction with employee's medical provider.

Absence for Union Business

Employees shall be granted short term leave of absence not to exceed thirty (30) days without pay for the purpose of attending Union conventions, meetings, etc., schedule permitting, with prior approval from site lead or designee.

ARTICLE 23: Holidays

The following ten (10) holidays will be provided:

- New Year's Day
- Martin Luther King's 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) and/or Administrative Contracting Officer (ACO)).

ARTICLE 24: Paid Time Off (PTO)

Employees will begin accruing VSE Paid Time off in accordance with GPM 5105, dated November 3, 2011. Full time employees who transferred from an incumbent work force will be credited with continuous full-time



service for purposes of calculating PTO accrual.

Completed Service	Hours Accrued Per Pay Period	Annualized Day of Paid Leave
1st month through 3rd year	4.67	14
4th through 7th year	5.33	16
8th through 12th year	6.00	18
After 12th year	7.00	21

Request for scheduled PTO should be as far in advance as practicable. Request for one (1) week or more of leave shall be made a minimum of one (1) week in advance of the requested week off.

Employee's may request one (1) day off if they submit the request three (3) days prior to the shift they are requesting off.

Employee's using PTO for an illness will call into debrief a minimum of thirty (30) minutes prior to the start of their shift.

Employee's scheduling medical, dental, or other health related appointments for themselves or dependents will request time off a minimum of three (3) days prior to the appointment scheduled.

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 per occurrence.

Definition of immediate family shall be consistent with VSE GPM 5105, dated November 3, 2011. The employee will be required to submit proof of death and familial relationship.

ARTICLE 26: Wage Rate Schedule

Job Classification	Current Rate	Effective Date of Increase			Percentages		
		3/30/2019	3/30/2020	3/30/2021	3/30/2019	3/30/2020	3/30/2021
Mechanic I	\$28.93	\$30.38	\$31.60	\$32.86	5.00%	4.00%	4.00%
Mechanic II	\$30.39	\$32.21	\$33.50	\$34.84	6.00%	4.00%	4.00%
Mechanic III	\$31.89	\$33.80	\$35.15	\$36.56	6.00%	4.00%	4.00%
Tools/Parts	\$15.61	\$17.09	\$17.94	\$18.84	9.50%	5.00%	5.00%
Tools/Parts Shift Lead	\$17.61	\$19.19	\$20.15	\$21.16	9.00%	5.00%	5.00%

Note: The actual date of all increases as identified in this Article will be the beginning of the first full pay period following the effective date of change.

ARTICLE 27: Lead Differential

Employees designated as "Lead Technician" will receive a premium pay of one dollar and fifty cents (\$1.50) per hour in addition to the employee's base hourly rate. A Lead Technician is defined as an employee who is required to assist the Director of Maintenance 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 Director of



Maintenance the reason for failure to maintain flow of work. The seven (7) shops identified below will each have one Lead Technician assigned by site lead or designee:

Crew Chief (APG), Comm/Nav, Instruments, Engines, Electrician, Hydraulics, Quality

ARTICLE 28: Insurance Plans

The Company will provide a health and welfare allowance in the form of “Cash in Lieu” per hour for all hours worked, not to exceed forty (40) hours per week or two thousand and eighty (2080) hours a year, 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. Employees will be required to provide proof of outside coverage to Company.

Cash in Lieu	<u>Effective 3/30/19</u>	<u>Effective 3/30/20</u>	<u>Effective 3/30/21</u>
Hourly paid	\$6.50	\$6.50	\$6.50

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 their pay in lieu of benefits to purchase health and welfare insurance.

The actual date of all increases as identified in this Article will be the beginning of the first full pay period following the effective date of change.

ARTICLE 29: Savings Plan

All employees covered under this agreement shall be eligible to participate in the company sponsored 401(k) Savings Plan. Employees will be permitted to contribute their own monies via payroll deduction up to the maximum allowable by IRS regulations. Effective March 30, 2019, the Company will match one hundred percent (100%) for the first three percent (3%) of the employee’s voluntary contribution and fifty percent (50%) for the next two percent (2%) of the employee’s voluntary contribution.

ARTICLE 30: Travel

Distance

Employees will be paid in accordance with a. and b. below when they are required to travel more than fifty (50) 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.

Payment

The Company will provide payment for travel as specified in the Company’s Travel Policy, CGPM 4265, Rev 4, dated January 3, 2018, and in accordance with applicable laws, rules, and regulations.



Hours

Employees will be paid no less than eight (8) hours per day while on travel status, to include travel days to and from a temporary work site.

Holiday Pay

Employees going TDY who are required to travel on a Holiday will receive all hours worked at their straight time hourly rate plus an eight (8) hour banked holiday, which must be used within the calendar year it was banked. The banked holiday must be used before LWOP or PTO. If an employee works on a holiday within the last month of a calendar year, the banked holiday must be used within the following year.

ARTICLE 31: 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 32: Successors and Assigns

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



ARTICLE 33: Term and Notice of Change or Termination

This Agreement shall be effective and shall continue in full force and effect through March 30, 2022, 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 February 15, 2019.

For VSE

Daniel H Petkoff, Counsel, VSE Corp.

Phillip Marsh, VSE Corp.

Peter Desrosiers, VSE Corp.

Eureka Norment, VSE Corp.

Tina Bailey, VP HR, VSE Corp.

Mohammad I Wali, VSE Corp.

Michael J Rayder, VSE Corp.

For the Association

Jody Bennett, COS Aerospace

Valerie Rodriguez, GLR Southern Territory

Melone Irvin, District W2 ADBR

Sharon Smith, RS, LL 463

Arron Stanley, Chief Steward

Jason Seritt, Steward

Kevin Dunlap, Committee Member

Shawn Salefske, Committee Member

Aaron Mitchell, Steward