

**COLLECTIVE BARGAINING
AGREEMENT
BETWEEN**

Delaware Resource Group of Oklahoma LLC



and

**THE INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS,**

AFL-CIO

District Lodge 171

and its

Local Lodge #463

Little Rock AFB, Arkansas

Effective

January 1, 2023 – December 31, 2025



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PREAMBLE

This Agreement is effective January 1, 2023 by and between *Delaware Resource Group of Oklahoma, LLC (DRG)*, hereafter referred to as the "Company", District 171, and Local Lodge 463 of the International Association of Machinists and Aerospace Workers, hereafter referred to as the "Union."

The purpose of this Agreement is to provide, through collective bargaining, for harmonious relationships between the Company and its employees; to secure an amicable and fair disposition of grievances; and to prevent interruption of work, stoppage of employees' payrolls, permit efficient operation of the Company, and the protection of the interests of the taxpayers.

The Union recognizes the ability of the Company to provide wages and working conditions satisfactory to its employees and further recognizes that the Company is, to a large extent, dependent on the cooperation of the employees in maintaining efficient and, so far as possible, stabilized operation of the Company. In furtherance, therefore, of the above-stated purposes, it is hereby agreed:

ARTICLE 1: RECOGNITION

Section 1.1. 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.

Section 1.2. All full-time and part-time employees listed in the classifications identified in Article 28: Wage Rate Schedule, employed by the Company with regard to the C-130 Aircrew Training System (ATS) for the United States Air Force located at the Little Rock Air Force Base, Arkansas facility, National Labor Relations Board Case Number 26-RC-195, but excluding all other employees, including office clerical employees, professional employees, guards and supervisors as defined in the National Labor Relations Act, as amended.

ARTICLE 2: NON-DISCRIMINATION

Section 2.1. The Company and the Union separately and jointly recognize their obligation to abide by those state and federal laws. The Agreement will be applied fairly and equitably among all bargaining unit employees and will not in any way be used to discriminate against or harass any employee because of race, color, religious affiliation, gender, sex, sexual orientation, gender identity, age, national origin, veteran, or disability status. Notwithstanding the above, it shall not be a violation of this contract if a bona fide occupational qualification exists. It is understood that wherever in this Agreement employees or jobs are referred to in the male or female gender, it will be recognized as referring to both male and female employees.



Section 2.2. Employees who feel they have been unlawfully discriminated against or harassed as set in this article, and any employee having information concerning alleged unlawful harassment, should present that information, in accordance with the *Company's Employee Policy Manual*, without fear of reprisal, to the Corporate Program Manager and/or Chief Operating Officer.

ARTICLE 3: MANAGEMENT RIGHTS

Section 3.1. Except as specifically limited by the Agreement, management of the Company, and the direction of the work force, including but not limited to the services 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

Section 4.1. 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.

Section 4.2. 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.

Section 4.3. 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.

Section 4.4. Health examinations required by the Company or Government shall occur during the hours of 9:00am to 5:00pm 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 Company has reasonable suspicion that an employee is using or under the influence for drugs and/or alcohol.

Section 4.5. Bargaining unit employees shall be compensated at their base hourly rate for time spent in an examination or drug/alcohol screening required by the Company or Government.



ARTICLE 5: CHECK-OFF

Section 5.1. 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. Until that time, membership in the Union and/or paying dues will not be a condition of employment.

Section 5.2. Payment of Dues: Upon receipt of a signed authorization form from the employee involved, the Company shall deduct from the employee's pay the initiation and/or reinstatement fees and dues payable 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 shall be made on account of Union dues from the first monthly paycheck of the employee after receipt of the authorization. The Union will defend, save, and hold harmless and indemnify the Company from any and all claims, demands, suits or any other forms of liability that shall arise out of the execution of this Article.

ARTICLE 6: UNION AND COMPANY RELATIONS/SHOP STEWARDS

Section 6.1. Business Representative's – Access to Site: The Business Representative of the Union shall have access to the Company facilities where bargaining unit employees are normally assigned during working hours for conducting legitimate Union Business pertaining to this Agreement including, but not limited to, the investigation and advising in the handling of grievances, and will not interfere with the normal conduct of the Company's operation. The Company will not impose regulations which will render the intent of this provision ineffective. The Union shall keep the Company currently informed in writing of the name of the accredited Business Representative. The business representative shall notify the Company Chief Operating Officer or his designee prior to any visit to the various locations or site. The necessary Company badges and credentials will be given to the business representative. Visits shall be made subject to such regulations as maybe made from time to time by the Company.

Section 6.2. 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 name of a primary Shop Steward and an alternate Shop Steward who may be designated and shall act only in the event the primary Shop Steward is unavailable. The Steward shall be the last employee laid off from the CBU within their job classification. Stewards will be afforded on-duty time in performance of their Steward duties in the preparation, investigation, and presentation of grievances but in no circumstance will the Steward duties preempt or supersede the Steward's required duties or schedule in support of customer requirements.



ARTICLE 7: NO STRIKE-NO LOCKOUT CLAUSE

Section 7.1. 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. 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

Section 8.1. 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.

Section 8.2. The Union agrees that nothing contained in this Agreement shall place the Company in violation of security agreements with the Government.

Section 8.3. 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.

Section 8.4. 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 lack of security clearance is not grievable per Article 18 (Adjustment of Grievances) of this Agreement

Section 8.5. 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 under this provision will be reinstated in his previously held occupational title, if a position is available at that time. Otherwise, the employee will be recalled pursuant to procedures within Articles 15 and 17 of this Agreement.

ARTICLE 9: ENTIRE AGREEMENT

Section 9.1. This Agreement expresses the complete understanding of the parties about wages, hours of labor, and conditions of employment. However, this Agreement may be amended in writing by mutual agreement at any time.



Section 9.2. Due to the critical nature of the C-130 ATS 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 28; Wage Rate Schedule, as deemed necessary by the Company, in support of the C-130 ATS national defense mission. The Company recognizes its obligation not to abuse the normal assignment of regularly scheduled work to the appropriate classifications.

Section 9.3. 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 C-130 ATS.

ARTICLE 10: MISCELLANEOUS PROVISIONS

Section 10.1: 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 its steward as the representative to any safety committees or councils. The Company and employees will be required to comply with all safety rules and regulations that govern the worksite.

Section 10.2: Change of Address: Employees are responsible for notifying the Company of their proper mailing address and current phone number. Laid off employees are also responsible to notify the Company of their proper mailing address and current phone 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.

Section 10.3: Availability: The union recognizes that due to the vital National Defense mission of the C-130 ATS it is essential that all mission essential personnel report in emergency situations. At this time no personnel on this program are considered mission essential to base operations.

Section 10.4: Resignation: Employees are requested to give at least ten (10) working days' notice of intent to resign.

Section 10.5: Bulletin Board: The Company will provide two (2) bulletin boards for the posting of Union notices to be in buildings 620 and 1230A. Only notices pertinent to the Union at this facility (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.

Section 10.6: 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 currency, 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.

Section 10.7: Dress Code: Employees are expected to present a neat and professional appearance at all times. A mustache/beard is permitted if it is neatly trimmed and well groomed. Employee attire and accessories will also be compliant with any federal, state or Company established safety standards for operating and supporting all training devices.

Section 10.8: Abnormal Plant Shutdowns: When approved by the PCO, the Company will compensate employees in full, who are sent home, as directed by the Company, for those periods of time when safety stand-downs, government/customer shutdowns, government mandated holidays, periods of national mourning, inoperable training devices, closing of the facilities or Little Rock AFB, or other Acts of God necessitate a partial workday(s) or temporary closing of facilities.

ARTICLE 11: NEW JOBS

Section 11.1. When new bargaining unit jobs are required that cannot be properly encompassed within an existing job specialty, the Company will notify the Union 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 establishment in which to challenge the rate of pay. If necessary, this matter is subject to the grievance procedure up to and including arbitration.

Section 11.2. 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.

Section 11.3. Should the Company revise an existing job classification, they shall have thirty (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

Section 12.1 - 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 Employer prior to the implementation. For any new requirements/certifications required by the Government, the Employer will support the initial cost for the additional training and/or certifications required for performance of duties. Employees can use normally scheduled work hours to prepare for testing as long as it does not



interfere with customer support and training. If an employee fails certification training, all future training expenses to earn the required certification will be borne by the employee. For employees unable to achieve a required certification, the Employer will attempt to reassign the employee to existing vacant positions that match the employee's qualifications. The Employer may terminate or reassign personnel due to an inability to achieve/maintain a Government-required certification or credentials.

ARTICLE 13: JOB OPENINGS

Section 13.1. The Company will endeavor to transfer employees to other available 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 eligible and express an interest, selection will be made based on seniority and qualifications. If two (2) employees are qualified, seniority must be the prime selection factor.

Section 13.2. The Company will notify the Union of any openings to be filled within the Bargaining Unit prior to filling the position.

Section 13.3. Promoted or transferring employees will be considered on probation in the new position for ninety (90) 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 his designee that the employee is not meeting the qualification for that job classification. Likewise, within ninety (90) days of being assigned to the new job classification, an employee may choose to return to his former job classification without prejudice.

Section 13.4. The Company may temporarily promote 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 promotion will be selected based on qualifications as determined by the Company.

ARTICLE 14: DISCHARGE AND DISCIPLINARY ACTION

Section 14.1. The Company shall have the right to discipline employees in accordance with the *Company's Employee Policy Manual* 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 (including e-mail notification), of any action taken under this section.

Section 14.2. The disciplined employee is entitled to Union representation and will be notified of this right prior to discipline, if possible.



ARTICLE 15: SENIORITY

Section 15.1: 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. The probationary period may be extended by mutual agreement between the Company and the Union.

Section 15.2: Definitions

- 15.2.1.** 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.
- 15.2.2.** Using the last four (4) digits of the employee's SSN will break ties when seniority dates are the same: Larger SSN number is more senior on the list.
- 15.2.3.** 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 not exceed twenty-four (24) months. In the case of occupational injuries, continuous employment will be for the length of the disability.
- 15.2.4.** Part time employees are not eligible for any contractual seniority rights as specified.
- 15.2.5.** New positions or assignments will be offered to the most senior employee for that position or assignment as outlined in ARTICLE 13: JOB OPENINGS.
- 15.2.6.** Additional Qualifications will not be the cause of displacement of other bargaining unit members from their regularly assigned work nor will it be the cause for a reduction in force.

Section 15.3: Loss of Seniority: All seniority of any employee shall terminate if the employee:

- 15.3.1.** Resigns.
- 15.3.2.** Is discharged for violation of Company Rules.
- 15.3.3.** Is on layoff status more than twenty-four (24) months.
- 15.3.4.** 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 ARTICLE 8: SECURITY.
- 15.3.5.** Refuses recall within their classification or does not respond to a recall notice.



Section 15.4: Seniority List: A seniority list will be maintained by the Union and will be made available to the Company semiannually. 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.

ARTICLE 16: EMPLOYEES TRANSFERRED OUT OF BARGAINING UNIT

Section 16.1. An employee who has established seniority rights within the bargaining unit and who is transferred to a position on the C-130 ATS program not covered by this Agreement shall retain seniority rights for a period of ninety (90) days.

Section 16.2. An employee who is permanently transferred to a Company facility other than the C-130 ATS site, will lose bargaining unit seniority rights.

ARTICLE 17: LAYOFFS AND RECALLS

Section 17.1. When it becomes necessary to reduce the number of employees in a classification, senior employees will be offered the opportunity to accept a lay off status before the employees in the classification shall be laid off in accordance with their seniority. Senior employees will be provided bump rights to equal or lower classifications, within their group, if they meet all the requirements of the position and can demonstrate within ten (10) work days the skills required to perform the job. With mutual agreement, the timeframe can be extended an additional ten (10) work days.

Section 17.2. Employees exercising bump rights must notify the Company in writing within seventy-two (72) hours of the layoff notification. Bumped employees must notify the Company in writing within seventy-two (72) hours of their layoff notification. Employees who fail to demonstrate the skills necessary to perform in that job classification will be returned to lay off status.

Section 17.3: Layoff Notice: The Company agrees to give four (4) weeks' notice of a layoff (when possible) to both the Union and employees affected.

Section 17.4: Recall: Employees laid off will be recalled as follows:

17.4.1. Laid off employees will have twenty-four (24) months recall rights.

17.4.2. Laid off employees will be recalled, by classification in the inverse order of their layoff.



- 17.4.3.** The Company will send recall notices by certified mail to employees' last official address. The employee has five (5) working days after receipt of the notice to accept reemployment.
- 17.4.4.** If no laid off employees in the classification who are recalled accept re-employment, then laid off employees outside the classification, but within the group, who are qualified in the classification, will be recalled as in (1) above.
- 17.4.5.** New employees will be hired if no laid off employees in the effected classification, within the group, accept re-employment as outlined in this article.
- 17.4.6.** Refusal to be recalled to a part-time position will not forfeit an employee's recall rights as established.

ARTICLE 18: ADJUSTMENT OF GRIEVANCES

NOTE: For notifications regarding the Sections of this article, it is understood by both parties that read receipt email 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 Company and its employees subject to this Agreement, or the Company and the Union, with respect to the interpretation or application of any of the terms of this Agreement, shall be settled per 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 and if the Steward considers the grievance to be valid then the employee and the Steward will contact the employee's Corporate Program Manager (CPM) and will attempt to affect a settlement of the complaint. To timely initiate the grievance process, this contact must occur within ten (10) work days after the alleged incident. This procedure, however, will not prevent an employee from contacting his CPM directly if he so chooses. If the purpose of the employee's contacting his CPM 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 resolution of the grievance is reached in Step 1, the Steward or Union Representative, if they consider the grievance to be valid,



may reduce to writing a statement of the grievance or complaint which the grievant, if applicable, must sign. This written grievance must contain, at a minimum, the following:

1. The facts upon which the grievance is based.
2. Reference to the section or sections of the Agreement alleged to have been violated.
3. 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 or Union Representative shall sign and submit the written statement of grievance to the Corporate Program Manager for consideration 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/Union Representative 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 Corporate Program Manager and the Steward/Union Representative 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 Business Representative/Company Representative Level. If no resolution of the grievance is reached in Step 2 within the specified or agreed time limits, the Business Representative or his designee may initiate Step 3 by submitting the grievance to the 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 Company and the Business 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 Company 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 Company 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 simultaneously 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 thirty (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 arbitrator for a prompt hearing as hereinafter provided in Sections 6 to 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 Company within seven (7) workdays after the date of layoff dismissal, or suspension for cause, or involuntary resignation, or within seven (7) workdays after the date of the mailing of the copy of the slip. The written grievance then may be processed through Steps 2, 3 and 4 of the grievance process set forth in Section 2 above.

Section 18.4. Union vs Company: Processing of grievances which the Union may have against the Company 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 Company, and shall contain the following:

- 18.4.1.** Statement of the grievance setting forth the facts upon which the grievance is based.
- 18.4.2.** Reference to the section or sections of the Agreement alleged to have been violated.
- 18.4.3.** The correction sought.

The written grievance then may be processed through Steps 3, 4 and 5 of this grievance process as set forth in Section 18.2 above.



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 Company 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 Arbitrator – From Federal Mediation and Conciliation Service: The parties shall jointly request the Federal Mediation and Conciliation Service to submit a panel of seven (7) arbitrators. 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) arbitrators 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:

- 18.7.1.** The arbitrator 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.
- 18.7.2.** The arbitrator shall be authorized to rule and issue a decision in writing on the issue presented for arbitration which decision shall be binding on both parties.
- 18.7.3.** The arbitrator shall rule only based on 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.
- 18.7.4.** 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.
- 18.7.5.** Each party shall pay any compensation and expenses relating to its own witnesses or representatives.
- 18.7.6.** The Union and the Company, shall equally share payment for the compensation of the arbitrator including their necessary expenses.
- 18.7.7.** 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 arbitrator 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 Company or of the Union shall not be construed by either party 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

Section 19.1. The work week for pay will begin on Friday to Thursday. The normal workweek for each employee shall consist of five (5) consecutive days per week from Monday through Friday.

Section 19.2. The normal workweek will only be altered if the Air Force requires additional operational capability. The Company will inform and discuss with the union any changes to the normal workweek prior to implementation, if the Company is required to utilize an alternate workweek, employees assigned to such workweek will receive seventy-five cents (\$0.75) per hour above the employee's regular straight time. This premium will be paid for all hours worked by the employee during the week. Operational requirements permitting, employees will have the option of two consecutive days off when transitioning from alternate workweek to normal workweek schedule. Assignment to alternate workweek will be no less than thirty (30) days except when covering employee absences. The most senior employees will be given first opportunity to accept or refuse any assignment to the alternate work week.

Section 19.3. Work schedules other than those outlined above may be arranged by mutual agreement by all parties. A daily work schedule may begin on one calendar day and end on another.

Section 19.4. Flextime: With prior coordination and approval of the Site Manager and Corporate Program Manager, employees will be permitted to flex their normal scheduled hours. The Site Focal will be required to make sure offices are covered at these times to assure coverage is maintained. Flexing can begin early or continue after normal hours. Employees may not schedule flextime to receive shift differential or overtime pay without manager's approval.



Section 19.5. Three (3) calendar days' notice will normally be given for schedule posting and changes. Work schedules or changes to the schedule may be made by mutual agreement of all parties.

ARTICLE 20: OVERTIME/CALLBACK

Section 20.1. Overtime, at one and one-half (1 ½) times the regular straight time rate, plus shift differential and focal pay if applicable will be paid for time more than forty (40) worked hours in a work week.

Section 20.2. With the concurrence of the Corporate Program Manager, employees on a regular schedule may alter their daily work schedule to complete forty (40) hours in less than five (5) days.

Section 20.3. An employee who is called back by the Company to perform work after the end of his shift shall be paid at the straight time rate for the hours actually worked, or shall be paid a minimum of four (4) hours pay, whichever is greater.

Section 20.4. Double-time shall be paid for all work performed on the 7th consecutive day of work. There shall be no duplication, or pyramiding of overtime payments

ARTICLE 21: LEAVE OF ABSENCE

Section 21.1. Family Medical Leave Act (FMLA): The Employer agrees to provide the following categories of unpaid time off IAW applicable law and the Company's Employee Policy Manual: family/medical leave. Employees will not be required to reduce vacation below a balance of 40 hours when in an FMLA status. All other benefits shall be administered as set forth in the Company's Employee Policy Manual. For the time period indicated in each instance, leaves of absence (without pay except to the extent vacation credit or sick leave credit can be used and is used under and in accordance with Articles 17 and 20) shall be granted to an employee on the active payroll.

Section 21.2. Union Duties. Employees accepting a full time position as Union representative 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 the privilege of returning to their former position. Likewise, customer schedule permitting, employees shall be granted short-term leave of absence without pay for the purpose of attending union conventions, meetings, etc.

Section 21.2 - Military Duty: Any employee of the Employer who is inducted into or recalled to military service of the United States and who by reason of such service is entitled under the law to be regarded as a veteran, shall, upon his discharge and his receipt of a certificate of the



satisfactory completion of his military obligation, be accorded all rights of The Uniformed Services Employment and Reemployment Rights Act of 1994.

Section 21.3. Emergency Leave: Personnel will be afforded up to three (3) days (24 total hours) of emergency leave to manage any family emergency without pay.

Section 21.4 – Return from Leave of Absence: An employee who applies from Leave of Absence on or before the expiration of the Leave of Absence will be returned in accordance with the following:

21.4.1. When an employee returns from a leave of absence and the period of the leave has not exceeded one year, and the employee is able to perform the job last held, he will be returned to previous position/job classification. This placement may cause surplusing of other employees based on surplusing guidance in Article 11 (Workforce Administration).

21.4.2. When an employee returns from a leave of absence and the period of the leave and the period of leave was in excess of one year, the employee may be returned to the position/job classification last held providing there is an opening in such job classification and placement in such opening is not inconsistent with Article 11 (Workforce Administration) otherwise, he may be placed on layoff.

21.4.3. When an employee returns from a Leave of Absence and is not able to perform the job last held due to medical limitation, he will be considered for any job that he is qualified and able to perform, or if a surplus occurred that would have affected him during such leave, be subjected to surplusing procedures, in accordance with Article 11 (Work Force Administration).

21.4.4. If leave was granted to accept a full-time position with the Union, the employee will be returned to the job last held if such job is then populated. If such job is not then populated, the employee will be returned to one of equal grade.

ARTICLE 22: HOLIDAYS

Section 22.1. The following ten (10) holidays will be provided:

New Years Day	Memorial Day	Veterans Day
Martin Luther King Day	Independence Day	Thanksgiving Day
Presidents Day	Labor Day	Christmas Day
	Columbus Day	



Section 22.2. Upon review of customer support requirements and with concurrence of the Site Manager and Corporate Program Manager, employees may float the Columbus Day* holiday credit to the day after Thanksgiving. Employees working on Columbus Day using this process will not earn holiday premium pay on Columbus Day.

Section 22.3. For employees in the Bargaining Unit, holidays will be observed in accordance with the guidance of the customer’s Office of Personnel Management.

Section 22.4. Employees required to work on the holidays listed above will be paid holiday pay plus one and one half (1½) times for all hours worked including pay additives.

Section 22.5. When schedule dictates and with supervisory authorization, employees will be allowed to "float" a holiday to another day in the same calendar year.

Section 22.6. 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).

ARTICLE 23: VACATION

Section 23.1. Employees shall be eligible for vacation per the following schedule:

Years of Service Completed	Hours Accrued (Annual)	Hours Accrued (Per Pay Period)
0- 4	80 hours	3.08
5-9	120 hours	4.62
10-14	136 hours	5.23
15+	160 hours	6.15

Section 23.2. A prorated award of vacation credits is made to employees at the completion of each pay period in accordance with the schedule as listed in table above. Credit will be given for the employee's total length of service which is continuous with the Company, and other predecessor contractors who performed similar work, and was determined to be a predecessor to the Company under the Service Contract Act. This includes hours lost due to temporary disability under Workmen's Compensation. In addition, if an employee returns from a medical leave, inactive status, within ninety (90) calendar days they will receive an adjustment to their base vacation for any accruals missed up to a maximum equal to three (3) monthly accruals at the rate they would have received. Under no circumstances will an employee receive more than three (3) total monthly accrual adjustments in a calendar year nor more than three (3) per medical leave when the leave takes place during parts of two calendar years. An employee whose medical leave exceeds ninety (90) days will not receive an adjustment for accruals missed, but will begin to accrue vacation upon their return.



Section 23.3. Vacation accrual rates are based on the first day of the month on employee's established anniversary date for vacation eligibility.

Section 23.4. All vacation hours will be paid at the employee's current base rate of pay including all pay additives (shift premiums, COLA's, etc.). Payment in lieu of vacation will be made only if the Company determines that production requirements prevent time off for vacation. Employees may take vacation in half hour increments. Shift determination is based upon the last day worked prior to taking vacation.

Section 23.5. Vacation credits will accumulate in an employee's vacation account up to a maximum of one hundred and twenty (120) hours. There will be no pay-in-lieu of time off for vacation.

Section 23.6. The intent of this provision is to cause each employee to use the vacation credits awarded for time off.

Section 23.7. Vacation requests should normally be submitted in writing (or email) to the Site Focal, Prime Site Manager and Corporate Program Manager at least fourteen (14) calendar days prior to the vacation start to allow for proper schedule coordination to support customer requirements. Later request submissions are allowed due to special or emergency circumstances. All coordinated time-off requests will then be submitted using the Company's automated time-off request. The Company reserves the right to approve or deny vacation requests based on customer support requirements. Vacation may be used in increments of no less than half hour ($\frac{1}{2}$) increments. The Company agrees to not cancel or postpone previously approved vacation without the Employee's mutual agreement. If employee vacation is delayed or denied by the Company, employees are authorized to carry-over up to forty (40) hours of earned vacation following the employees' annual rollover date. The total amount of carry-over vacation hours will never exceed forty (40) hours. All carry-over vacation must be utilized within the first ninety (90) days after the employee's annual rollover date.

Section 23.8. The Company will track the amount of vacation accrued during the year. The accrued vacation will be used to pay out for employees under RIF, layoff or termination.

Section 23.9. Employees who leave the active payroll of the Company, except for reasons of death, shall be paid for all vacation earned up to the time of separation.

Section 23.10. In the event of an employee's death the accumulated vacation will be paid out to the employee's named beneficiary or as required by law. New hire employees may take any vacation earned after completion of their ninety (90) day probationary period.



ARTICLE 24: OTHER PAID TIME OFF

Section 24.1. 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 (beyond 300 miles) is required. Immediate family is defined as follows:

- Parents (your parents, stepparents, or an individual who stood in the place of a parent to you when you were a child).
- Current spouse or current same sex domestic partner.
- Children, stepchildren, foster children, and their current spouses.
- Siblings, stepsiblings, half siblings, and their current spouses.
- Grandparents, step grandparents, grandchildren, and step grandchildren.
- Aunts and Uncles
- Current spouse's or current same sex domestic partner's parents (same definition as employee's parents), grandparents, step grandparents, children, stepchildren, grandchildren, and step grandchildren.
- Current spouse's or current same sex domestic partner's siblings, stepsiblings, half siblings and their current spouses, and aunts and uncles.

Section 24.2. In addition, an employee will be granted bereavement leave for a stillborn child if the employee provides a certificate of fetal death which has been certified by the state or attending physician.

Section 24.3. 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 she received from the court and the earnings he would have received for a regular scheduled eight (8) hour shift, had the employee not been required to be absent from work. Employees called for jury duty and released by the court with less than four (4) hours service will be expected to return to work. Payment will be made at the employee's regular straight time wage rate.

ARTICLE 25: SHIFT PREMIUM

Section 25.1. An employee that is scheduled for a shift that starts between 6:00pm and 6:00am will receive a shift premium of \$4.50 per hour above the employee's regular straight time rate.



ARTICLE 26: BENEFIT PLANS

Section 26.1. Full-Time Employees will be provided Health and Welfare benefits to purchase the Company offered medical (Cigna-\$1000 Ded), dental (Delta Dental) and vision (VSP) plans. The employee is responsible for paying 100% of all monthly premiums. The Company provided Health and Wellness (H&W) pay additive is described in the table below. Any unused monies will remain with the employee, unless otherwise required by law.

Health and Welfare (H&W) Benefit				
C-130 ATS – Little Rock AFB		Starting with the first full pay period after the indicated date below.		
Classification - All	Current	1-Jan-23	1-Jan-24	1-Jan-25
All	\$9.50	\$10.00	\$10.50	\$11.00
H&W is paid for every hour paid up to a maximum of 2,080 hours per calendar year.				

Section 26.2. Federal or State Programs: If during the term of this Agreement, there is mandated by a federal or state government a new or expanded program that affords to employees covered by this Agreement or requires such employees to be offered or provided similar benefits (such as but not limited to medical and dental benefits) to those that are afforded by this Agreement, benefits afforded by this Agreement shall be replaced by such federal or state program. The Company will comply with the provisions for the furnishing of such program to the extent required by law and the union and employees will cooperate in the implementation of a new benefits structure as required by the new law or regulations. No question or issue regarding the level of benefits under the state or federal program will be subject to the grievance and arbitration procedure of Article 18; Adjustment of Grievances.

Section 26.3. Individuals that do not participate in the Company-offered plans must sign a waiver of benefits acknowledging that they have been offered the opportunity to participate in the benefit plan but have declined. Individuals that decline participation may have to provide proof of other medical insurance coverage on an annual basis.

Section 26.4. The Company will provide access to optional Life Insurance, AD&D, Short Term Disability and Long Term Disability coverage per the Company plans with the employee paying 100% of the cost.

Section 26.5. Savings Plan (401K): The Company shall continue to authorize all employees to participate in the Delaware Resource Group plan (401K). The Company will offer a 50% match for match the first 6% of an employee contribution. There are no profit sharing privileges. The total amount of an employees' 401K contribution will not exceed the established IRS maximum contribution levels.



Section 26.6. I.A.M National Pension Fund National Pension Plan:

26.6.1. The Company shall contribute to the I.A.M. National Pension Fund, National Pension Plan for each hour for which employees in all job classifications covered by this Agreement are entitled to receive pay under this Agreement as follows:

IAM Pension Plan Contributions		
Starting with the first full pay period after the indicated date.		
1/1/2023	1/1/2024	1/1/2025
\$1.00	\$1.00	\$1.00
Contributions paid for every hour paid up to a maximum of 2,080 hours per calendar year.		

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

26.6.3. The I.A.M. Lodge and Company 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.

26.6.4. The parties acknowledge that the Trustees of the I.A.M. National Pension Fund may terminate the participation of the employees and the Company 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.

26.6.5. 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.

Section 26.7: Employee Assistance Plan (EAP): The Company will continue to provide an Employee Assistance Plan. Contact information will be provided for posting on the bulletin boards.

Section 26.8: Educational Assistance: Employees will be able to participate in the Company Tuition Assistance Program in accordance with the guidance found in the *Company’s Employee Policy Manual*.



Section 26.9: Changes in Health Care Legislation: The Company and the Union will meet to make changes to the existing Agreement for the sole purpose to address any changes by the U.S. Government in healthcare laws or mandates which require changes to the Benefits stated in this Article.

ARTICLE 27: SICK/PERSONAL TIME OFF

Section 27.1. Sick/Personal Time: Upon completion of their probationary period employees shall earn sick/personal time off credits at the rate of 3.08 hours per pay period worked not to exceed a maximum of eighty (80) hours.

Section 27.2. Use of Sick/Personal Time Off: An employee will be allowed to take sick/personal time off credits, not yet accrued, up to the annual maximum referenced above. Payment for sick/personal time off shall be at the employee's straight time base rate. In no instance, will an employee be allowed to take more than the annual maximum credits allowed nor will an employee be allowed to accumulate credits from year to year. If sick/personal time off credits were taken before awarded and the employee terminates from the company, the credits taken will be deducted from the employee's final paycheck. Sick/personal time off will be paid at an employee's regular rate of pay. There is no payment of Sick/personal time off balance upon termination for any reason.

ARTICLE 28: WAGE RATE SCHEDULE

Basic Wages				
C-130 ATS – Little Rock AFB		Starting with the first full pay period after the indicated date below.		
Job Classifications	Current	1-Jan-23	1-Jan-24	1-Jan-25
Librarian	\$36.80	\$38.46	\$39.61	\$40.80
Training Coordinator	\$36.80	\$38.46	\$39.61	\$40.80

Section 28.1: Paydays: Paydays for employees under this Agreement on all shifts shall be in accordance with the established Company procedure.

Section 28.2. Site Focal: The decision to create a Site Focal position and the appointment of an employee to a Site Focal shall be at the sole discretion of the Company and such rights shall not be subject to the grievance. An employee assigned in writing by the Company for a period of forty (40) consecutive hours as a Site Focal shall be paid a premium of \$3.50 per hour above their base rate on hours worked.



ARTICLE 29: EFFECT OF LAW

Section 29.1. 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 30: SUCCESSORS AND ASSIGNS

Section 30.1. The Agreement shall be binding upon the successors and assigns of the parties hereto until expiration, or until changed by mutual agreement of the parties.

ARTICLE 31: MACHINISTS CUSTOM CHOICE WORKSITE BENEFITS PROGRAM

Section 31.1. It is understood and agreed between the parties that the Machinists Custom Choice Worksite Benefits Program of supplemental insurance benefits will be offered to employees in the bargaining unit through their designated agent, Employee Benefit Systems, Inc. (EBS). Members of the bargaining unit will be given an opportunity to spend up to fifteen minutes with an EBS Counselor at the worksite during breaks and lunch times once per year. The Company reserves the right to coordinate the schedule with EBS to prevent conflict with mission requirements. Access to the facility is pending customer review and approval.

Section 31.2. The Company will honor payroll deduction requests and remit deductions to the underwriting insurance company designated by EBS on a schedule, which is mutually agreed to by the Company and EBS. The Union will defend, save, and hold harmless and indemnify the Company from any and all claims, demands, suits or any other forms of liability that shall arise out of the execution of this Article.



ARTICLE 32: PART-TIME EMPLOYEES

Section 32.1. Part-time employees will receive pro rata payment for eighty (80) hours of holidays, eighty (80) hours of Sick/Personal Time Off and vacation per their years of service on the table in Article 23: Vacation. This calculation will be based on actual hours worked and will be considered the part-time pay in lieu of time off benefit.

This is an example only on how to calculate the rate:

Example: Librarian (with less than four (4) years of continuous employment as of Jan 1, ~~2019~~**2023**):

Pay Rate: $(\$38.46 \times 240) / 2080$

Part-Time Pay In-Lieu of Time Off Pay: \$4.44

Section 32.2. The part-time pay in-lieu of time off benefit will be paid on hours worked.

Section 32.3. The actual date of all increases and changes as identified in this section will be the beginning of the first pay period following the effective date of change as shown in Article 28: Wage Rate Schedule.



ARTICLE 33: TERM AND NOTICE OF CHANGE OR TERMINATION

Section 33.1. This Agreement shall be effective and shall continue in full force and effect through expiration: December 31, 2025 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.

SIGNATURES OF THE PARTIES:

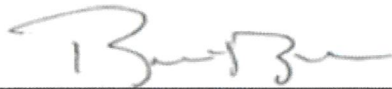
IN WITNESS WHEREOF, each party has caused this Agreement to be executed on the day written by its proper officers or duly designated representatives.

Dated this 20th day of October 2022

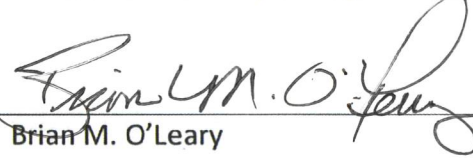
**International Association of Machinists
& Aerospace Workers, AFL-CIO**

**Delaware Resource Group of Oklahoma, LLC
(DRG)**


Melone Wey
Business Representative


Brian Busey
President & Chief Operating Officer


Sharon Smith
LL 463 Recording Secretary


Brian M. O'Leary
Labor Relations Representative


John Metcalf
Chief Steward



ADOPTING REHABILITATION PLAN – PREFERRED SCHEDULE
 SUPPLEMENTAL AGREEMENT BETWEEN

International Association of Machinists and Aerospace Workers, AFL-CIO
 (District Lodge W2 and Local Lodge 463)
 AND
 Delaware Resource Group of Oklahoma, LLC (“DRG”)
 (IAM Pension Employer #: D99C01)

This Supplemental Agreement between International Association of Machinists and Aerospace Workers, AFL-CIO (“Union”) and DRG (“Employer”) supplements the parties’ collective bargaining agreement (the “CBA”) dated from November 19, 2016 through December 31, 2019.

Effective June 1, 2019 [**Date the Preferred Schedule is adopted by the bargaining parties**] (“**Adoption Date**”), Employer will contribute to the Fund under the schedule of additional contribution rates required under the Preferred Schedule of the Rehabilitation Plan adopted by the Board of Trustees of the Fund on April 17, 2019 (the “2019 Rehabilitation Plan”), which is incorporated by reference into this Supplemental Agreement.

The Employer’s current contribution obligations under Article 26 of the CBA are:

YEAR	CONTRACTUAL CONTRIBUTION RATE
Year Supplemental Agreement is adopted:	June 1, 2019
Year 1: Jan 1, 2017	\$ 1.00 per hour paid, up to 2080 hours per year
Year 2: Jan 1, 2018	\$ 1.00 per hour paid, up to 2080 hours per year
Year 3: Jan 1, 2019	\$ 1.00 per hour paid, up to 2080 hours per year
Year 4: not used	\$ per
Year 5: not used	\$ per

- Effective on the Adoption Date, and on each Adoption Date anniversary, the Employer’s contribution rate otherwise obligated under the CBA will increase by compounding 2.5% while the Rehabilitation Plan remains in effect.
- Additional Employer contributions will be rounded to the nearest cent as follows: When rounding, one ½ cent and greater will be rounded up, less than one ½ cent will be rounded down.

All remaining provisions of the CBA remain in effect to the extent they are consistent with the 2019 Rehabilitation Plan.

AGREED TO this 30th day of May, 2019, by and between:

Union
 IAMAW District Lodge W2
 By:

Employer
 Delaware Resource Group of Oklahoma, LLC
 By:

Melone Irwin
 District Business Representative

Brian Busey
 President and Chief Operating Officer

MEMORANDUM OF AGREEMENT #1 – INCORPORATION OF LITTLE ROCK SCHEDULER

Section M1.1 – This Memorandum of Agreement between Delaware Resource Group of Oklahoma, LLC (DRG) and International Association of Machinists and Aerospace Workers, District Lodges 171 and Local Lodge #463 (Union) is effective on February 1, 2023, in reference to the Collective Bargaining Agreement (Agreement), dated January 1, 2023, supporting the C-130 ATS services contract at Little Rock AFB, Arkansas.

Section M1.2 – It is hereby understood and agreed that the workforce supporting the C-130 ATS program at Little Rock AFB, Arkansas agrees to becoming participants on the existing Agreement between the Union and DRG (C-130 ATS Little Rock AFB) as noted in the above section with the following additions.

Section M1.3 – Recognition – A new Section 1.2(a) as presented below is added to the Agreement.

Section 1.2(a) – Definition of Unit (Little Rock AFB) – The bargaining unit includes all full-time and part-time Schedulers employed by the Employer at the Little Rock Air Force Base, on the C-130 ATS; excluding all other employees, office clerical employees, professional employees, managerial employees, guards, and supervisors as defined in National Labor Relations Board Certification of Representative, case 26-RC-8022 and 26-UC-195.

Section M1.4 – Seniority (Article 15); It is agreed by all parties that seniority will be maintained at the local site level for all issues concerning surplusing or recall actions. Seniority for the four Union sites will not be aggregated into a single Seniority Roster.

Section M1.5 – HOLIDAYS (Section 22.1) will be replaced with the following:

The following eleven (11) holidays will be provided to all full-time employees:

- New Year's Day
- Martin Luther King's Birthday
- President's Day
- Memorial Day
- Juneteenth
- Independence Day
- Labor Day
- Columbus Day
- Veteran's Day
- Thanksgiving Day
- Christmas Day

Section M1.6 – Vacation (Section 23.1) will be supplemented with the following information:

Section 23.1(a) All full-time employees, upon completion of each month of continuous service, earn paid vacation as follows:

Years of Service	Months of Service	Hours Accrued (Annually)	Hours Accrued (bi-weekly)
0 – 1	0-12	Up to 40/yr.	1.538
1 – 4	13-48	Up to 80/yr.	3.077
4 – 11	49-132	Up to 120/yr.	4.615
11 – 13	133-156	Up to 128/yr.	4.923
13-14	157-168	Up to 136/yr.	5.231
14+	169 and Above	Up to 160/yr.	6.154

Vacation will be accrued bi-weekly for any pay periods in which the employee receives compensation from the Company or during periods of FMLA, and short-term disability.

The hours will be granted (available to be taken) the following pay period. Vacation accrual rates are based on the employee's established anniversary date for vacation eligibility.

Vacation will be scheduled and authorized in consideration of employee preference, projected operating requirements and seniority. In an effort to balance vacation entitlements and operating requirements, while controlling disruption to other members' schedules, employees will be expected to plan a minimum of twenty-five percent (25%) of their annual vacation accrual for the upcoming six-month vacation window as follows:

Scheduling WindowScheduling Period
September 1 – September 15.....January 1 – June 30
March 1 - March 15July 1 December 31

Maximum vacation units/slots will be determined by management based upon projected staffing requirement. Every reasonable consideration will be given to grant employee requests. In the event that requests are projected to exceed operating projections, employee seniority by crew position or classification will be the determining factor for approval. Vacation requests authorized by management during the scheduling Windows, will not be rescinded by employees nor revoked by management. Exceptions to this condition may only be considered based upon an extreme change in conditions from those at the time of original planning and require mutual agreement between the employee and management.

The balance of unplanned vacation entitlements for the coming year will be granted on a first come/first served basis, in consideration of employee preference, projected operating requirements and seniority. In the event that requests are projected to exceed operating

projections, employee seniority by crew position or classification will be the determining factor for approval.

In the event that a committed, vacation unit becomes available due to the rescinding or revocation conditions detailed above, opportunity to schedule a replacement unit will be at the discretion of management. In the event that a new opportunity becomes available, operating requirements, prior denial, special needs and seniority will be considerations in filling/approving the vacation request.

All vacation hours will be paid at the employee's current base rate of pay including Lead Premium and/or Shift Premium as applicable. Payment in lieu of vacation will be made only if the Company determines that production requirements prevent time off for vacation. Employees may take vacation in half (0.5) hour increments. Shift determination is based upon the last day worked prior to taking vacation.

Vacation credits will accumulate in an employee's vacation account. On their anniversary date, they will only be able to carry over up to a maximum of two (2) times their annual accrual rate.

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.

This supplemented info to Section 23.1 (a) is only valid through December 31, 2023 for employees added per this MOA#1. Starting with the first full pay period after January 1, 2024 Section 23.1 will apply to all employees added per this MOA #1. Section 23.1(a) will no longer exist after December 31, 2023.

Section M1.7 – Group Benefits (Article 26); Section 26.1 is supplemented with the following additional data:

ARTICLE 26 – GROUP BENEFITS

Section 26.1(a) – C-130 ATS (LRAFB) H&W Stipend Table

Cash in Lieu	Effective 1/1/2023
Hours Paid	\$ 9.00

This supplemented H&W Stipend Table is only valid through December 31, 2023 for employees added per this MOA#1. Starting with the first full pay period after January 1, 2024 the Health and Welfare (H&W) Benefit table in 26.1 will apply to all employees added per this MOA #1.

Section M1.8 – Savings Plan (Section 26.5); Section 26.5 is supplemented with the following additional data:

Section 26.5(a)– SAVINGS PLAN (401(K))

The Company will provide a 401(k) Plan for bargaining unit employees, to which plan eligible employees may defer compensation within the limitations provided by the plan document. The

Company will provide a four percent (4%) contribution on behalf of the employees. All conditions of participation, eligibility, vesting and distribution of benefits will be governed by the Company's 401(k) Plan document. In no event will the Company contributions exceed the maximum contribution permitted by the language of the 401(k) plan.

This supplemented Savings Plan (401(k)) Section 26.5(a) is only valid through December 31, 2023 for employees added per this MOA#1. Starting with the first full pay period after January 1, 2024, Section 26.5 Savings Plan (401(k)) will apply to all employees added per this MOA #1.

Section M1.9 – IAM NATIONAL PENSION Fund National Pension Plan: (Section 26.6)

Starting with the first full pay period after January 1, 2024 Section 26.6 I.A.M National Pension Fund National Pension Plan, will apply to all employees added per this MOA #1.

Section M1.10 SICK/PERSONAL TIME OFF (Article 27), Article 27 is supplemented with the following additional data:

SECTION 27.1(a): Sick/Personal Time: Full-time employees shall be credited in an advanced PTO of eighty (80) hours annually on January 1st. The lump sum of PTO/Sick Leave credits are granted in advance and are hours that would have been accrued during the calendar year. Employees hired after January 1st will have a prorated balance for the remainder of the year which will be accredited to their account no later than the second pay period.

PTO absences may be charged in the lowest chargeable time unit per the time charging/payroll system, up to a maximum of the fully scheduled work shift.

SECTION 27.2(a): USE OF PTO: An employee will be allowed to take PTO credits, not yet accrued, up to the annual maximum referenced above. Payment for PTO shall be at the employee's straight time base rate, including pay additives where applicable. In no instance will an employee be allowed to take more than the annual maximum credits allowed. Employees may carryover a maximum of fifty-six (56) total hours. PTO banks may not exceed one hundred and thirty-six (136) hours between current year and carry over bank. PTO time is eligible for compensation upon separation of an employee for any reason.

SECTION 27.3(a): SCHEDULING OF PTO: In the event of the use of PTO to cover an absence due to unplanned circumstances, employees are to contact their manager as soon as practicable prior to the beginning of the scheduled work shift. Where this is not possible, contact should be made at the earliest possible opportunity.

In the event of the use of PTO to cover absence due to a planned, personal matter, employees are to schedule for the absence by providing a minimum of ninety-six (96) hours notification (or greater) wherever possible, subject to management approval based on operational requirements.

Employees who leave the active payroll of the Company, except for reasons of death, shall be paid for all vacation earned and deferred up to the time of separation.

In the event of an employee's death the accumulated vacation will be paid out into the employee's estate.

This supplemented Sick Personal Time OFF is only valid through December 31, 2023 for employees added per this MOA#1. Starting with the first full pay period after January 1, 2024 the Sick Personal Time Off Sections 27.1 and 27.2, will apply to all employees added per this MOA #1.

Section M1.11 – Wage Rate Schedule (Article 28); is supplemented with the following additional Basic Wages table data that will apply specifically and singularly to the Little Rock AFB employees:

ARTICLE 28 - WAGE RATE SCHEDULE:

Basic Wages			
C-130 ATS-Little Rock AFB		Starting with the first full pay period after the indicated date below	
Classification	Current	1/1/2024	1/1/2025
Scheduler	\$ 33.00	\$ 33.99	\$ 35.01

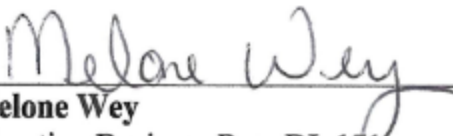
Section M1.12 – The changes agreed to within this MOA do not affect any other Sections or Articles of the existing Agreement. Therefore, all other Article and Sections remain unchanged and in effect for all parties.

This MOA will remain in effect for the duration of the Agreement.


Dated this 17th day of January, 2023.

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS, AFL-CIO,
DISTRICT LODGE NOs. 171 and 463**

**DELAWARE RESOURCE GROUP OF
OKLAHOMA, LLC**



Melone Wey
Directing Business Rep. DL 171



Brian Busey
President and Chief Operating Officer