AGREEMENT

between

LOCKHEED MARTIN CORPORATION

MISSILES and FIRE CONROL

Grand Prairie

and the

INTERNATIONAL UNION,

UNITED AUTOMOBILE, AEROSPACE

and

AGRICULTURAL IMPLEMENT WORKERS of AMERICA

(UAW)

and its Local No. 848

October 19, 2024 to October 27, 2028



LOCKHEED MARTIN

TABLE OF CONTENTS

Article	Page
AGREEMENT	1
ARTICLE 1 PREAMBLE	
ARTICLE 2 MANAGEMENT RESPONSIBILITIES A	ND FUNCTIONS1
ARTICLE 3 RECOGNITION	2
Section 1. Certifications	2
Section 2. Employees Covered by the Agreement	2
Section 3. Successor Clause	3
ARTICLE 4 REPRESENTATION, DUTIES AND RES	PONSIBILITIES3
Section 1. Type and Number of Representatives	
Section 2. Eligibility Requirements	4
Section 3. Restrictions on Transfer or Loan	
Section 4. Scheduling of Overtime, including Holidays	5
Section 5. List of Union Representatives and Notice of Ch	
Section 6. Stewards	
Section 7. Shop Committeepersons	
Section 8. Chairperson of the Plant Grievance Committee.	8
Section 9. Paid Union Time	
Section 10. Local 848 President	10
ARTICLE 5 GRIEVANCE, ARBITRATION AND DIS	
PROCEDURES	
Section 1. Union Grievance	
Section 2. Employee Grievance	
Section 3. Pre-Step	
Section 4. First Step	11
Section 5. Second Step	12
Section 6. Third Step	
Section 7. General Provisions of the Grievance Procedure	
Section 8. Pre-arbitration Review Step	
Section 9. Arbitration	
ARTICLE 6 WORK HOURS, OVERTIME AND PREI	
Castion 1 Workday and Workyyaak	
Section 1. Workday and Workweek	
Section 2. Time and One-half	
Section 4. Special Shifts	
Section 4. Special Shifts	
Section 5. Work on a Holiday	
Section 6. No Pyramiding or Duplicating	

Section 7. Distribution of Overtime	21
Section 8. Offsite Overtime	24
ARTICLE 7 SENIORITY	24
Section 1. Layoff	24
Section 2. Recall and Return Rights	27
Section 3. Loan Provisions (With Employees on Layoff)	28
Section 4. Information Furnished to Union	29
Section 5. Promotions	29
Section 6. Inter-Unit Transfers	31
Section 7. Shift Preference	31
Section 8. Sixty-Day Clause	32
Section 9. Excluded Employee Entering Unit	32
Section 10. Probation Period	
Section 11. Loss of Seniority	34
Section 12. Period of Recall	35
Section 13. Seniority of Union Representatives	35
Section 14. Same Seniority Date	35
ARTICLE 8 WAGE RATES, PERFORMANCE AWARD	S AND
SHIFT DIFFERENTIALS	36
Section 1. General Increases	36
Section 2. Automatic Progression Within Labor Grade	37
Section 3. Promotions/Transfers/Recalls	37
Section 4. Rate Ranges	39
Section 5. Lump Sum Awards	41
Section 6. Shift Differential	41
Section 7. Cost-of-Living Allowance (COLA)	41
ARTICLE 9 JOB CLASSIFICATIONS, FAMILIES AND	D LABOR
GRADES	
Section 1. Changes in Job Family Appendices	
Section 2. Work Outside Job Family	45
Section 3. Involuntary Transfer to Lower Classification	
Section 4. Proper Classification	
Section 5. Lead Classifications	
ARTICLE 10 HOURS NOT WORKED, INCOMPLETE I	
	47
Section 1. Bereavement Pay	
Section 2. Holidays	
Section 3. Jury Duty/Witness Pay	
Section 4. Rest Periods	
Section 5. Paid Absence Allowance	50

Section 6.	Vacations	52
Section 7.	Voting Time	55
Section 8.	Incomplete Day's Work	55
Section 9.	Rate of Pay	56
). Plant Closure	
ARTICL	E 11 LEAVE OF ABSENCE	56
Section 1.	Personal	56
Section 2.	Medical Leave of Absence	57
Section 3.	Military Leave	57
Section 4.	Union	58
Section 5.	Leaves Other Than Short Term Disability	58
Section 6.	Family and Medical Leave (FML)	58
Section 7.	Return to Work and Reasonable Accommodations	58
Section 8.	Parental Leave	59
ARTICL	E 12 BENEFITS	59
Section 1.	Medical Plans	59
Section 2.	Dental Plans	60
	Vision Plans	
Section 4.	Other Plans	60
Section 5.	General Provisions	63
Section 6.	Retiree Medical	65
	Retirement and Savings Plans	67
	E 13 STRIKES, SLOWDOWNS, STOPPAGES AND	
	JTS	
	No Strike	
	No Lockout	
	E 14 CHECKOFF AGREEMENT	
	Authorization for Union Dues	
	Application of Checkoff	
	E 15 OFF-SITE OPERATIONS	
	Definition of Off-Site	
	Application of the Agreement	
	Rules of Cognizant Agency	
	Lists Required	
	Grievance Procedure	
	Application of Checkoff	
	Policies and Practices	
	Assignment to Off-Site Locations	
Section 9.	Travel Pay	79

ARTICLE 16 SUBCONTRACTING AND MAJOR MAINTENANCE	
OR FACILITIES CONSTRUCTION WORK	80
Section 1. Intent	
Section 2. Conditions	
Section 3. Notification	81
Section 4. Major Construction	
ARTICLE 17 QUALIFICATIONS ENFORCEMENT AND WAIVER	
Section 1. Specific Performance	
Section 2. Waiver	
ARTICLE 18 GENERAL PROVISIONS	
Section 1. Workforce Flexibility	83
Section 2. Safety	
Section 3. Union Bulletin Boards	
Section 4. Nondiscrimination	
Section 5. Absence for Union Business	
Section 6. Education Assistance	
Section 7. Security and Access	87
Section 8. Tobacco Free Work Environment	
Section 9. Awards Program	
Section 10. Company Expressions of Sympathy	
Section 11. Vacation Donation	
ARTICLE 19 ATTENDANCE AND DISCIPLINE PROGRAMS	
Section 1. Attendance Program	
Section 2. Professional Conduct and Performance Discipline	
Section 3. Disciplinary Meeting	93
ARTICLE 20 SEVEN DAY OPERATIONS	
Section 1. General Provisions	
Section 2. Vacation Accrual Schedule	
Section 3. Holidays	
ARTICLE 21 DURATION	
Section 1.	
Section 2.	
Section 3.	
LETTERS OF AGREEMENT TABLE OF CONTENTS	
LETTERS OF AGREEMENT	
JOB FAMILY APPENDIX	
ACCOUNTING SCHEDULE YEAR 2025	
ACCOUNTING SCHEDULE YEAR 2026	
ACCOUNTING SCHEDULE YEAR 2027	.121
ACCOUNTING SCHEDULE YEAR 2028	.122

AGREEMENT

This Agreement is made and entered into this 19th day of October 2024, by and between Lockheed Martin Missiles and Fire Control - Dallas (located at Grand Prairie, Texas) hereinafter called the "Company," and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, and its Local Union 848, hereinafter called the "Union."

ARTICLE 1 PREAMBLE

It is the intent and purpose of the Parties hereto that this Agreement promote and improve the industrial and economic status of the Parties, provide orderly collective bargaining relations between the Company and the Union, and secure a prompt and fair disposition of grievances to eliminate interruptions of work and interference with the efficient operation of the Company's business.

ARTICLE 2 MANAGEMENT RESPONSIBILITIES AND FUNCTIONS

It is recognized and agreed that, in addition to other functions and responsibilities not specifically mentioned in this paragraph, the Company has and will retain the sole right and responsibility to direct the operations of the Company. This includes the determination of the number and location of its plants, the product to be manufactured, the types of work to be performed, the schedules of production, the shift schedules and hours of work, and the methods, processes and means of manufacturing. Furthermore, the Company has responsibility for selecting, hiring and demoting employees as well as making and applying rules and regulations for production, discipline, efficiency and safety. It also has the right and responsibility to discharge or discipline any employee for just cause, to lay off any employee because of lack of work or other cause, and to transfer and promote any employee. This applies except as hereinafter provided.

ARTICLE 3 RECOGNITION

Section 1. Certifications

The Company recognizes the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, and its Local Union 848, as the sole collective bargaining agency for the employees as designated in the National Labor Relations Board (NLRB) Certification No. 16-RC-1744, dated July 19, 1946, the NLRB Certification of Representatives in Case No. 16-RC2696 (Bargaining Union – Voting Group 1), dated April 12, 1960, those employees designated in NLRB Certification No. 16-RC-3476, dated August 29, 1963, and those employees designated in the mutual Agreement between the Parties, dated December 8, 1961.

Section 2. Employees Covered by the Agreement

- a. The term "employee" as used herein applies to and includes all production, and maintenance employees, experimental department employees, inspectors, and leadmen (any laboratory or engineering department job presently in the collective bargaining unit will remain in the collective bargaining unit for the duration of this Agreement). The term "employee" excludes maintenance electrical employees, main office clerical employees, confidential clerks assigned to general supervisors or above, employees in industrial relations, medical, industrial security and engineering departments, and supervision as defined in Section 2 of the National Labor Relations Act, as amended.
- b. Excluded employees of the Engineering Department will not be used to perform the work of employees covered by this Agreement for the purpose of avoiding coverage under this article.
- c. It is agreed that a part of the work done by excluded engineering and laboratory employees is similar in some respects to some of the work done by bargaining unit employees. It is further agreed that these excluded employees may perform work in the development of hardware consisting of articles for engineering qualifications and tests, up to its release to employees in the bargaining unit.

Section 3. Successor Clause

This Agreement, including any letters and memorandum (the "Agreement") will be binding upon the Company, its successors and assigns. In the event that the Company disposes of all or part of its operations covered by this Agreement, the Parties agree as a condition of such disposition, the acquiring employer will recognize the Union and accept the terms and conditions of this Agreement. This Agreement will likewise be binding upon the Union, its successors and assigns.

ARTICLE 4 REPRESENTATION, DUTIES AND RESPONSIBILITIES

Section 1. Type and Number of Representatives

For the purpose of adjusting grievances under this Agreement:

- a. A Steward will be permitted within the collective bargaining unit area. The number of stewards and their assignment in the plant will be mutually agreed upon by the Company and the Union. It is agreed that there will be one (1) Steward for every one hundred and seventy-five (175) employees within a zone. The job families represented by a Steward will be known as a district. The number of districts permitted within a zone is that number that results when the total number of employees normally assigned to a zone is equally divided by one hundred and seventy-five (175) plus one (1) additional district for any remaining employees.
 - (1) Increase in the Number of Districts The Union may notify the Company that redistricting is being requested to add district(s) where permitted under Article 4, Section 1.a. Where possible, redistricting will be established by mutual agreement. If both Parties fail to reach a mutual agreement within four (4) days following receipt of the Union's request to redistrict, either Party may, upon written notice, divide the district(s) having the largest number of employees into two (2) equal districts.
 - (2) Reduction in the Number of Districts The Company may notify the Union that redistricting is being requested for the purpose of eliminating a district in the zone having the least number of employees, as permitted under the provisions of Article 4, Section 1.a. In the event there are more than one districts having an equal number of employees the district with the representative being farthest out of line of seniority will be reduced. Where possible, this redistricting will be

accomplished by mutual agreement; however, reassignment of employees to a district because of a reduction will be accomplished by assigning them to the district, which has boundaries that border the greater amount of the district eliminated. If the Parties fail to reach an agreement, either party upon written notice may then eliminate the district in the zone having the least number of employees. Elimination of the district will not be effective earlier than three (3) days following notification to the Union.

- b. There will be a minimum of two (2) shop Committeepersons for the purpose of handling grievances as provided hereinafter. The job families that each of the shop Committeepersons represent will be a zone and will be mutually agreed upon by the Company and the Union. The plant Grievance Committee of the Union will not exceed four (4), including the Chairperson of the Plant Grievance Committee, the President of the Union and the shop Committeepersons. Members of the Plant Grievance Committee will meet as hereinafter provided. The number of Committeepersons on first shift will be two (2). In the event the bargaining unit employment on first shift reaches five hundred twenty-five (525) employees, an additional Committeeperson may be added. For each additional five hundred twenty-five (525) Bargaining Unit employees assigned to the first shift, an additional Committeeperson may be added for that shift.
 - (1) In the event bargaining unit employment on second shift reaches three hundred fifty (350) employees; an additional Committeeperson may be added for that shift.
 - (2) The total number of Committeepersons will not exceed eight (8) unless mutually agreed by the Parties.
 - (3) Should bargaining unit employment levels decrease, the number of Committeepersons would be reduced in the same proportion in which they were added. The minimum number of Committeepersons is two (2).
- c. An international representative will be permitted to attend the regular third-step meetings (see Article 5) scheduled weekly, or upon notice to the Company of not less than twenty-four (24) hours, to attend special meetings of the Plant Grievance Committee that have been scheduled by mutual consent.
- d. A duly appointed Union Representative may attend meetings of the Lockheed Martin Missiles and Fire Control Dallas Charity Fund Committee (Grand Prairie, Texas).

Section 2. Eligibility Requirements

- a. Only an employee of the Company will act as a shop Committeeperson or Steward or Chairperson of the Plant Grievance Committee under this Agreement.
- b. No employee will act as a shop Committeeperson or Steward unless, at the time of **their** selection, **they have** been employed by the Company for a period of more than one hundred twenty (120) days.

Section 3. Restrictions on Transfer or Loan

The Company will not transfer or loan a Steward or a shop Committeeperson outside **their** respective district or zone, provided there is available work within **their** job classification.

Section 4. Scheduling of Overtime, including Holidays

Each representative must meet the requirements of Article 6, Section 7.a.(4) when offered overtime. During periods of overtime, Stewards and shop Committeepersons will handle only those grievances for which the condition-giving rise to the grievance occurred during the immediate period of overtime. If the Steward is not working in the district, the supervisor, upon request of the employee, will call the nearest Steward working in the zone to act as the Steward of the district. If no Steward is working in the zone and the Committeeperson is working, the supervisor will call the Committeeperson to act as the Steward of the district. If no Union representatives are working in the zone, the nearest available Steward will be called.

Section 5. List of Union Representatives and Notice of Change

The Union will furnish the Company with a list of its officers, Plant Grievance Committee members, and Stewards, and will notify the Company in writing of any changes therein. Such list and notice of changes will be given in writing to the Labor **and Employee** Relations Senior Manager at least one (1) working day before an officer, shop Committeeperson, or Steward performs any act under the terms of this Agreement. Exceptions to this period of notice may be made by mutual agreement. No officer, Steward, or shop Committeeperson will be recognized by the Company until

5

written notification of **their** appointment has been received by the Company from the President of the Union or **their** designee.

Section 6. Stewards

- a. A Steward may, after notifying **their** supervisor or in **their** absence, **their** designated representative, or Labor **and Employee** Relations, of **their** purpose and destination, and receiving their approval, will clock to the appropriate charge number and be allowed to leave **their** job or unit to handle grievances, or to discuss with the shop Committeeperson the advisability of appealing a grievance to the second step in the manner provided under Article 5, Section 4, or to perform the following functions:
 - (1) Investigate and, if necessary, present to a supervisor in **their** district a grievance of violation of an employee's recall rights, or a written grievance signed by an aggrieved employee that the Steward has received outside of working hours.
 - (2) Meet with an aggrieved employee's supervisor who is not located in the district where the grievance originated. When necessary arrangements have been made for such a meeting, the supervisor of the Steward involved will call the supervisor of the aggrieved employee or will give permission to the Steward to contact the aggrieved employee's supervisor at **their** headquarters.
 - (3) Request of **their** (the Steward's) supervisor the presence of the shop Committeeperson for the zone in order to make a joint investigation before a grievance is appealed to the second step of the grievance procedure.
 - (4) Attend meetings scheduled with the shop Committeeperson of **their** zone, the superintendent or **their** designee, and/or a Labor **and Employee** Relations representative when a grievance has been appealed to the second step of the grievance procedure.
- b. When it is necessary to enter a unit or area supervised by a supervisor other than their own, the Steward will immediately report to the supervisor of that unit or area and advise them of their presence. In the event of the supervisor's absence, the Steward will notify the supervisor's designated representative or Labor and Employee Relations.
- c. A Steward is to handle only grievances arising in their district. However, they will be given permission to make investigation outside of their district when it is necessary to obtain pertinent facts in a case being investigated. This does not give roving privileges to a Steward.

6

- d. In the absence of a shop Committeeperson, a Steward from the zone may be appointed to act in their place. The Union must notify the Company twenty-four (24) hours in advance of the appointment. The twenty-four (24) hour requirement is waived when the absence of the shop Committeeperson is due to illness.
- e. A supervisor will make every effort to call a Steward immediately, but in no event will more than two (2) working hours elapse before a Steward is called.
- f. If a Steward is not available in the district, the supervisor upon request of the employee will call upon the nearest Steward in the zone to handle the grievance.
- g. A steward will be assigned to second shift.

Section 7. Shop Committeepersons

- a. A Committeeperson may, after notifying **their** supervisor, or in **their** absence, **their** designated representative, or Labor **and Employee** Relations, of **their** purpose and destination, and receiving their approval, will clock to the appropriate charge number and be allowed to leave **their** job or unit to handle grievances as called out in the grievance procedure or other appropriate Union business including the following functions:
 - (1) Attend regularly scheduled meetings with the Grievance Review Committee to be held not more than once each week. No later than the fifth regularly scheduled workday before the meeting, the Chairperson of the Plant Grievance Committee must present to the Labor **and Employee** Relations Senior Manager a written agenda stating fully the specific grievances to be discussed.
 - (2) Attend any special meeting relating to discharge or other matters that cannot reasonably be delayed until the next regular meeting of the Plant Grievance Committee and the Grievance Review Committee.
 - (3) Attend any meeting requested by a supervisor, superintendent or Labor **and Employee** Relations representative to discuss shop problems or pending grievances.
 - (4) Attend any special meeting between Company representatives and the Plant Grievance Committee that have been scheduled by mutual agreement.
 - (5) Investigate a grievance in the absence of a Steward, or subsequent to the receipt by the shop Steward of the Company's first-step decision, to determine the advisability of appealing the grievance to second step.
 - (6) Present grievances in the absence of a Steward, as provided under Article 4, Section 4.

Section 8. Chairperson of the Plant Grievance Committee

- a. The Chairperson of the Plant Grievance Committee will be **paid** at the maximum rate for a labor grade 1 to perform the duties listed and in accordance with the procedure set forth below.
- b. After notice to the Labor **and Employee** Relations Senior Manager or **their** designated representative, the Chairperson of the Plant Grievance Committee will clock to the appropriate charge number to perform the following functions:
 - (1) Investigate a Union grievance as defined under Article 5, Section 1.
 - (2) Introduce a Union grievance in accordance with Article 5, Section 1.b.
 - (3) Transact business with a shop Committeeperson as outlined under Article 4, Section 7.a.
 - (4) Investigate a grievance, subsequent to the receipt by the shop Committeeperson of the Company's second-step decision, to determine the advisability of appealing the grievance to the third step.
 - (5) Prepare the agenda as required under Article 4, Section 7.
 - (6) Attend meetings with the Grievance Review Committee.
 - (7) Receive on behalf of the Union the Company's answers to grievances following the third-step meeting.
 - (8) Participate in the investigation of a grievance subsequent to having received the Company's third-step decision for the purpose of determining the advisability of appealing the grievance to arbitration.
 - (9) Receive the listings furnished the Union by the Company under the terms of this Agreement.
 - (10) Any special meetings relating to discharge or other matters that cannot reasonably be delayed until the next meeting of the Grievance Review Committee and the Plant Grievance Committee.
 - (11) Attend any meeting requested by a supervisor, superintendent or Labor and Employee Relations representative to discuss shop problems or possible grievances.
 - (12) Post Union bulletin boards. Information posted must be first approved by Labor and Employee Relations. Approved information should be noted with initials, with a copy retained by Labor and Employee Relations.
 - (13) Perform, with the approval of the Labor and Employee Relations Senior Manager, other special functions not specifically enumerated above.

Section 9. Paid Union Time

- a. Paid Union time for the Chairperson of the Bargaining Committee will be determined by bargaining unit size. If the number of employees covered by this agreement is 349 or less employees, the Company will provide compensation up to ten (10) hours per week for the Chairperson of the Bargaining Committee. If the number of employees covered by this agreement is 350 or more employees, the Company will provide compensation up to twenty (20) hours per week for the Chairperson of the Bargaining Committee. If the number of employees covered by this agreement increases to over 600 employees, the Company will provide compensation up to forty (40) hours per week for the Chairperson of the Bargaining Committee. Hours for the Chairperson are inclusive of all grievance procedure meetings (i.e. 2nd step and 3rd step), as well as duties involving collectively bargained benefit plans and safety duties. Hours for the Chairperson do not include special meetings called by the Company, so long as the allocated hours have already been exhausted.
- b. The Company will compensate the Stewards and Committeepersons up to twenty (20) hours without loss of pay in any work week for the purpose of investigating grievances on their shift. If the number of employees covered by this agreement is 349 or less employees, the Company will provide compensation up to ten (10) hours per week for Stewards and Committeepersons. Hours for Stewards and Committeepersons are inclusive of all grievance procedure meetings (i.e. 2nd step and 3rd step), but do not include special meetings called by the Company, so long as the allocated hours have already been exhausted.
- c. In the event an Alternative Work Schedule exceeding three (3) months in duration is established outside of the normal workday and workweek per Article 6, Section 1 of this Agreement, excluding Powerhouse Operations, a new District will be established and a Steward will be assigned to said District. All of the following provisions will apply:
 - (1) A minimum of twenty-five (25) bargaining unit employees must be assigned to the shift.
 - (2) Stewards will follow the checkout procedures as outlined in Article 4, Section 7, a. and are not subject to paid union business for the second half of their shift.
 - (3) Such stewards will only represent employees on the alternative schedule in their respective district.

d. Checkout procedures as described in Article 4, Sections 6 and 7 will be required during all periods of paid Union time and Union representatives must clock out to perform bona fide Union duties. Checkout procedures as described in Article 4, Section 8 will only apply when paid Union time for the Chairperson of the Plant Grievance Committee is below forty (40) hours/week. All other provisions shall apply. Union representatives must receive prior approval from Labor **and Employee** Relations to be paid for any time off the clock to perform Union duties that exceeds the weekly limits above, or the time will not be paid by the Company.

Section 10. Local 848 President

- a. To the extent permissible by law, the Company will pay the salary of the President of UAW Local 848 if elected while an employee of Lockheed Martin Missiles and Fire Control Dallas. Such pay will be the President's hourly base rate of pay for a minimum of twenty (20) hours per week and will exclude any shift or premium pay. No overtime or expenses will be paid by the Company. Any additional time needed will be subject to discussion between the Company and Union.
- b. The President will remain an employee of the Company and will be eligible for all employee benefits provided to employees of the bargaining unit. Any performance award payments paid to employees of the bargaining unit will also be paid to the President. UAW Local 848 W-2 earnings will be included in calculation of performance award payment.

ARTICLE 5 GRIEVANCE, ARBITRATION AND DISCHARGE PROCEDURES

Section 1. Union Grievance

- a. A Union grievance is a difference between the Company and the Union concerning:
 - (1) Working conditions.
 - (2) The interpretation or application of any provision of this Agreement that cannot be settled at the first and second steps of the grievance procedure set forth below.

b. A Union grievance may be introduced by the Chairperson of the Plant Grievance Committee to the Labor **and Employee** Relations Senior Manager and the grievance will be discussed at the next regular third-step meeting. The Company's disposition will be given as soon as possible, but in no event later than fourteen (14) calendar days (unless extended by mutual consent) following the meeting in which the grievance was discussed. Special meetings between representatives of the Company and the Plant Grievance Committee will be by mutual consent.

Section 2. Employee Grievance

- a. An employee grievance is a difference between the Company and any employee concerning the interpretation or application of any provision of the Agreement.
- b. When any such grievance arises, an earnest effort must be made to settle it according to the following sequence and procedure.

Section 3. Pre-Step

a. Any complaint or problem can be verbally discussed between an employee and **their** immediate supervisor with or without a Steward. The supervisor shall give **their** response verbally. Any resolution at Pre-Step shall have no precedential value. If the complaint or problem has not been resolved, and if it involves the interpretation and application of any of the terms of this Agreement, it shall be presented in accordance with Section 4.

Section 4. First Step

- a. Any employee having such a grievance will present it orally to **their** supervisor either personally or through **their** Steward, where an earnest attempt will be made to resolve the grievance. The supervisor shall give **their** response orally within eight (8) calendar days after its presentation. Should the grievance not be settled orally at first step, the Union may, within eight (8) calendar days, move the grievance to Second Step by reducing the grievance to writing signed by the employee, setting forth, on the grievance form, all of the available facts of the alleged violation. The Company-provided forms shall be mutually agreed to by the President, Chairperson of the Plant Grievance Committee, and the Company. The grievance form must indicate:
 - (1) A statement of the grievance and the facts upon which it is based.

- (2) The section or sections of the Agreement claimed to have been violated.
- (3) The remedy or correction requested. The disposition at the first and second steps of this procedure, together with the dates thereof, must be noted thereon and signed by the respective representatives of the Company and the Union.
- b. The Union will have the right to investigate and present a grievance of violation of an employee's recall rights by following the procedure as outlined in Article 5, Section 4.a.
- c. If an appeal for the disposition of a grievance at the first step of the grievance procedure is not taken within eight (8) calendar days from the date of such decision, the grievance will be considered withdrawn without prejudice to either Party.
- d. If the grievance is not timely appealed to Second Step, the grievance will be considered withdrawn and closed.

Section 5. Second Step

- a. If the grievance is not settled by the employee's supervisor and the Steward, then the shop Committeeperson and the Steward within whose area the grievance arose will take up the grievance with the appropriate manager or **their** designee at a scheduled meeting. Upon request of the shop Committeeperson and/or the manager, a Labor **and Employee** Relations representative will attend such meeting. If the grievance is appealed to this step of the grievance procedure, and the shop Committeeperson assigned to the area of the plant in which the grievance arose is unable to handle it because **they are** absent from the plant, then upon request by the Steward to the Labor **and Employee** Relations Senior Manager or **their** designated representative, the grievance may be investigated and presented by the acting shop Committeeperson for that zone. For the purpose of adjusting grievances at this stage of the procedure, a shop Committeeperson or the acting shop Committeeperson will represent only employees assigned to the zone in which **they are** employed, except as provided in Article 5, Section 4.b.
- b. Meetings of the appropriate manager (or designated representative) and/or Labor **and Employee** Relations representative with the shop Committeeperson and the Steward in **their** zone will be held as necessary. If the grievances presented at this meeting cannot be disposed of in the time set for the meeting, the meeting may be continued the following day. The manager or designee, and/or a Labor **and Employee** Relations representative will render a decision on a grievance so presented no later than eight

- (8) calendar days after such meeting.
- c. If the grievance is not timely appealed to Third Step within (8) calendar days from the date of the decision, the grievance will be considered withdrawn and closed.

Section 6. Third Step

- a. If the grievance is not satisfactorily settled by the manager (or designated representative) and/or a Labor **and Employee** Relations representative, an appeal may be taken by the Plant Grievance Committee to the Grievance Review Committee. The Grievance Review Committee will render a decision on a grievance so presented as soon as possible, but no later than eight (8) calendar days after the regular third-step meeting at which the grievance was discussed.
- b. If no appeal from the disposition of a grievance given at the third step of the grievance procedure is taken within eight (8) calendar days from the date of the decision, then the decision will be final, conclusive and binding upon all employees, the Company and the Union. Any disposition of a grievance at the third step of the grievance procedure accepted by the Union will also be final, conclusive and binding upon all employees, the Company and the Union.
- c. If the grievances presented at the regular third-step meetings provided for in this article cannot be disposed of within the time allowed, the meeting may be continued at a time mutually agreed to by the Company and the Union, but no later than eight (8) calendar days. If the Union does not receive a disposition to a grievance within these time limits, the grievance may be appealed to the next step.

Section 7. General Provisions of the Grievance Procedure

- a. In cases of disciplinary suspensions or discharge of employees for infraction of shop rules or other misconduct, the Union reserves the right to seek modification or elimination of such penalties regarding seniority and compensation, in whole or in part, on the ground that the employee was unjustly disciplined. Such protests will be handled according to the grievance procedure, including the right to appeal to arbitration.
- b. If the Union withdraws a grievance at the first, second or third step of the grievance procedure, it will be considered as having been withdrawn without prejudice to either Party. A grievance withdrawn subsequent to the third step must be withdrawn by

- mutual agreement and will be considered as having been withdrawn without prejudice to either Party.
- c. Any employee grievance not presented for disposition through the grievance procedure described herein within eight (8) calendar days of the occurrence of the condition giving rise to the grievance or within eight (8) calendar days of the date it is reasonable to assume that the employee became aware of the condition giving rise to the grievance, will not thereafter be considered a grievance under this Agreement. Any Union grievance not presented within eight (8) calendar days from the date on which it is reasonable to assume that the Chairperson of the Plant Grievance Committee became aware of the condition giving rise to the grievance will be deemed untimely.
- d. No disposition or award upon any grievance under this Agreement will be made retroactive for any period prior to the date the grievance was first filed in writing, except:
 - (1) There may be three (3) working days of retroactivity on overtime grievances.
 - (2) There may be sixty (60) working days retroactivity on classification grievances.
 - (3) There may be up to thirty (30) working days retroactivity on layoff and recall grievances. However, in no event will the Company's liability exceed thirty (30) days.
- e. If the Union does not receive a disposition to a grievance within the time limits set forth herein, the grievance may be appealed to the next step.
- f. The time during which a grievance must be dispositioned or appealed may be extended by mutual agreement.
- g. Unless explicitly stated otherwise, all grievance settlements resolved prior to Third Step are non-precedent setting and shall be settled without prejudice to the position of either party and shall not be referable or considered for any purpose other than to enforce the provisions of the specific settlement.

Section 8. Pre-arbitration Review Step

a. If a grievance within the scope of Article 5 is not settled satisfactorily at the third step of the grievance procedure and the Plant Grievance Committee believes it has grounds for appeal, the Chairperson of the Plant Grievance Committee or designated representative will give the Labor **and Employee** Relations Senior Manager or

their designee a written "notice of appeal" to arbitration within thirty (30) calendar days following the receipt of the Third Step response. Such notice of appeal must be approved by the international representative or designated representative.

- b. Within thirty (30) calendar days after a grievance has been appealed to arbitration, there will be a meeting of the Labor **and Employee** Relations Senior Manager or **their** designated representative, the Chairperson of the Plant Grievance Committee, the local Union President, and a representative of the international Union to attempt to settle the grievance, it being understood that the Parties are empowered to settle such grievance. In the event the Parties are unable to resolve a grievance, it will be submitted to arbitration as provided under this article.
- c. A representative of the international Union will, upon advance request, be permitted to enter the plant accompanied by the Chairperson of the Plant Grievance Committee and/or the local Union President to investigate a grievance prior to the prearbitration review step. Such visitation will be permitted only under the rules governing plant visitors that have been issued by the Company or any appropriate government agency.

Section 9. Arbitration

- a. Only grievances involving alleged violations with respect to the interpretation or application of the terms of this Agreement may be appealed to an impartial arbitrator for settlement. When such a grievance is appealed to arbitration by the Union and is not settled under Article 5, Section 8.b., the Company and the Union will hold a meeting to select an arbitrator. This meeting will be held within thirty (30) calendar days of the meeting held under Article 5, Section 8.b.
- b. The Parties shall select an impartial arbitrator from the rolls of the Federal Mediation and Conciliation Service who shall arbitrate disputes in accordance with the established practice and rules of the Federal Mediation and Conciliation Service. Arbitrator selection shall occur each time using a coin toss. The Parties will alternate the cost of the initial FMCS panel. If the panel received is unacceptable to either party, that party may request a new panel from the FMCS at its own expense. The arbitrator is prohibited from changing, adding to or subtracting from the wording or terms of this Agreement or any supplementary written, approved agreements entered into mutually by the Parties, and is prohibited from substituting **their** discretion for that preserved in the Agreement. Any case appealed to the arbitrator on which **they** have no power to rule will be referred back to the Parties without decision. The arbitrator shall be bound

entirely by the records presented in the form of evidence presented at the hearing and this Agreement. The arbitrator shall have the authority to decide and rule on alleged violations of the National Labor Relations Act raised through the grievance process as a result of a deferral of an unfair labor practice charge by the National Labor Relations Board to the grievance process.

- c. In cases of disciplinary action, including discharge, the arbitrator has the right to rescind or modify the penalty and to compensate the employee for lost wages in whole or in part less those earnings, including unemployment compensation, received by the disciplined employee while off the active payroll. However, any compensation the employee was receiving from any other employment **they** had at the time **they** had last worked for the Company, and which **they** would have continued to receive had **they** continued to work for the Company, will not be counted as earnings. The arbitrator's authority will be limited to award no more than twelve (12) months' pay or pay adjustment in remedy of any grievance.
- d. After the arbitrator has been notified of **their** selection, **they** will establish a hearing date and start said hearing as soon as possible.
- e. The arbitrator will make such investigation as **they deem** proper and may examine the witnesses of each Party. Each Party has the right to cross-examine witnesses. When any investigation is conducted by the arbitrator in the plant or at the Union Hall, **they** will be accompanied by at least one representative of the Company and the Union.
- f. Either Party may, at its option, employ the services of a stenographer and/or court reporter at all such hearings to make a record of the proceedings.
- g. Exhibits introduced by one Party may be examined by the other Party during the course of the hearing. The arbitrator or the Union may call any employee as a witness at any proceeding before the arbitrator. The Company agrees to release said witness from work if **they are** on duty. Whenever possible, the Union will give management twenty-four (24) hours advance notice of the employees it intends to use as a witness.
- h. Either Party may submit post-hearing briefs.
- i. Each Party will be responsible for the expenses of any witnesses it calls.
- j. The decision of the arbitrator will be final and binding upon all employees, the Company and the Union.

- k. The compensation and expenses of the arbitrator will be borne equally by the Union and the Company.
- 1. No grievance will be heard by an arbitrator until the Union has availed itself of the full procedure set forth in this article.
- m. Medical arbitrators will be selected in the following manner:

If the Company's authorized physician decides that an employee is not capable of performing **their** job because of **their** physical condition and a dispute arises as a result of this diagnosis, the Company and the Union agree to ask the Dallas County Medical Society to supply a list of five (5) doctors. The winner of the toss of a coin will have the choice of either striking a name from the list first or striking a name second. Thereafter each will alternately strike the remaining names until only one (1) remains. The medical doctor so chosen will hear the dispute and make whatever physical examination **they deem** necessary. **Their** decision will be final and binding upon the employees, the Union and the Company. The medical arbitrator will have no power to add to, or subtract from, or modify in any way any of the terms of this Agreement. The fees and expenses of the medical arbitrator will be divided equally between the Union and the Company.

ARTICLE 6 WORK HOURS, OVERTIME AND PREMIUM PAYMENTS

This article and its sections provide the basis for the calculation and payment of overtime and premium pay, and will not be construed by the Union or any employee as a guarantee upon the part of the Company of hours of work per day or per week, or days of work per week. Further, nothing herein will prohibit the Company from establishing, scheduling, and paying for special shifts as it has in the past and as provided elsewhere in this Agreement.

Section 1. Workday and Workweek

- a. The Company's normal workday for the employees in the collective bargaining unit will be ten (10) hours, excluding lunch periods, and except as provided herein.
- b. The Company's normal workweek for the employees in the collective bargaining unit will be forty (40) hours. The workweek will begin with the hour that the respective

shifts start on Monday, except as herein provided, and will end one hundred sixty-eight (168) consecutive hours later.

- c. The Company may change the normal workday or workweek one (1) hour earlier or one (1) hour later. For overtime, the Company may change the workday up to two (2) hours earlier or two (2) hours later than the normal workday during the workweek due to operational requirements. However, if the Company finds it necessary to change the normal workday or workweek in excess of either one (1) hour earlier or one (1) hour later, excepting special shifts, the Company will discuss the reasons for doing so with the Union and attempt to reach an agreement with the Union on the matter.
- d. If an employee is assigned by the Company to work a workday or workweek hours that do not coincide with the Company's normal workday or workweek hours or with hours of a special shift (as defined in Article 6, Section 4), **they** will be considered a night shift employee when fifty percent (50%) or more of the straight-time hours of **their** assigned work shift fall within the hours of the normal second or third shift.
- e. The Company's current payroll week for accounting and hourly payroll check distribution purposes is Saturday through Friday. Nothing herein will prohibit the Company from continuing this payroll week arrangement or changing to any other payroll week arrangement that serves its accounting and hourly payroll check distribution purposes. The Company's payroll system runs on Saturday and pulls in time one week from the prior Saturday. Employees who work on **the 5th, 6th, or 7th calendar day in their work week** will be paid for their time in the following paycheck. Employees who work on Saturday or Sunday will be paid overtime provided the employee had been paid for forty (40) hours that comprised the employee's regular straight-time hours for work previous to that Saturday.
- f. The Company agrees to notify the Union if and when a major change in the regularly scheduled plant workweek or plant shift hours is contemplated.
- g. The Parties agree to the following procedure with respect to establishing a work schedule:
 - (1) The Company agrees to meet with the Union to bargain over the effects of any such change no less than 30 calendar days in advance of implementing the new schedule.
 - (2) The Company agrees to consider first, by classification in order of seniority, volunteers for assignment to the work schedule; and second, if sufficient

- volunteers are not obtained, the assignment of employees to the work schedule will be by classification in inverse order of seniority.
- (3) When an employee has been continuously and actively on a work schedule for six (6) months, **they** may request a transfer to another work schedule under the following conditions.
 - (a) There is a less senior employee in the same classification that has been on that work schedule for at least six (6) months.
 - (b) The employee requesting the transfer and the employee being transferred must hold the necessary certifications required to perform all tasks on that work schedule.
 - (c) The transfer will be made within two (2) weeks.

It is agreed by the Parties that there may be circumstances where a 30-calendar day advance notification is not possible due to unforeseen and critical production requirements (Example: an immediate production ramp-up due to action by the U.S. Military). In such circumstances, the Company will provide as much advance notice as possible and will justify such circumstances to the Union.

Section 2. Time and One-half

Time and one-half will be paid for:

- a. All time worked in excess of ten (10) hours in a twenty-four (24) hour period, which begins with the start of the employee's normal scheduled shift. This provision will not apply when the employee is transferred during the twenty-four (24) hour period from one shift to another as the result of a layoff or when the employee exercises shift preference; however, it will apply in such a case if the employee receives less than twenty-four (24) hours' notice that **they are** to be transferred permanently to another shift.
- b. All time worked in excess of forty (40) hours in one (1) workweek for which overtime has not already been earned.
- c. All work performed by employees, during the period for which they have been scheduled and which begins on a calendar Saturday provided such employee has been paid for forty (40) hours that comprised the employee's regular straight-time hours of work previous to that Saturday.

- d. All work performed outside of regularly scheduled shift hours, except the case of employees on special shifts.
- e. Unpaid time not worked because of a temporary layoff or due to other Company reason(s), or paid bona-fide Union business will be considered as time worked.
- f. All work performed by employees assigned to seven (7) day operations on a calendar Sunday where Sunday is considered a regular workday.

Section 3. Double Time

Double time will be paid for:

a. All work performed by employees, except those assigned to seven (7) day operations, during a period for which they have been scheduled and which begins on the 7th consecutive calendar day provided such employee worked the 5th and 6th calendar days of their work week and was paid or was eligible for the time and one-half rate for at least eight (8) hours on the 5th and 6th calendar days. An employee not scheduled to work on the 5th or 6th calendar day but scheduled to work on the 7th calendar day, will be paid double time on the 7th calendar day provided they would have been paid time and one-half had they worked on the 5th or 6th calendar day. In the event an employee does not qualify for double time pay, they will be paid in accordance with the provisions of Article 6, Section 2.

Section 4. Special Shifts

A special shift, as mentioned in Article 6 Sections 1.d. and 2.d., is defined as a shift assigned outside of the regularly scheduled shift for four (4) weeks or more.

Section 5. Work on a Holiday

a. All work performed by employees during the period for which they have been scheduled and which begins on the calendar day being observed by the Company as a holiday will be compensated with holiday pay plus two (2) times the regular straight-time hourly base rate including shift differential but excluding all premiums and bonuses. This includes all hours worked by employees subsequent to the starting time of their regularly scheduled shift on a holiday where such hours are a continuation of a period for which they have been scheduled and which begins on the preceding day.

b. All work performed by employees on Independence Day (only if it falls on a calendar Friday), Friday after Thanksgiving and any Friday during the holiday shutdown will be compensated two (2) times the regular straight time hourly base rate including shift differential but excluding all premiums and bonuses.

Section 6. No Pyramiding or Duplicating

When two or more types of overtime or premium compensation are applicable to the same hours of work, only the higher rate of compensation will be paid. In no case will overtime or premium compensation be duplicated or pyramided.

Section 7. Distribution of Overtime

a. Overtime Assignment

- (1) The Company will make an equal distribution of overtime among the available qualified employees in any unit who are regularly employed on such work.
 - (a) Overtime will be offered for the weekend to qualified employees with the least amount of overtime hours based on business requirements. Such employee(s) may accept all, some or none of the days offered. All overtime hours offered will be charged to the overtime roster.
 - (b) The Company and the Union will utilize the Company's system of record for overtime distribution. Employees shall respond to the overtime request notating availability by their department's established deadline.
 - (c) Employees who are absent from work on the day the overtime is offered must contact their supervisor prior to the scheduling of overtime to make themselves available for the overtime. The supervisor will notify the employee if they are scheduled to work.
 - (d) Such distribution will be made on the respective shifts on which the overtime work occurs.
 - (e) An employee will be requested, on a voluntary basis, to work overtime as necessary to maintain production schedules. If the required personnel are not available following the initial request for volunteers, assignment of overtime will be made in such a manner that the employee with the least amount of recorded overtime will be assigned the overtime in question.
 - (f) Employees who incur unpaid, unexcused absences of **one** (1) **hour** or more during their regularly scheduled work week may not be assigned to overtime work during that workweek and/or their upcoming regularly scheduled days off.

- (2) Should it be determined through the grievance procedure that an employee is unequal in overtime as required in Article 6, Section 7.a, such employee will be given the next overtime assignment to which **they are** entitled under this section (new job, not continuing assignment) until the employee has worked overtime hours equal to the hours that **they were** out of line at the time the grievances was filed. If, from the date of the grievance, there has been overtime worked to which the grievant should have been assigned and **they were** not asked to work, starting with the sixth workday following the date of the grievance, a displacement will have occurred and the employee will be paid for the hours that **they** should have been assigned for the purpose of equalization.
- (3) The following rules will apply to overtime distribution:
 - (a) A probationary employee will not be offered overtime unless everyone in the same classification within the unit is offered overtime, and the probationary employee is qualified to perform the work offered.
 - (b) An employee on loan into a unit will not work overtime in that unit unless all the employees in the classification have been asked to work overtime or are scheduled to work overtime.
 - (c) Any overtime worked by an employee on loan is to be recorded on overtime records in **their** home unit.
 - (d) When an employee on loan returns to **their** home unit and is ahead on overtime because of overtime worked while on loan, **they** will not work overtime in **their** home unit until overtime has been distributed in accordance with Article 6, Section 7.a.
 - (e) When the number of employees needed to perform the overtime work exceeds the assigned number of qualified employees within a classification, unit and shift to fulfill required overtime coverage, the Company will complete the requirement by assignment of the employee within that classification and on that shift who is lowest on the overtime distribution list within the unit.
- (4) An employee will not be offered to work overtime if **they** cannot perform the overtime work without a break-in or familiarization period. Employees replacing other employees for overtime work must be able to perform such work immediately.
- (5) No employee will be disciplined for failure to work overtime, including holidays, when other employees in **their** classification, and unit who normally perform such work have not been offered to work the overtime and are willing to work the overtime in **their** stead, so long as the employee provides at least twelve (12) hours' notice to **their** supervisor prior to the start of the overtime shift.
- (6) No employee will be transferred for the purpose of equalizing overtime.

- (7) Overtime records will show the overtime hours worked converted to the number of straight-time hours for the current month and year to date.
- (8) An employee working in excess of three (3) hours into another shift on the 5th, 6th or 7th day and holidays will, beginning after three (3) hours, constitute a displacement provided there is a follow-on shift and there are employees on the succeeding shift in the classification of the work performed who normally perform the work in question. If such displacement occurs, the displaced employee will be paid for the total time worked into the follow-on shift.
- (9) Requests for weekend overtime will be on a voluntary basis provided the required personnel necessary to maintain production schedules can be secured. If the required number of employees do not volunteer for the overtime in question, the necessary employees will be **required** to work, but in no event will **an employee be required to work overtime more than three (3) consecutive weekends.**

b. Maintenance of Overtime Records

- (1) A copy of the distribution of overtime work will be electronically distributed or posted by each supervisor, or their designated representative, convenient to where the employees work (not in the supervisor's desk) no later than two (2) workdays after the overtime has been worked. Except in the Highway Transportation unit where the overtime will continue to be posted on the day following the workday the overtime was worked.
- (2) Annually on January 1, the overtime hours will be zeroed. Employees shall maintain their relative position on the overtime roster. The initial offering of overtime will be by relative position from the previous roster. Subsequent ties will be resolved by seniority.
- (3) When an employee enters a new unit, returns from an inactive status or changes classification within a unit, **they** will be charged with the average overtime of the unit employees in the same classification.
- (4) An employee scheduled for vacation will not be required to work overtime on the 5th, 6th or 7th day immediately prior to the vacation. An employee low on overtime will be offered the opportunity to work overtime preceding **their** vacation. However, should the employee decline to work the overtime hours, the employee will not be charged with the overtime hours, nor will the overtime hours be recorded as an absence. This will also apply in the case of a holiday(s) prior to the scheduled vacation. This will be applicable to a one (1), two (2), three (3) and four (4) day vacation, provided such vacation begins on a Monday and is scheduled two (2) weeks in advance.
- (5) Once offered, overtime will be recorded as overtime worked, whether worked or not, under the following conditions:

- (a) Employee is ill and would have been asked to work overtime.
- (b) Employee is on vacation and all employees in **their** classification within the unit would have been offered to work overtime and the employee would have been offered to work overtime had **they** not been on vacation.
- (c) Employee is on bereavement and all employees in **their** classification within the unit would have been offered to work overtime and the employee would have been offered to work overtime had **they** not been on bereavement.
- (d) Employee is on jury duty and all employees in **their** classification within the unit would have been offered to work overtime and the employee would have been offered to work overtime had **they** not been on jury duty.
- (e) Employee is on medical restrictions and would have been offered overtime, but **their** medical restrictions would not permit **them** to perform the overtime work.

Section 8. Offsite Overtime

a. When an employee is assigned to an offsite location, the employee will be charged for all overtime worked upon return to their home unit.

ARTICLE 7 SENIORITY

Section 1. Layoff

- a. In case of an indefinite layoff for lack of work, an employee will be laid off and recalled by non-interchangeable job families in accordance with **their** seniority as provided herein.
- b. The non-interchangeable job families as listed in the Job Family Appendices have been mutually agreed upon and incorporated and made a part of this Agreement as attached. New or revised classifications and/or job families will be affected in accordance with Article 9.
- c. In case of an indefinite layoff, a senior employee in a classification in which there is a lack of work will be permitted, in order of **their** seniority, to bump an employee within **their** own job family who has less seniority in the same or lower labor grade, or to bump a less senior employee in another job family as follows:

- (1) If qualified under Article 7, Section 1.c(1)(a), an employee may bump to a higher labor grade (classification) than **they** can get by exercising **their** bump rights in **their** own job family; if faced with an out-of-plant layoff, **they** may bump into any classification of equal or lower grade.
 - (a) If an employee has been in a classification listed in the Job Family Appendices and was so classified for a period not less than sixty (60) consecutive calendar days subsequent to **their** seniority date, **they** may bump to the highest classification held. If an employee's work record reflects that **they** held a classification subsequent to **their** seniority date that is not listed in the Job Family Appendices to which employees performing the same work were transferred.
 - (b) An employee electing to bump across job families into another classification will personally examine the job and be given an explanation by the supervisor of the work to be performed. If the employee so desires, the shop Committeeperson in the zone where the work is to be performed will be present at the interview. An employee may elect to bump into a classification that is less than the highest to which **they** are entitled to bump under Article 7, Section 1.c(1), if it meets the requirements of this paragraph. The employee will be advised that **they** must be able to perform the job within a reasonable period of time without impacting production. Failure to do so will result in a thirty (30) day disciplinary suspension; the employee will be permitted to exercise **their** rights to the classification to which **their** seniority entitles **them** in **their** original job family. An employee given recall under the provisions of Article 7, Section 1.c (1) (d) will be subject to the conditions of this paragraph immediately upon recall.
 - (c) An employee may not bump into a classification that **they** left either voluntarily because of **their** inability to perform the work or involuntarily where such inability was otherwise established or acknowledged.
 - (d) If an employee qualifies to bump under the provisions of this section but does not have enough seniority to do so, **they** will be given recall rights to the job family from which **they** were laid off as well as to the job families into which **they** could have bumped, had **they** held sufficient seniority. Such recall rights will be based upon the classifications **they** would have received under the provisions of this section.
 - (e) The Company will have up to four (4) working days following the effective date of the layoff in which to implement the bumping between job families.
 - (f) Any inequities brought about as a result of such bumping will be corrected within fifty (50) hours, excluding Fridays, Saturdays, Sundays, or holidays, after they are brought to the Company's attention. Any liability on the part of the Company will commence at the end of the fifty (50) hour period.

- (g) An employee who is placed in an out-of-plant layoff status as a result of being bumped by an employee under Article 7, Section 1.c(1)(a), will be laid off immediately and the Company will not be required, as set forth under Article 7, Section 1.d, to give notice to the Union prior to such layoff.
- (h) No more than fifteen percent (15%) of any one job family may be affected by the bumping provided in Article 7, Section 1.c(1)(a) in any one (1) month.
- (2) A senior employee bumping under the provisions here defined may be required to replace the employee **they** bump on the shift on which the replaced employee was working.
- (3) A senior employee will automatically be given the bump in **their** own family. Those who do not have rights under Article 7, Section 1.c (1) will be laid off. A senior employee who is absent due to a bona fide illness, on Short Term Disability, on vacation, on an approved leave of absence, or other bona fide reasons while the layoff is being processed, and who, if present would have an option to bump an employee under Article 7, Section 1.c (1) will be furnished by certified mail with a list of the titles of those classifications for which **they** qualify. Upon receipt by the Company of the classification designated by the employee (not later than ten (10) calendar days following receipt by the employee of the aforementioned list), the Company will process the paperwork necessary to effect the change or to extend layoff rights as provided under Article 7, Section 1.c(1)(d).
- d. When there are layoffs for an indefinite period of more than eight (8) workdays, notice in writing indicating the classification and number of employees to be surplused in each classification will be given to the Chairperson of the Plant Grievance Committee as soon as possible, and in no event later than two (2) days before such layoff. As soon as possible, but in no event later than the effective date of the layoff, a list will be made available indicating the names of the employees to be laid off and their positions on the seniority list. After the completion of the layoff, a list will be given to the Chairperson of the Plant Grievance Committee indicating the status of the employees affected by the layoff. When there are layoffs caused by sudden cancellation of major contracts, major subcontracts or acts of God that cause interruptions of production or plant shutdowns, the Company may use the procedure provided by Article 7, Section 1.e. Within the eight (8) day period provided by Article 7, Section 1.e, the Company will process the indefinite-layoff, providing such layoff is necessary, and give the requisite indefinite-layoff notice to the Chairperson of the Plant Grievance Committee. An employee who is at work and is processed through the termination procedure for indefinite layoff will be paid through the end of the normal shift unless the employee requests and is granted permission to process earlier. An employee who is on short-term military leave, on vacation,

temporary layoff or on bereavement, who comes into the plant and processes through the termination procedure for indefinite layoff, will receive five (5) hours' straight-time pay. When employees are recalled to work, a similar list will be available to the Chairperson of the Plant Grievance Committee simultaneously with the notice to return to work.

- e. Temporary layoffs due to government shutdown that impacts the facility, breakdowns, shortages of materials, manufacturing irregularities or causes of a like nature not to exceed a number of days equivalent to two (2) workweeks may be made by the Company irrespective of any provisions of this Agreement. Temporary layoffs will be processed through Labor **and Employee** Relations by seniority and classification of those employees within the respective unit and shift affected, provided those retained can perform the work without a break-in or familiarization period. Further, an individual employee will not be placed on temporary layoff more than sixteen (16) workdays during a calendar year. Voluntary time off will not be used in the computation of the sixteen (16) workdays. This restriction on sixteen (16) days will not apply in case of any stoppage of work, strike or slowdown, or any other case or condition beyond the control of the Company. The Chairperson of the Plant Grievance Committee will be provided a copy of the layoff notice in advance of the temporary layoff. Temporary layoffs will be recorded on the employee's unit attendance card as a temporary layoff.
- f. The Company and the Union agree that the employment of certain employees as defined herein will not be governed by seniority rules. Employees retained out of line of seniority will be those needed in starting the development of tooling or manufacturing work on a new project, or whose services are required when the work force is reduced. Such employees will be retained for a maximum of ninety (90) days only because no other employee possesses the required skill, license, or experience to perform the necessary work. A list of such persons will be made, and a copy will be furnished to the Chairperson of the Plant Grievance Committee. Any employee who is removed from the list will be subject to the rules governing seniority. Any complaint by the Union regarding an employee on this list will be handled in accordance with the grievance procedure.

Section 2. Recall and Return Rights

a. Whenever there is an increase in the work force after an indefinite layoff, and before a new employee is hired in a given job family, an employee who has recall rights to that classification within the job family will first be offered employment in that classification in accordance with **their** seniority at the current rate of pay for the job to

which **they are** recalled. An employee will not be hired in labor grade 5 and below in a given job family without first considering those employees who are still on layoff in labor grade 6 in that job family. If employees in labor grade 6 are qualified to perform the work in question, **they** will be offered employment before a new employee is hired.

- b. An employee who is transferred or recalled to a lower-rated job other than that to which **they** are entitled under the provisions of this section and Section 1 of this article, will be offered a transfer to recall in line of seniority to the specific higher-rated job that **they** were working at the time of **their** transfer or layoff. This provision does not apply to an employee who was transferred from a job for reason of "inability to perform the job that **they** were assigned."
- c. If an employee refuses to accept such offer of transfer, **they** will forfeit any further claim to any job equal or lower in the job family from which **they** were transferred or laid off but will always retain bump rights in accordance with Article 7, Section 1.c(1)(a).
- d. An employee will be reassigned under this section no later than the date **their** replacement reports for work.
- e. No employee will be eligible by reason of **their** seniority to be recalled or transferred to a higher-rated job, except as provided under Article 7, Section 1.c(1)(a), or as provided under Article 7, Section 2.a.

Section 3. Loan Provisions (With Employees on Layoff)

To avoid the undesirable features of short-time layoffs and short-time recalls, and in the interest of production efficiency that affects both employees and the Company, an employee may, upon written notification, including justification to the shop Committeeperson(s) with a copy to the Chairperson of the Plant Grievance Committee, be loaned up to sixteen (16) days in a twelve (12) month period. Loans for periods longer are subject to mutual agreement in writing with the appropriate shop Committeeperson(s). Supervision will provide notification to the Union that includes employee(s) name, employee number, unit (to/from), job family (to/from), job classification (to/from), and date(s) of loan. Failure to notify the Union of such loan will be cause for compensation to the affected employee on layoff. Further, should the Company fail to secure mutual agreement beyond the said sixteen (16) days and continue working the loaned employee out of **their** job family, the Company will stop

the loan within one (1) working day upon the Union's written notification. There will be cause for compensation to the affected employee on layoff for any hours past the one (1) working day notification time period. The Company's liability will not exceed thirty (30) days. It is not the intent of the Parties that this provision will constitute a continuous or repetitive loan situation into the same job family or classification.

Section 4. Information Furnished to Union

- a. The Company will furnish the Chairperson of the Plant Grievance Committee the following:
 - (1) A listing reflecting the seniority, pay rates and last date of hire of employees covered by this Agreement.
 - (2) A unit personnel list.
- b. Each month, the Company will furnish the Chairperson of the Plant Grievance Committee the following:
 - (1) A listing of promotions and demotions, other than those that are a result of the layoff-recall procedure, among the employees covered by this Agreement; and
 - (2) A listing of those employees placed in or removed from Short Term Disability.
- c. A copy of the recall letter, for those employees on layoff and being offered recall, will be given to the Chairperson of the Plant Grievance Committee or their designee as soon as possible after the letter is mailed.
- d. A copy of the employee's acceptance or refusal of the recall offer, for those employees who are working in the plant, will be given to the Chairperson of the Plant Grievance Committee or their designee as soon as possible after the offer is made.

Section 5. Promotions

- a. Whenever the Company determines it is necessary to promote or increase the workforce or replace employees who have quit or otherwise left their employment, the following system will be employed:
 - (1) The supervisor having the vacancy will initiate a requisition via the Company's electronic job requisition website, and obtain all necessary approvals, including Labor **and Employee** Relations.
 - (2) A copy of the job vacancies will be made available bi-weekly to the Chairperson or delegate for distribution.

- (3) An eligible employee may bid within the allotted seven (7) calendar days for a job vacancy by applying via the Company's electronic job requisition website. Probationary employees will not be permitted to bid on job vacancies. In addition, applicants within the posted Job Family will be given preferred consideration.
- (4) Timely and received bids submitted by eligible bidders via the Company's electronic job requisition website will be considered and evaluated by the Company in the filling of the job vacancy.
 - (a) If it is determined by the hiring supervisor and Labor **and Employee**Relations that there are no internal bidders who possess qualifications to fill the vacancy, bidders will be dispositioned and notified via the Company's electronic job requisition website. Simultaneously, the Company's Employment unit will be notified to post the job vacancy externally.
 - (b) Once an internal candidate(s) is selected, the employee will be notified by the hiring supervisor. The Company will make every attempt to initiate promotion(s) within forty-five (45) days of the initiation of the requisition.
- (5) In cases of cancellation(s) of the requisition, the bidder(s) and the respective Committeeperson will be notified of the reason for cancellation and the cancellation. Should the Company later determine it necessary to reinstate the requisition after (forty-five) 45 days from its original creation the supervisor will initiate a requisition in accordance with Article 7, Section 5.
- (6) Whenever a less senior employee(s) is promoted to fill a job vacancy instead of a more senior bidder, Labor **and Employee** Relations will discuss the promotion with the respective Committeeperson and/or Steward if requested by the Committeeperson.
- b. When employees eligible to bid on a job vacancy do not submit a bid via the Company's electronic job requisition website within the seven (7) calendar days' limitation because they are on vacation, jury duty, military duty (not exceeding two (2) weeks), temporary layoff or bereavement, offsite assignment or are absent not more than four (4) days due to a bone-fide illness, they may protest such promotions under the procedure set forth under Article 5. Such grievances shall be initiated at the third step.
- c. In promotions to labor grade 4 and higher, seniority will govern where skill, qualifications, and ability are equal; in promotions to labor grade 5 and 6, the most senior qualified employee will be promoted.

d. Upon employee request, employees who have completed their first year of employment with the Company, shall receive a promotion review. The foregoing is not subject to the grievance procedure.

Section 6. Inter-Unit Transfers

When the Company transfers individual employees or groups of employees from one unit to another, consideration will be given to seniority. Should an employee believe proper consideration has not been given, the supervisor will meet with the Committeeperson and the employee to explain the reason(s) for the transfer. Nothing herein, however, will prevent the Company from transferring employees to another unit for production reasons when such transfers do not entail a change of classification, job family or rate of pay.

Section 7. Shift Preference

- a. When an employee with one year or more of service has been continuously and actively on a shift for three (3) months, **they** may request a transfer to another shift to a job within **their** job classification and job family. If such job is held by a less senior employee in the same classification for at least three (3) months, the transfer will be made no later than the second Monday following the request date. An employee on probation will not be displaced prior to completing their probationary period but may be displaced immediately thereafter.
- b. The shift preference request will be filled out in duplicate and a copy given to the employee after being receipted by the supervisor. Once an employee files a shift preference, the Company will not make shift changes involving any employee with less seniority within the same classification, which may affect a senior employee's shift preference request, except for explained production reasons. Once an employee has submitted **their** shift preference request, an employee cannot cancel or revoke that request.
- c. Any employee who is recalled to work may be bumped to another shift provided **they have** spent a total of three (3) months in the same or higher classification. Such transfer will be made no later than the second Monday following the request date.
- d. Employees who voluntarily accept a shift transfer will sign a voluntary shift preference form provided by the Labor **and Employee** Relations Department reflecting that such transfer was voluntary.

ARTICLE 7

- e. It is not mandatory for the Company to transfer more than ten percent (10%) of the personnel in each unit in any calendar month.
- f. The Company can transfer an employee to another shift for explained production reasons, for a period not in excess of three (3) months. At the end of the three (3) month period, the employee will, upon request, be returned to **their** former shift no later than the Monday following, provided there is an employee with less seniority on that shift.
- g. Any employee with a documented, approved hardship will be considered at any time for a shift transfer and such request will be granted for a period not to exceed twenty-eight (28) calendar days in any twelve (12) month period provided that the Chairperson, or their designee, and each supervisor on the affected shifts in the affected unit agrees to grant the request. In no case will the approval of this request result in the involuntary displacement of an employee from one shift to another.

Section 8. Sixty-Day Clause

- a. An employee transferred from one job family to another will, for the purpose of layoffs, retain seniority in the job family from which **they were** transferred for a period of sixty (60) days. Employees transferred into a classification after sixty (60) days will have seniority in that classification and job family retroactive to their date of transfer, and such date will be their seniority date in that job family. Inequities up to four (4) days affecting an employee's layoff status will be discussed with the Chairperson of the Plant Grievance Committee to determine the employee's correct job family. This section will not apply when:
 - (1) An employee is transferred in accordance with Article 7, Section 9.b. and
 - (2) An employee is transferred or recalled to a job family in accordance with Article 7, Section 1.c (1).

Section 9. Excluded Employee Entering Unit

a. All employees transferring from the bargaining unit to salary prior to October 15, 2001, with more than five (5) years seniority will continue to accrue seniority. All employees transferring from the bargaining unit to salary prior to October 15, 2001, with less than five (5) years, will not accrue seniority while in salary, but will retain seniority earned while in the bargaining unit. All employees transferring from the bargaining unit to salary after October 15, 2001, will only accrue seniority from the date of transfer for up to the recall period of time provided in Article 7, Section 12.

- Once the accrual period has ended, the salary employee will only retain the seniority rights accumulated for a period of time equivalent to that accumulated time period.
- b. If an employee transfers from the bargaining unit to a nonsupervisory salary position, and a layoff occurs in the job family and job classification **they** held at the time of **their** transfer, then **their** seniority will be affected in the same manner as if **they** were still in the bargaining unit.
- c. A salaried employee may return to the bargaining unit at the highest classification held within the job family that seniority entitled **them** in accordance with the layoff procedure and the sixty (60) day rule does not apply. If the job classification **they** were previously in has been changed or incorporated into a new job family, the employee's former job family will be considered the job family that now encompasses the work **they** formerly performed. The employee returning to the bargaining unit will be returned at **their** previous rate held while classified in the particular labor grade and job family.
- d. If a salaried employee does not hold seniority in **their** former job family and is transferred into the bargaining unit, the sixty (60) day rule does apply.
- e. If a salaried employee who was not formerly in the bargaining unit is transferred into it, seniority will commence on the date of entry into the bargaining unit.

Section 10. Probation Period

- a. An employee will be considered a probationary employee during the first one hundred and twenty (120) calendar days that **they work** following **their** date of hire. **Any time a probationary employee spends in formal classroom training shall extend the period of probation.** The probationary period can be extended if an employee is on a paid or unpaid leave of absence for more than one (1) workweek, or by mutual consent of the Company and Union.
- b. After completing **their** probationary period, an employee's seniority will be accumulated from **their** date of hire. The provisions of this Agreement will apply during **their** probationary period; however, there will be no responsibility on the part of the Company for continuous employment or for reemployment if said employee is laid off before the completion of **their** continuous probation period. During such probationary period, layoff or discharge will be left to the discretion of the Company.

- c. An employee transferred from one job family to another and acquiring "entry-date seniority" per Article 7, Section 8 will be considered a probationary employee for sixty (60) calendar days following entry date into the job family not previously held. This probationary period will be for the purpose of determining whether the employee can successfully accomplish the major functions of the job classification entered. Before the Company removes the employee from the classification, supervision will fully discuss with the employee, the respective Committeeperson and Steward the reason(s) the employee is unable to perform the duties required to retain the position. The employee will have bump rights as provided for in Article 7, Section 1.c (1).
- d. The Company will perform a thirty (30), sixty (60), ninety (90), and one hundred and twenty (120) day employee probationary review. A copy of the Probationary Performance Review form will be provided to the employee and the Union.

Section 11. Loss of Seniority

- a. An employee will lose seniority under any one of the following circumstances:
 - (1) They resign
 - (2) **They** retire
 - (3) **They** are discharged for just cause
 - (4) **They** are laid off for a lack of work for a period of more than that outlined in Article 7, Section 12 provided **they** have recall rights on or subsequent to the effective date of this Agreement.
 - (a) **They** fail to report for work within four (4) working days (or fails within said four (4) working day period to give satisfactory reasons for not returning to work), after due notice to return to work has been delivered by certified letter from the Company to the employee's last known address. The employee is requested to notify the Company within twenty-four (24) hours of receipt of this notice as to whether **they** accept or refuse the recall.
 - (b) An employee's last known address will be the address shown on the employee's last termination notice; however, if the employee has subsequently furnished the Employee Service Center (ESC) or any other follow-on service written and dated notice of address changes, then the most recent change will be used as the employee's last known address.
 - (c) If an employee is sent a recall letter in line with **their** seniority and within four (4) working days submits to the Company satisfactory medical evidence showing **they** are unable to return to work because of illness or injury, **they** will be bypassed for a period of not to exceed that allotted **them** in Article 7,

Section 12, provided **they** continue to submit satisfactorily medical evidence once each month that **they** are unable to return to work. Upon receiving a release from **their** doctor that **they** are able to return to work, **they** will report to the Company Employment Office within four (4) working days for the purpose of going to work.

b. Is absent three (3) consecutive working days without reporting to the Company during the absence a reason, which is sufficient to justify such absence. The three (3) days will be extended to six (6) working days in unusual circumstances, which would make it impossible for the employee to report within the specified three (3) days. Compliance with this paragraph is not to be construed to mean that excessive absenteeism will be tolerated.

Section 12. Period of Recall

An employee's seniority record, after completion of their probationary period, will not be interrupted by layoff for lack of work provided **they have** recall rights as of the effective date of this Agreement and is recalled within forty-eight (48) months.

Section 13. Seniority of Union Representatives

- a. The Union President and members of the Union Plant Grievance Committee will have top seniority in their job family and classification in the event of a layoff.
- b. During their term of office, a Steward will have top seniority in the job family and classification in the area to which they are assigned for the purpose of handling grievances, and on the respective shift in the event of a layoff.

Section 14. Same Seniority Date

It is agreed that in those instances where employees have the same seniority date as established by Article 7, Section 8, Sixty-Day Clause, the employees will have for the purpose of indefinite layoff seniority (service time excluded) from the date of employment with the Company. In the event that both entry date seniority and Company seniority (not service time) are equal, the employee having the lowest employee number will be the most senior employee in the event of indefinite layoff.

ARTICLE 8 WAGE RATES, PERFORMANCE AWARDS, AND SHIFT DIFFERENTIALS

Section 1. General Increases

- a. Effective the first pay period of March in each calendar year, the base rate of each employee on the active payroll or on approved leave of absence on such date shall be increased as follows:
 - (1) **2025 four percent (4%)**
 - (2) **2026 four percent (4%)**
 - (3) 2027 three and one-half percent (3.5%)
 - (4) **2028** three and one-half percent (3.5%)
- b. Effective February 8, 2025, Labor Grades 1 and 2 shall receive a one-time fifty cents (\$0.50) equity adjustment to the maximum of the rate ranges. Employees in Labor Grades 1 and 2 shall receive a one-time fifty cents (\$0.50) equity adjustment to their base rate.
- c. Effective February 8, 2025, Labor Grades 3 through 6 shall receive a one-time seventy-five cents (\$0.75) equity adjustment to the maximum of the rate ranges. Employees in Labor Grades 3 through 6 shall receive a one-time seventy-five cents (\$0.75) equity adjustment to their base rate.

Section 2. Automatic Progression within Labor Grade

a. Automatic Rate Progression increases shall be effective the **Second Saturday in July** for all employees who are on the active payroll **or** on an approved leave of absence, and who are also below the maximum of their respective classification's rate range. The base rate of pay shall be increased **one dollar** (\$1.00) per hour on the above dates (or such lesser amount as is necessary to bring the rate to the maximums) until the employee reaches the maximum for the classification. If the last automatic increase takes an employee's rate to a point within four cents (\$0.04) of the maximum rate of **their** job classification, **they** shall be granted such additional increase.

Section 3. Promotions/Transfers/Recalls

- a. The rate of an employee who is promoted or transferred to a higher labor grade will immediately be advanced to either:
 - (1) A rate forty cents (\$.40) per hour above **their** present rate if the promotion involves a one (1) or two (2) labor grade increase not to exceed the labor grade maximum.
 - (2) A rate eighty cents (\$.80) per hour above **their** present rate if the promotion involves a three (3) or more labor grade increase, not to exceed the labor grade maximum.
 - (3) If **they have** been previously classified in the particular labor grade and job family subsequent to **their** date of seniority, **their** previous rate held while classified in the particular labor grade and job family, if it is higher than **they** would receive under either Article 8, Section 3.a (1).
- b. The rate of an employee transferred to a lower labor grade job within the same job family or within a job family in accordance with Article 7, Section 1.c(1) will be decreased to either:
 - (1) A rate fifteen cents (\$.15) per hour below **their** present rate, or to the maximum of the lower labor grade if the maximum is excess of fifteen cents (\$.15) per hour.
 - (2) Employees laid off and returning to job families with rights acquired through the sixty (60) day clause provision will be paid the rate **they** would have been paid had **they** remained in the classification.
 - (3) If the employee was previously classified in the particular labor grade and job family, **their** previous rate on that job if it is higher.
- c. An employee who is laterally transferred within the same job family in accordance with Article 7, Section 1.c(1) will have no loss of rate due to such transfer and **their** advancement in rate in **their** new classification will be as if **they** had remained in **their** prior classification.
- d. An employee who is transferred to a job in the same or lower labor grade in a different job family will be paid an appropriate rate according to **their** qualifications and will, thereafter, advance as provided above.
 - (1) Appropriate rate is applied to the following circumstances only:
 - (a) During an involuntary layoff, an employee accepts a voluntary transfer or rehire to an equal or lower job classification for which **they do** not have Article 7, Sec. 1.c (1) rights. In such cases, the employee shall retain **their** rate of pay at the time of the transfer or the maximum rate of the new grade whichever is lower.

- (b) Such voluntary rehires as described above must occur within six (6) months of the effective date of the layoff. Employees laid off out of plant for more than six (6) months who are on the recall list when hired (or voluntarily rehired) into a classification for which they do not have Article 7, Sec. 1.c (1) rights shall have their rate of pay determined as though they were a new hire.
- (c) An employee is selected for a posted position or otherwise transferred. In such cases, the employee shall retain **their** rate of pay at the time of the transfer or the maximum rate of the new grade, whichever is lower, provided that the employee can adequately perform within this function. If the employee cannot perform within this function, Article 7, Section 10(c) will apply.
- e. An employee who is recalled within the allotted time period from date of layoff into a higher labor grade than the one from which **they were** laid off or that **they** previously held in accordance with Article 7, Section 1.c (1) will be paid the rate **they** would have been paid in accordance with Article 8, Section 3.a, the same as if **they** had been transferred to it.
- f. An employee who is recalled within the allotted time period from the date of layoff into a lower labor grade than the one from which **they** were laid off or that **they** previously held in accordance with Article 7, Section 1.c (1), will be paid the rate **they** would have been paid in accordance with Article 8, Section 3.b, the same as if **they** had been transferred to it.
- g. An employee who is recalled within the allotted time period from date of layoff into the same labor grade from which **they** were laid off or had previously held in accordance with Article 7, Section 1.c(1), will be paid the rate held on the date of layoff.
- h. For any Lead selected on or after October 19, 2024, the employee's base rate of pay will be increased to the maximum rate of the highest classification in their job family. Any Lead selected before October 19, 2024, will move to the highest classification in their job family and will receive the maximum rate of that classification. If their base rate is above the maximum of their job family's highest classification, they will continue to receive their rate of pay as of October 18, 2024.
 - (1) A premium of \$1.50 will be paid to the employee for as long as they are in the Lead position.
 - (2) In order to be considered for a Lead position, the employee must be in the highest classification of their Job Family.

i. The Company may, at its discretion, effect an increase in an employee's base rate in amounts greater or at times other than provided for in Article 8. The company may conduct a wage equity on an as needed or annual basis and will notify the Union of any adjustments made as a result of the review.

Section 4. Rate Ranges

a. Hourly Rate Structure Schedules

Effective: as soon as administratively practicable.		
Labor Grade	Minimum	Maximum
1	\$30.92	\$45.15
2	\$29.68	\$43.81
3	\$28.56	\$42.96
4	\$26.43	\$41.41
5	\$24.26	\$40.72
6	\$21.95	\$40.14

Effective: February 8, 2025		
Labor Grade	Minimum	Maximum
1	\$31.42	\$45.65
2	\$30.18	\$44.31
3	\$29.31	\$43.71
4	\$27.18	\$42.16
5	\$25.01	\$41.47
6	\$22.70	\$40.89

Effective: March 1, 2025		
Labor Grade	Minimum	Maximum
1	\$32.68	\$47.48
2	\$31.39	\$46.08
3	\$30.48	\$45.46
4	\$28.27	\$43.85
5	\$26.01	\$43.13
6	\$23.61	\$42.52

Effective: March 7, 2026		
Labor Grade	Minimum	Maximum
1	\$33.99	\$49.38
2	\$32.65	\$47.92
3	\$31.70	\$47.28
4	\$29.40	\$45.60
5	\$27.05	\$44.86
6	\$24.55	\$44.22

Effective: March 6, 2027		
Labor Grade	Minimum	Maximum
1	\$35.18	\$51.11
2	\$33.79	\$49.60
3	\$32.81	\$48.93
4	\$30.43	\$47.20
5	\$28.00	\$46.43
6	\$25.41	\$45.77

Effectiv	Effective: March 4, 2028		
Labor Grade	Minimum	Maximum	
1	\$36.41	\$52.90	
2	\$34.97	\$51.34	
3	\$33.96	\$50.65	
4	\$31.49	\$48.85	
5	\$28.98	\$48.05	
6	\$26.30	\$47.37	

- b. Each labor grade minimum and maximum will be increased by the general increase percentage reflected in Article 8, Section 1 effective on the date of such increase.
- c. A revised Hourly Rate Structure Schedule will be published by Labor & Employee Relations. Copies will be distributed to the UAW Local 848 President, Chairperson of the Plant Grievance Committee and each Committeeperson.

Section 5. Lump Sum Awards

- a. Provided this agreement is ratified on or before **October 18, 2024,** a ratification bonus of **three** thousand dollars (\$3,000) will be paid within 45 calendar days of ratification to all employees on the active payroll, on an approved leave of absence, or on a Short-Term Disability Leave, as of **October 18, 2024**.
 - (1) Employees will be given the opportunity to defer part or all of the ratification bonus into the Savings Plan and/or Health Savings Account (HSA) if enrolled in a High Deductible Health Plan.
 - (2) Employees must elect in writing on the company-provided form to defer part, or all of their ratification bonus, in \$500 increments, into the Savings Plan and/or Health Savings Account (HSA) no later than **November 1, 2024**.
 - (3) The Company will not match the ratification bonus.

Section 6. Shift Differential

a. The Company will pay all hourly employees who are not assigned to first shift their base hourly rate plus five percent (5%) of the employee's base rate of pay. Shift premiums will be based on the employee's shift start time as outlined below:

- (1) First shift 4:00 a.m. 10:59 a.m.
- (2) Second shift 11:00 a.m. 8:29 p.m.
- (3) Third shift 8:30 p.m. 3:59 a.m.

Section 7. Cost-of-Living Allowance (COLA)

- a. A lump sum payment of **nine** hundred dollars (\$900) will be paid to each employee effective on the first Saturday in December, provided the employee is on approved leave of absence for less than ninety (90) days or active as of two (2) weeks prior to the annual effective date.
- b. The entire COLA lump sum payment may be deferred, without Company matching contribution, to the Performance Sharing Plan (PSP) 401(k) or the employee's Health Savings Account upon completion of the appropriate election form which is available at the Human Resources office. The form must be returned to the **Labor and Employee Relations** office no later than thirty (30) days prior to the specified payment dates. A deferral election will remain active for the duration of this Agreement unless cancelled by the employee.

ARTICLE 9 JOB CLASSIFICATIONS, FAMILIES AND LABOR GRADES

Section 1. Changes in Job Family Appendices

- a. The job classifications and labor grades, as listed in the Job Family Appendices, and any new ones that may be established in accordance with this article, become a part of and are subject to all the applicable provisions of this Agreement. The agreed-to job descriptions and specifications currently in existence and any new or revised ones that may be established in accordance with this article become a part of and are subject to all the applicable provisions of this Agreement.
- b. The Company will have the right to establish new jobs, to revise existing jobs, to evaluate and to obsolete jobs, providing such action will not be directed toward reducing the labor grade of a job in which no substantial change in the job itself has occurred.
 - (1) When a new or revised operation involves duties that are not adequately or specifically described or properly evaluated in an existing job description,

specification and classification, the Company has the right to develop and establish such new or revised job descriptions, specifications and classifications, rates of pay, and job family placements, and to place them into effect. An existing job description, specification and classification will not be considered to cover a new or revised job classification if:

- (a) The new or revised job covers major specific functions not called out in the existing job; or
- (b) The existing job covers major specific functions not called out in the new or revised job.
- (2) Notwithstanding other provisions of this Collective Bargaining Agreement, the Company will advise the Union of its intent to place a new or revised job into effect thirty (30) calendar days prior to actually working the job. Following such notification, the Parties will meet and discuss the proposed new or revised job in an effort to reach agreement on the job classification and job family placement. Upon the Parties reaching an agreement, the new or revised job will be placed into effect. Should the Parties not reach agreement within the thirty (30) calendar days period, the Company may place the new or revised job into effect in accordance with the provisions of the Collective Bargaining Agreement.
- c. The Company will send by certified mail five (5) copies of such job descriptions, specifications and classifications, rates of pay and job family placements to the President of the local Union within fifteen (15) days after placing them into effect. The job specification sheets will include the factors, point scoring and other information.
- d. The Union will have the right, within thirty (30) days of receipt from the Company of a new or revised job, to file a Union grievance alleging:
 - (1) Improper evaluation and labor grade
 - (2) Improper job family placement; and/or
 - (3) That such new or revised operations should be placed or retained in an existing job description, specification and classification.

Such grievance will state the Union's position, the facts upon which it is based and the remedy or correction requested. In the event of a job rating grievance, the specific factors with which the Union disagrees, together with the reasons why it believes the factors are not evaluated properly, must be listed by the Union on the grievance form. In the event that the Company and the Union are unable to resolve the grievance, it may be appealed to arbitration in accordance with Article 5, Section 8.a. The arbitration will be limited to a determination (based on the work as described by the Company) of:

- (1) The proper evaluation
- (2) The proper labor grade
- (3) The proper job family; and
- (4) Whether the new or revised job may properly be placed or retained in an existing classification.
- e. Thirty (30) days after receipt of such notification, if the Union has not filed a Union grievance, the job classification will be added to the Job Family Appendices. The job description and specification, rate of pay, and job family placement will become a part of and be subject to all of the applicable provisions of this Agreement.
- f. The Company's right to make work assignments and to determine methods of operations is in no way restricted by this article and will not be subject to arbitration.
- g. When arbitrating the rate of pay for a job, the authority of the arbitrator will be limited to determining which of the existing labor grades the new or revised job will be placed in. The arbitrator will base **their** award on evidence either Party presents under the Company's Hourly Job Rating Plan, including intra-plant job comparison material.
- h. The effective date of the rate of pay of any new or revised job will be the date the new or revised job was placed into effect by the Company. In the event this rate is revised through the grievance procedure, such revision will be retroactive to the date the job was placed into effect.
- i. In the event that the job is placed in a different job family or classification than the group or classification in which the Company originally placed it, either by agreement between the Parties or by decision of the arbitrator, the effective date of displacement pay, if any, will be three (3) working days from the date of settlement by the Parties, or three (3) working days from the date of receipt of the arbitrator's decision by the Company. When the Union gives notice to the Company of intent to arbitrate such a matter, it will list in writing to the Company the reasons for disagreement and the relief sought.
- j. The Company agrees to include in the "Description of Duties":
 - (1) Any duty presently appearing as a part of the job specifications
 - (2) Experience; and
 - (3) Education

ARTICLE 9

- k. The Company agrees with the principle that, lower classified employees should not perform higher classified work on a regular and consistent basis without being paid the higher rate. The Company will continue to use "C" classifications when the need for such classifications exists. While the Company agrees that all job descriptions should be written to show a clear line of demarcation between classifications, it cannot agree that all unrelated duties appearing in present job descriptions will be removed.
- 1. The Parties agree to establish a joint Job Family Appendices Review Committee for efficiently reviewing, combining, revising, rewriting and updating job descriptions and classifications to fit today's defense system development business. The Job Family Appendices Review Committee shall be composed of three (3) Company representatives and three (3) Union representatives.

The committee will meet, and complete its review, upon mutual agreement of the Parties, up to six (6) months and no later than three (3) months prior to the expiration of the Agreement. Primary consideration will be given to completing the following functions.

- (1) Updating out of date language in the Hourly Job Ratings.
- (2) Clarifying language and duties.
- (3) Revising and combining jobs in the current Job Family Appendices.
- (4) Update language to reflect new regulatory requirements such as the Americans with Disabilities Act (ADA).

The establishment of this committee, its objectives, functions, and work in no way shall change the Company's right under Article 9, Section 1 to establish, evaluate, change and obsolete jobs, or the Union's right to file a grievance as outlined in Article 9, Section 1.d.

Section 2. Work Outside Job Family

The Company will make every effort possible to keep employees working within their respective classifications and job families. It is understood that bargaining unit employees from time to time may be needed to perform duties outside of their respective Job Classification or Job Family for which the Company acknowledges they are qualified, trained, and skilled. In the event an employee is required to work outside of **their** Job Family in excess of thirty (30) consecutive days, such a period of time in excess of thirty (30) consecutive days will be mutually agreed to in writing by the Company and the

respective Committeeperson(s). The provisions in this Article do not allow an employee to be moved out of **their** Job Classification or Job Family on a continuous basis.

Section 3. Involuntary Transfer to Lower Classification

Under the terms of prior Agreements, an employee could not be involuntarily transferred to a lower classification within their job family, resulting in a condition where an employee could be assigned to the "A" classification with the commensurate rate while performing the duties of the "B" classification. The Parties agree that where the above condition exists, an employee will not be transferred to a lower labor grade within their job family for the duration of this Agreement, except under the following conditions:

- a. When there has been a significant change in the job content of the classification to which an employee was assigned or a significant change in **their** work assignment.
- b. When there is a bona fide reduction in force that affects the employee in **their** job family. It was further agreed between Parties that an employee cannot use misclassifications as cited above as grounds for requesting an upgrade.

Section 4. Proper Classification

For the purpose of determining if an employee is properly classified, it is understood and agreed that an employee will not be required to perform all of the incidental duties included in a job description, but **they** must perform the major functions of the job on a regular basis. Major functions are those duties called out in a job that are not covered in a lower-rated job. An employee will not be considered to be improperly classified by reason of occasionally performing major functions or isolated or minor duties in a higher job. In case of dispute, the normal function of the job will govern based on the normal past practice of the shop. When it is determined that an employee is improperly classified, these findings will not be used as grounds for requesting an upgrade of the employee. Promotion reassignment and/or replacement of the employee will be effected under the terms provided herein.

Section 5. Lead Classifications

- a. In addition to all duties in their job description, Leads will be allowed to assist the management in the coordination of the work of all job family groups within an assigned work area to meet production or project objectives. The instruction and performance of work functions will be restricted to the Lead's job family group.
- b. When an employee has been selected for a promotion to a Lead position, they will be evaluated for the first 90 days to ensure they can successfully perform the Lead duties as described in Article 9, Section 5a and the respective job description. If the Company determines that the employee cannot successfully perform the Lead duties, they will return to their previously held position as described in Article 9, Section 5c. Before the Company removes the employee from the Lead position, supervision will fully discuss with the employee, the respective Committeeperson and Steward the reason(s) the employee is unable to perform the duties required to retain the position.
 - (1) The Company will perform a thirty (30), sixty (60), and ninety (90) day lead evaluation. A copy of the evaluation will be provided to the employee and the Union upon request.
 - (2) When an employee is removed from a lead role, the employee will be returned at the labor grade held by the employee prior to becoming a lead. The employee's wage rate will also be adjusted to the rate the employee held prior to becoming a lead, subject to the adjustment of any ARPs, GWIs, or other increases that may have occurred during the employee's tenure as a lead.

ARTICLE 10 HOURS NOT WORKED, INCOMPLETE DAYS WORKED

Section 1. Bereavement Pay

a. Forty hours (40) of bereavement pay will be granted to an employee who takes time off from a regular workweek because of a death in the immediate family (as defined below) immediately following the date of death or in conjunction with the memorial service. Where applicable, "immediate family" may be adoptive or natural.

Satisfactory proof of death must be given to the Company before this section will apply. Bereavement pay will be provided for a death of the following:

- Parents (the employee's parents, stepparents, or an individual who stood in the place of a parent to you when you were a child).
- Current spouse or current domestic partner.
- Children, stepchildren, and their current spouses.
- Stillborn child (with death certificate)
- Siblings, stepsiblings, half siblings, and their current spouses.
- Grandparents, step-grandparents, grandchildren, and step-grandchildren.
- Current spouse's or current domestic partner's parents (same definition as employee's parents), grandparents, step-grandparents, children, stepchildren, grandchildren, and step-grandchildren.
- Current spouse's or current domestic partner's siblings, stepsiblings, half siblings and their current spouses.
- Great-grandparents and great-grandchildren.
- b. Authorized bereavement pay will count as time worked for the purpose of determining vacation and holiday pay eligibility, pensions, and for computing overtime.
- c. Bereavement pay will be authorized on a pro-rata basis when only a portion of a regularly scheduled workday is taken off.
- d. Time off under the bereavement pay policy may be approved for days falling within an employee's scheduled vacation. Days for which bereavement pay is so proved will not be counted as vacation days.
- e. Bereavement pay will not be granted to an employee who is on leave of absence or extended sick leave (Short-Term Disability).

Section 2. Holidays

Hourly rated employees on a 4/10 Monday-Thursday schedule who meet all of the eligibility rules and conditions will be paid for the following holidays:

Holiday	2024	2025	2026	2027	2028
New Years Day		Jan 1	Jan 1	Jan 4	Jan 3
MLK Day		Jan 20	Jan 19	Jan 18	Jan 17
Memorial Day		May 26	May 25	May 31	May 29
Independence Day		July 3	July 2	July 5	July 4
Labor Day		Sept 1	Sept 7	Sept 6	Sept 4
Thanksgiving	Nov 28	Nov 27	Nov 26	Nov 25	
Holiday Shutdown	Dec 25	Dec 25	Dec 28	Dec 27	
	Dec 26	Dec 29	Dec 29	Dec 28	
	Dec 30	Dec 30	Dec 30	Dec 29	
	Dec 31	Dec 31	Dec 31	Dec 30	

- a. An employee **on the active payroll** will receive ten (10) hours' pay at **their** regular base rate, including shift differential, but excluding all premiums, bonuses or overtime allowances for such holiday not worked, provided **they meet** the provisions which are applicable:
 - (1) The employee would otherwise have been scheduled to work on such a day if it had not been observed as a holiday.
 - (2) The employee must have worked **or received compensation** for the last scheduled workday prior to, or the next scheduled workday after such holiday.
 - (3) If an employee on Short-Term Disability is released by **their** doctor to return to work on a date that falls between the last scheduled workday prior to the Christmas through New Year holiday period, and that employee works the first scheduled workday following New Year's Day, **they** will receive holiday pay for those holidays observed by the Company, beginning with the date on which **they** would have returned to work had it not been observed as a holiday.
- b. When a holiday falls on Saturday or Sunday, the holiday will be observed and paid as a holiday on the day designated in the holiday schedule for the applicable work schedule. The Parties agree to meet and agree on holiday schedules for all work schedules utilized in the plant.
- c. The Company may, at its option, observe the holidays listed in Article 10, Section 2 by not operating its plants, departments or sections thereof, or it may schedule such holidays as regular workdays. An employee who is scheduled for work on any holiday and who fails to report for and perform such work will not receive pay for the holiday except where there are other employees willing to work as set forth under Article 6, Section 7.j. If work will be required during the Christmas shutdown, a list of affected employees will be posted by December 15. If the contemplated workload requires changes to the list, overtime for the additional employees will be on a voluntary basis.

d. An employee eligible for holiday pay under these provisions who is scheduled to work and performs work on a holiday will receive pay for such work only in accordance with the applicable provisions of Article 6, Section 5.

Section 3. Jury Duty/Witness Pay

- a. When an employee is required to and actually does serve on jury duty on a regularly scheduled working day, regardless of shift, **they** will receive pay at **their** base rate equal to the number of regularly scheduled hours provided **they notify** the Company prior to the day on which **their** jury duty is scheduled to begin. In instances of standby jury duty, an employee will receive pay only for hours subsequent to being called to jury duty not to exceed the remainder of the shift. Satisfactory proof of such services must be given to the Company before this section will apply.
- b. An employee who has been subpoenaed adversely to testify in a case other than one involving himself, the Company, or the Union, and does testify, will receive pay at **their** base rate equal to the number of regularly scheduled hours, provided **they notify** the Company prior to the day which **they are** scheduled to testify. Proof of such service satisfactory to the Company must be given before pay will be authorized.

Section 4. Rest Periods

- a. Employees will be allowed one (1) scheduled ten (10) minute rest period before and one (1) scheduled ten (10) minute rest period after lunch in each scheduled ten (10) hour work shift at times designated by the Company. Employees will work up to the start of the rest period and be at work at the end of the rest period. For any break taken off Company property, employees will record their break start and stop time in the time keeping system.
- b. Employees will be allowed one (1) scheduled ten (10) minute rest period prior to any post shift overtime.
- c. Employees will be allowed one (1) ten (10) minute rest period at the end of their scheduled thirty (30) minute unpaid lunch period. Employees will record their start and stop time in the time keeping system. In the event the Company requires an employee to work during the lunch period, the employee will return back to paid status.

d. Employees are required to take one (1) duty-free thirty (30) minute unpaid meal period during the middle of each regularly scheduled work shift at times designated by the Company. Employees will record their lunch start and stop time in the time keeping system at their assigned workstations to account for time at the meal period.

Section 5. Paid Absence Allowance

- a. Employees will accumulate Paid Absence Allowance (PAA) credit at the rate of 3.34 straight-time hours for each month of service during the calendar year.
- b. Employees will accrue PAA on the following provisions: Eligibility/Accrual
 - (1) Employees will accrue PAA at the rate of 3.34 hours per each month of service during the calendar year.
 - (2) Under no circumstances will an employee accrue more than forty (40) hours in any calendar year.
 - (3) PAA will be accrued monthly each calendar year during which the employee is on active status, including absences for occupational injuries, Short Term Disability, FMLA, jury duty, military duty, and vacation. The payroll records of the Company will be the basis of establishing the months worked by each employee.
 - (4) An employee who is going to be absent or late must notify the Company prior to the start of their shift to request and receive any PAA.
 - (5) An employee who is absent at least thirty (30) minutes or who receives a pass to leave the plant at least thirty (30) minutes before the end of the shift will at **their** request be paid PAA in thirty (30) minute increments up to ten (10) hours if **they are** eligible.
 - (6) If an employee has banked the maximum accumulation of 80 hours, the employee will be paid out those hours in excess of the maximum in the month of January of the following calendar year.
 - (7) An employee who, for any reason, terminates (layoff, retires or dies) or transfers out of the bargaining unit will be paid all the unused PAA accrued.
- c. Employees will accrue time once active on the payroll.
- d. The following exception applies:
 - (1) No allowance for leave of absence time and/or Short-Term Disability time will exceed the number of days an employee works and is paid for by the Company in any calendar year.

- e. In addition, if an employee returns from a Short-Term Disability Leave, inactive status, within ninety (90) calendar days **they** will receive an adjustment to their base PAA for any monthly accruals missed up to a maximum equal to three (3) monthly accruals. 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 Short-Term Disability Leave when the leave takes place during parts of two calendar years. An employee whose Short-Term Disability Leave exceeds ninety (90) days will not receive an adjustment for accruals missed but will begin to accrue PAA upon their return per this Article. The payroll records of the Company will be the basis for establishing the months worked by each employee.
- f. Payments made under this PAA plan will be computed at the current straight-time hourly rate the employee is receiving at the time of such payment. PAA will be paid only for straight-time hours not worked by the employee and in no event for an absence of less than thirty (30) minutes.
- g. Language under this section does not in any way alter the requirements for holiday pay.
- h. Employees may only use their PAA time when it has been earned and formally credited to their Paid Time Off account in the system of record by the Company.

Section 6. Vacations

It will be expressly understood that the Vacation Plan agreed to under Article 10, Section 6 will govern.

- a. Eligibility/Accrual
 - (1) Eligibility for base vacation is based upon the employee's vacation seniority date which is either the employee's seniority date or January 1 of the employee's year of hire if the employee elected to change it under a previous agreement.
 - (2) Vacation will be accrued monthly each calendar year during which the employee is on active status, including absences for occupational injuries, jury duty, military duty, FMLA, and PAA days. The payroll records of the Company will be the basis for establishing the months worked by each employee. In addition, if an employee returns from a Short-Term Disability, inactive status, within ninety (90) calendar days they will receive an adjustment to their base vacation for any monthly 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 Short Term Disability Leave when the leave takes place during parts of two calendar years. An employee whose Short-Term Disability Leave exceeds ninety (90) days will not receive an adjustment for accruals missed, but will begin to accrue vacation upon their return. The payroll records of the Company will be the basis for establishing the months worked by each employee.
- (3) The vacation accrual occurs on the last paycheck dated the end of each month. When an employee attains the next greater level of service that results in a greater vacation entitlement during a calendar month, the greater vacation accrual will be effective beginning the month which the service level is attained.
 - (a) Employees may only use their vacation time when it has been earned and formally credited to their Paid Time Off account in the system of record by the Company.
- (4) A vacation accrual rate of (6.67) hours per month, totaling a maximum annual eligibility of eighty (80) hours, will be earned by an active hourly employee each year until their 7th vacation seniority date.
- (5) A vacation accrual rate of (10.0) hours per month, totaling a maximum annual eligibility of one-hundred and twenty (120) hours, will be earned by an hourly rated employee upon the completion of seven (7) years continuous and active employment with the Company, beginning in the month of their vacation seniority date.
- (6) A vacation accrual rate of (13.34) hours per month, totaling a maximum annual eligibility of one-hundred and sixty (160) hours, will be earned by an hourly rated employee upon the completion of fourteen (14) years continuous and active employment with the Company, beginning in the month of their vacation seniority date.

Vacation Accrual Schedule:

Years	Annual Accrual Rate	Monthly Accrual Rate
Less than 7 th Vacation Seniority Date	80 Hours	6.67 Hours
Starting on 7th Vacation Seniority Date	120 Hours	10.00 Hours
Starting on 14th Vacation Seniority Date	160 Hours	13.34 Hours

(7) An hourly rated employee who does not meet the requirements of either Article 10, Section 6.a(2), (3), (4), or (5) will receive no vacation, and every

- employee who does meet the requirements of one (1) or more of these subsections will receive only the vacation specified in that subsection that gives **them** the longest vacation.
- (8) An employee recalled from layoff or returning from military service under the Selective Service Act, as amended, or returning from Short-Term Disability due to illness will be eligible for vacation accrual at the end of the first month of their return, based on the employee's vacation seniority date.

b. Rate of Pay

The vacation pay allowances mentioned in this section will be computed at the employee's regular base hourly rate of pay, including shift differential, but exclusive of all premiums or overtime allowances.

c. Schedules and Cancellations

- (1) Vacation may be scheduled by seniority between February 1 and February 15 of each year. An employee who refuses to schedule on any round may not subsequently bump a less senior employee's selection. Furthermore, once selections are made, they may not be changed if the selection affects another employee's prior selection. An employee transferring to a unit where vacation schedules conflict with the transferring employee's prior vacation selection(s) will not be allowed to bump an employee because of seniority from a vacation schedule previously selected. However, every effort will be made to accommodate the employee if the transfer was initiated by the Company for production reasons.
- (2) No vacation may be cancelled without the employee's consent during the two (2) week period immediately preceding the effective date, nor will the Company force an employee to go on vacation without two (2) weeks' prior notice, provided there is no major change in the production schedule.
- (3) During the calendar year, all of an employee's accrued vacation may be taken in one (1) hour increments provided the vacation is scheduled a minimum of twenty-four (24) hours prior to use. Vacations of less than a full week will not be scheduled on the departmental vacation roster. Vacations scheduled in a block of one (1) or more consecutive weeks, based on Seniority, will have precedence over a vacation of less than a full week. An employee's request for a vacation of less than a full week must be made at least twenty-four (24) hours prior to the day in which the vacation would occur and the scheduling of such vacation will be approved on the basis of production schedule and the number of employees already scheduled for a full week of vacation during such week. An employee's request for a vacation of one week or more must be made at least by the close of business on the last regularly scheduled work day of the week before the week for which vacation is requested, and the scheduling of such vacation will be approved

by the Company on the basis of production schedule and the number of employees already scheduled for vacation during such week. Emergency, unscheduled vacation may be taken in one (1) hour increments up to a total of forty (40) hours per calendar year. Employees may only use emergency, unscheduled vacation when their vacation balance has been earned and formally credited to their Paid Time Off account in the system of record by the Company. Employees are not permitted to use emergency, unscheduled vacation when they do not have available vacation. An employee who is going to be absent or late must notify the Company prior to the start of their shift to request and receive emergency vacation.

d. Unused Vacation

- (1) An employee may carry over accrued vacation each calendar year up to a maximum of four hundred (400) hours. If an employee's monthly vacation accrual, added to previous accruals, results in a total accrual that exceeds the maximum four hundred (400) hours during the calendar year, the employee will be paid for any hours in excess of four hundred (400) hours (at the employee's base wage rate as of December 31st) as soon as is practical in the following year.
- (2) An employee who for any reason leaves the payroll of the Company without having taken the vacation for which **they are** eligible will be paid in lieu of such vacation for any portion for which **they have** not already been paid.

The Parties recognize the right of the Company to shut down the plant, or portions thereof, for purposes of vacation. However, no employee will be forced to take **their** vacation during this shutdown, with the understanding that the employee will be on vacation without pay if **they elect** not to take vacation during this shutdown and is not otherwise scheduled. In the event the Company requires a certain classification of work to be performed during a scheduled shutdown, employees performing work in the particular classification will be offered the opportunity to perform the work in seniority order.

Section 7. Voting Time

The Company will grant employees reasonable time off to vote in accordance with the existing Federal and Texas state laws.

Section 8. Incomplete Day's Work

a. Any employee reporting for work who has been working on the previous workday and has not been notified that there will be no work will receive **their** regular base

hourly rate of pay for half of **their** regularly scheduled hours. The Company shall have satisfied the notification requirement by calling the phone number provided by the employee at least **ten** (**10**) hours before the start of the shift. The employee shall be responsible for maintaining a current telephone number with the Company. This provision will not apply in case of any stoppage of work, strike, or slowdown, or in any other case or conditions beyond the control of the Company.

- b. An employee who is scheduled to work on a premium payment day and reports as scheduled will be allowed to work a minimum of half the scheduled hours or receive the equivalent of half the scheduled hours' pay at the applicable rate for such hour.
- c. Any employee who, after completing work assigned to **them** during **their** regularly scheduled shift or extension thereof, is called back to work after **they have** left the premises and who reports to work after such call at a time that is more than four (4) hours prior to the beginning of **their** regularly scheduled shift, will receive not less than four (4) hours' work at the rate of pay applicable for such hours worked.
- d. Employees who are injured in the factory and who are sent home on the day of injury by the Wellness Center will be paid for the balance of their scheduled work shift on that day at their regular base hourly rate including shift differential.
- e. Any employee who is required to work less than ten (10) hours on one of the observed holidays will be paid two (2) times **their** regular base hourly wage rate including night shift differential if it is applicable, plus straight-time pay for the difference between ten (10) hours and those hours for which the premium rate is paid.

Section 9. Rate of Pay

All pay for time not worked will be paid at the straight-time hourly base rate, including shift differential, but excluding overtime or premium compensation except as modified by Article 10, Section 8.b. In the settlement of grievances involving overtime, improper recall or improper discharge, the employee will, for the hours for which **they** are paid, receive the rate **they** would have received had **they** worked such hours.

Section 10. Plant Closure

Employees will receive pay at their regular base hourly rate, including shift differential, if applicable for a plant closure declared by the Company due to weather, natural disaster, or other reasons beyond the control of the Company. The number of days paid, and total time paid to employees is at the sole discretion of the Company. Employees must have been scheduled to work during this period and had worked the previous workday or current workday when the plant closure was declared. Employees identified as critical to plant operations and safety may be required to remain at or report to work. If not already scheduled, employees may be offered the opportunity to report to work in accordance with Article 6, Section 7 of this Agreement.

ARTICLE 11 LEAVE OF ABSENCE

Section 1. Personal

- a. A leave of absence not exceeding **thirty** (30) **working days in a calendar year** may be granted by the Company to any employee for good and sufficient cause upon the written request of the employee. Also, the Company may grant a leave of absence to an employee who has been appointed or elected to a state or federal office. If a leave of absence is granted, the seniority of the employee will accumulate during the period of the leave of absence.
- b. An employee who has been granted such leave of absence will be considered as having quit without notice and will be terminated from employment by the Company if, while on **their** leave of absence, **they engage** in or applies for other employment without the consent of the Company. If an employee on such leave fails to report for work on **their** first regular shift after the termination of **their** leave, **they** will be subject to discharge.

Section 2. Medical Leave of Absence

a. An employee will enter Short-Term Disability, paid leave of absence, beginning the fourth (4th) continuous **calendar day** of disability through the 52nd week of disability due to an occupational or non-occupational illness or injury. To remain on Short-Term Disability, an employee may be required to submit to the Company satisfactory medical documentation.

- b. Extended Medical Leave with Benefits (Unpaid) will begin on the 53rd week of a continuous disability period in situations where the employee:
 - (1) is expected to be able to return to work, or
 - (2) does not qualify for Disability Retirement

Employee will remain on the payroll in an "inactive" unpaid status, for a period equal to the length of service with the Company, but no longer than two (2) years. Medical, dental and vision will continue. Pension accrual and all other group insurance benefits will cease at the end of fifty-two (52) weeks of Short-Term Disability.

Section 3. Military Leave

Military Leave will be administered in accordance with company policies and procedures as well as applicable State and Federal Law. Any improvements, modifications, reductions, eliminations or changes in this plan shall be automatically applicable to bargaining unit employees covered by this agreement on the same basis as such changes are made for non-represented employees.

Section 4. Union

An employee elected or selected to a full-time position in the United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, its successors and assigns but excluding all national and international Unions other than the UAW, that takes **them** from **their** employment with the Company, will, upon written request to the Company, receive a leave of absence for one (1) year. The employee will receive annual renewals upon written application to the Labor **and Employee** Relations Senior Manager.

Section 5. Return to Work from a Leave of Absence

- a. If an employee who has been given such leave of absence reports for work on **their** first regular workday after **they terminate their** leave, **they** will be reemployed in accordance with **their** seniority on the same general type of work that **they** did immediately prior to **their** leave. **Their** wage rate will be the rate existing in the plant at the time of **their** return on the job for which **they are** reemployed. Seniority will accumulate during such leave of absence.
- b. If an employee is physically unable to return to work **due to a medical reason**, **they** will be placed on **a medical leave of absence and/or** Short-Term Disability,

provided they are otherwise eligible.

c. Any employee on leave, as provided in this article, may, upon seven (7) days' notice to the Company, terminate **their** leave.

Section 6. Family and Medical Leave (FML)

Family and Medical Leave will be administered in accordance with Company policy which may be modified from time to time. The Company shall notify the Union when the policy is updated and the Parties agree to meet and bargain over the effects of any update upon request.

Section 7. Return to Work and Reasonable Accommodations

The return to work and reasonable accommodations process will be administered in accordance with Company policy which may be modified from time to time. The Company shall notify the Union when the policy is updated and the Parties agree to meet and bargain over the effects of any update upon request.

Section 8. Parental Leave

An employee may request Parental Leave to bond with a newborn child(ren), a newly adopted child(ren), or a foster child(ren) that has been newly placed with the employee. Parental Leave will be effective with events occurring on or after January 1, 2025. Parental Leave may be taken in two (2) week increments up to one-hundred and sixty (160) hours in a rolling calendar year. The employee must give management forty-eight (48) hours' notice, or as soon as practicable, and provide appropriate documentation of the birth, adoption, or foster care placement of a new child(ren) to the Company or its designated vendor. Employees may also qualify for Family Medical Leave (FML) which will run concurrently with Parental Leave.

ARTICLE 12 BENEFITS

Section 1. Medical Plans

- a. **High Deductible Health Plans.** The Corporate-wide High Deductible Health Plans (HDHP) will continue to be offered to employees on the "same basis as" offered to non-bargaining unit employees.
 - (1) The Company will pay 90% of the premium cost of the medical plan selected. The employee will contribute 10% of the premium cost.
 - (2) "Same basis as" is understood to mean that any improvements, modifications, discontinuations, reductions, eliminations or changes to the plan(s) for non-bargaining unit employees shall be automatically applicable to bargaining unit employees covered by this Agreement. Same basis applies to any and all aspects of the plan(s) including but not limited to eligibility, plan offerings, effective dates and plan designs.
 - (3) Eligible employees will make separate single or family coverage level elections for medical, dental, and vision.
- b. **Medical Opt-Out Credit**. Any employee who chooses to opt-out of medical coverage provided for under this Agreement shall receive a medical opt-out credit of \$11.54 per week. To be eligible for an opt-out credit, employees are required to certify, on an annual basis, that they have medical coverage elsewhere. Employees are ineligible for an opt-out credit if the employee is covered as a dependent under another Company-sponsored medical plan. Part-time employees are not eligible for an opt-out credit.

Section 2. Dental Plans

- a. The Dental Plan Core and Dental Plan Enhanced will continue to be offered to employees on the "same basis as" offered to non-bargaining unit employees.
 - (1) Effective January 1, 2025, the Company will pay 100% of the premium cost of the Dental Plan Core. If the employee selects Dental Plan Enhanced, the employee is responsible for any additional premium costs between the selected plan and the Dental Plan Core.
 - (2) "Same basis as" is understood to mean that any improvements, modifications, discontinuations, reductions, eliminations or changes to the plan(s) for non-bargaining unit employees shall be automatically applicable to bargaining unit

employees covered by this Agreement. Same basis applies to any and all aspects of the plan(s) including but not limited to eligibility, plan offerings, effective dates and plan designs.

Section 3. Vision Plans

- a. The Vision Core and the Vision Plan Enhanced will continue to be offered to employees on the "same basis as" offered to non-bargaining unit employees.
 - (1) The Company will pay 100% of the premium cost of the Vision Plan Core. If the employee selects Vision Plan Enhanced, the employee is responsible for any additional premium costs between the selected plan and the Vision Plan Core.
 - (2) "Same basis as" is understood to mean that any improvements, modifications, discontinuations, reductions, eliminations or changes to the plan(s) for non-bargaining unit employees shall be automatically applicable to bargaining unit employees covered by this Agreement. Same basis applies to any and all aspects of the plan(s) including but not limited to eligibility, plan offerings, effective dates and plan designs.

Section 4. Other Plans

- a. **Life and Accidental Death Insurance**. The Company provides basic life and accidental death insurance. The provisions of such coverage shall be within the Company's discretion except as follows:
 - (1) All employees receive Basic Life Insurance coverage of \$39,000. Effective January 1, **2025**, the amount will increase to **1X Annual Base Pay** for employees who are actively at work on or after January 1, **2025**. A Living Benefit (Accelerated Benefit for Terminal Illness) amount is automatically provided at 50% of the Basic Life Insurance amount.
 - (2) All employees receive Accidental Death Insurance (AD&D) coverage of \$39,000. Effective January 1, **2025**, the amount will increase to **1X Annual Base Pay** for employees who are actively at work on or after January 1, **2025**.
- b. **Business Travel Accident Plan**. The Lockheed Martin Business Travel Accident Plan will automatically be extended to employees covered by this Agreement on a "same basis as" plan design as offered to non-bargaining unit employees. Any improvements, modifications, discontinuations, reductions, eliminations or changes in this plan shall be automatically applicable to bargaining unit employees covered by this agreement.

- c. Short Term Disability Insurance. Effective with disability leaves beginning on/after January 1, 2025, the Company will provide weekly short-term disability benefits to employees in the amount of 50% of base weekly earnings. Base weekly earnings is defined as the annual wage or salary in effect just prior to date of disability. It does not include any amounts received as bonuses, commissions, overtime pay, or other extra compensation.
- d. **Long Term Disability Insurance.** Long Term Disability will continue to be offered on a "same as" basis as the Corporate Non-Represented plan. Any improvements, modifications, discontinuations, reductions, eliminations or changes in this plan shall be automatically applicable to bargaining unit employees covered by this agreement.
- e. **Group Universal Life (GUL) Insurance**. The Company offers Group Universal Life (GUL) Insurance on a "same as" basis as the Corporate Non-Represented plan. Employees may elect coverage options of one (1x) time up to nine (9x) times Annual Base Pay. The employee pays 100% of the cost. For coverage effective January 1, 2020, employees will be granted a one-time Group Universal Life Insurance special enrollment during the 2020 Annual Enrollment period. During this period, employees may enroll or increase one level up to the plan maximum in the Group Universal Life Insurance plan for the year beginning January 1, 2020, without providing Proof of Insurability (POI). Employees must be actively at work on or after January 1, 2020, for any coverage increase to be effective.
- f. **Dependent Optional Term Life (DOTL) Insurance**. The Company offers Dependent Optional Term Life (DOTL) Insurance. The employee pays 100% of the cost. DOTL will be offered to employees on the "same basis as" offered to non-bargaining unit employees.
 - (1) **Spouse.** An employee may elect coverage for a spouse at coverage levels equal to one (1x), two (2x), or three (3x) times employee's Annual Base Pay. The spouse is required to provide Proof of Insurability (POI) if electing three (3x) times the employee's Annual Base Pay or if the employee enrolls the spouse after thirty (30) days of the employee's or the spouse's first day of eligibility.
 - (2) **Dependent Children.** An employee may elect coverage for any eligible dependent child(ren) at coverage levels of \$5,000, \$10,000 or \$25,000.
- g. **Special Accident Insurance.** The Company offers Special Accident Insurance. The employee pays 100% of the cost.
 - (1) **Self.** An employee may elect coverage with options of \$25,000, \$50,000, \$100,000, \$200,000, \$300,000, \$400,000 or \$500,000.

- (2) **Spouse.** An employee may elect coverage for a spouse with options of \$10,000, \$25,000, \$50,000, \$100,000, \$200,000, \$300,000, or \$500,000.
- (3) **Dependent Child(ren).** An employee may elect coverage for eligible dependent child(ren) in the amounts of \$10,000, \$25,000 or \$50,000.
- h. **Voluntary Supplemental Insurance** will be offered to employees on the "same basis as" offered to non-bargaining unit employees. The employee pays 100% of the cost.
 - (1) Offerings include Voluntary Accident, Voluntary Hospital Indemnity, Voluntary Critical Illness, Voluntary Identity Theft Protection and Voluntary Legal Services.
 - (2) "Same basis as" is understood to mean that any improvements, modifications, discontinuations, reductions, eliminations or changes to the plan(s) for non-bargaining unit employees shall be automatically applicable to bargaining unit employees covered by this Agreement. Same basis applies to any and all aspects of the plan(s) including but not limited to eligibility, plan offerings, effective dates and plan designs.
- i. **Flexible Spending Accounts**. The Company offers access to the following Flexible Spending Accounts which may be used to pay for eligible expenses using pre-tax dollars, if eligible. Flexible Spending Accounts are governed by IRS regulations and are subject to change.
 - (1) **Health Care Spending Account (HCSA).** The minimum calendar year contribution is \$100.
 - (2) **Dependent Care Spending Account (DCSA).** The minimum calendar year contribution is \$100.
- j. **Employee Assistance Program (EAP).** The EAP will continue for the life of the contract as agreed by the Parties.
- k. While not subject to a collective bargaining agreement, Lockheed Martin will continue to offer auto/home/liability insurance coverage through a third-party as a "pass through" benefit. The program will be offered to UAW Local 848 employees for their consideration / participation. Any future changes made by the carrier or the Company will apply to all participants including UAW Local 848 participants.

Section 5. General Provisions

a. New Hires will be eligible for benefits on date of hire. The benefit offerings and current weekly contribution formula in effect immediately prior to the effective date of this Agreement shall remain in effect unless otherwise noted.

b. **New Hires.** The chart below outlines the default coverages that will continue to apply which will become effective retroactively to the hire date if no active election has been made for medical, dental, or vision during benefits enrollment.

Plan	Default Coverage
Medical	Broad Network 1
	-Employee Only Coverage
Dental	Dental Plan Core
	-Employee Only Coverage
Vision	Vision Plan Core
	-Employee Only Coverage

c. **Annual Enrollment 2020 and Subsequent years all employees.** During the 2020 Annual Enrollment Election Period and all subsequent years under the terms of this Agreement, the chart below outlines the default coverage for Medical, Dental and/or Vision coverage if no active election has been made:

Current Plan	Annual Enrollment Default
Medical:	Medical:
No Coverage	No Coverage
High Deductible Health Plan	High Deductible Health Plan, same coverage level
Dental:	Dental:
No Coverage	No Coverage
Dental Plan Core	Dental Plan Core, same coverage level
Dental Plan Enhanced	Dental Plan Enhanced, same coverage level
Dental HMO (where available)	Dental HMO, same coverage level (where available)
Vision:	Vision:
No Coverage	No Coverage
Vision Plan Core	Vision Plan Core, same coverage level
Vision Plan Enhanced	Vision Plan Enhanced, same coverage level

d. For all of the benefit coverage offerings listed in this Article, the terms of the Plans will be summarized in separate Summary Plan Descriptions (SPD) where applicable. The terms of the plan in the SPD will not be changed during the term of the Agreement except for legally required changes, any mutually agreed-to changes, or changes made per the terms of this Agreement. The Union acknowledges that the

- aforementioned changes may be made by the Company. Copies of the SPDs will be furnished to the Union and to each employee eligible for the Plans.
- e. Upon written request, the Company on an annual basis shall provide the Union the cost of medical premiums.

Section 6. Retiree Medical

a. Employees hired before October 16, 2006, are eligible for retiree medical coverage as detailed below.

b. Under-Age 65 Retirees.

- (1) For eligible employees, the following plans are available:
 - (a) High Deductible Retiree Health Plans
- (2) **Retiree Medical Coverage**. Should the Company expand, introduce or change health care options for non-bargaining unit under-age 65 retirees during the term of this Agreement and after its expiration, such benefits may, within the Company's discretion, be extended to retirees covered by this Agreement on a same design basis with the same retiree contributions as non-bargaining unit employees, in addition to the Retiree Medical Coverage for which the employee is eligible for under the terms of this Agreement.
- (3) **Contribution Formula.** The retiree and the Company share in the cost of the retiree medical plan up to the maximum monthly Company subsidy. The retiree's share of the cost is calculated using the service-based schedule in Article 12, Section 6D "Contribution Schedule". The retiree is also responsible for 100% of the cost of coverage that exceeds the maximum monthly Company subsidy. All eligible employees retiring from active service on or after April 1, 2019, the service-based contribution formula applies for Retiree Medical Coverage with an annual contribution cap as outlined below.
 - (a) Under-age 65 \$833.33 for Retiree-Only or \$1,666.67 for Retiree + Family coverage.

c. Over-Age 65 Retirees.

(1) **Retiree Medical Coverage.** Should the Company expand, introduce or change health care options for non-bargaining unit over-age 65 retirees during the term of this Agreement and after its expiration, such benefits may, within the Company's discretion, be extended to retirees covered by this Agreement on a same design basis with the same retiree contributions as non-bargaining unit employees.

- (2) **Contribution Formula.** The retiree and the Company share in the cost of the retiree medical plan up to the maximum monthly Company subsidy. The retiree's share of the cost is calculated using the service-based schedule in Article 12, Section 6D Contribution Schedule. The retiree is also responsible for 100% of the cost of coverage that exceeds the maximum monthly Company subsidy. All eligible employees who commence retirement as of the date of this agreement and before January 1, 2020, the service-based contribution formula applies for Retiree Medical Coverage with an annual contribution cap as outlined below.
 - (a) Over-age 65 \$166.67 for Retiree-Only or \$333.33 for Retiree + Family coverage.
- (3) **Private Medicare Exchange Retiree Medical Coverage**. Effective December 31, 2019, the Medicare Plus Plan, Catastrophic Plan and Senior HMOs will be discontinued for future over-age 65 retirees. Over-age 65 employees eligible for retiree medical insurance who commence retirement on or after January 1, 2020, will be eligible to participate in the over-age 65 healthcare option(s) on the "same basis as" offered to non-bargaining unit over-age 65 retirees on an identical design basis.
 - (a) **Company Subsidy.** The Company subsidy for Retiree Medical Coverage will be in the form of a credit to a Health Reimbursement Arrangement (HRA) in the amount of \$2,100 annually (\$175 per month) per enrolled retiree and \$2,100 annually (\$175 per month) per enrolled spouse.
 - (b) **Eligibility**. To be eligible for the Company subsidy (HRA), the retiree or their spouse must be age 65 or over and must enroll (and maintain enrollment) through the Company designated private Medicare Exchange (i.e. Via Benefits). For the spouse to be eligible, the retiree must be enrolled in a Lockheed Martin sponsored retiree medical plan.
 - (c) Unavailability of the Private Medicare Exchange. Should the Company designated private Medicare Exchange dissolve or otherwise become unavailable, the Company and Union agree to meet in an effort to designate a replacement private Medicare Exchange if such Exchanges are permissible based on regulations in effect at the time of discussions. If the Parties are unable to come to an agreement during these discussions, the Company will designate a comparable replacement. The Company will only be obligated to designate a comparable replacement which results in no additional cost to the Company. In the event no such replacement can be designated, the Company shall be under no further obligation to designate a replacement.

d. Contribution Schedule.

The service-based contribution schedule is as follows:

Difference in Cost of Plan and Subsidy		
Years of Service	Your Cost Sharing %	
0-4	Not Eligible	
5-9	100%	
10	60	
11	57	
12	54	
13	51	
14	48	
15	45	
16	42	
17	39	
18	36	
19	33	
20	30	
21	27	
22	24	
23	21	
24	18	
25	15	
26	12	
27	9	
28	6	
29	3	
30 +	0	

(1) **Retiree Medical Plan Changes.** During the life of the Agreement, and after its expiration, there will be no changes to the co-insurance, the calendar year deductible amounts, the calendar year out-of-pocket maximum, plan design or the prescription drug formula, for Retiree Medical Coverages listed in this Article. The terms of the plan in the SPD will not be changed during the term of the Agreement except for legally required changes, any mutually agreed-to changes, or changes made per the terms of this Agreement.

Section 7. Retirement and Savings Plans

- a. Lockheed Martin Retirement Plan for Certain Hourly Employees (Retirement Plan). The Retirement Plan provisions as stated in the applicable Plan Documents will govern except where modified herein.
 - (1) **Eligibility**. Employees hired or rehired on or before October 16, 2011, will be eligible to participate in the Retirement Plan. Employees hired or rehired on or after October 17, 2011, will not be eligible to participate in the Retirement Plan.
 - (2) Retirement Plan Monthly Rates:

(a) Employees who terminate **on or after October 1, 2024,** and commence retirement on or after November 1, **2024,** receive **ninety-three** dollars (\$93) per month for each year of credited service.

(3) Retiree Bonus.

Retirees who retired directly from the bargaining unit or their surviving spouses who are in pay status, and who are receiving retirement benefits on each September 1st, will continue to receive three hundred and fifty (\$350) each September while they remain in pension payment status.

For any employee retiring from active service with a Normal or Early retirement benefit on or after January 1, 2017, this payment shall be five hundred (\$500) each September 1st. The \$500 payment amount is also payable to surviving spouses (where the employee's retirement date is 1/1/17 or after) who are in pension payment status and who are receiving retirement benefits on each September 1st.

- (4) **Early Retiree Supplement**. Effective with eligible early retirements on or after January 1, 2017, the monthly supplemental early retirement benefits paid under the terms of the Retirement Plan will remain at eight hundred and fifty dollars (\$850) per month until the employee reaches age 65 plus one month so long as Medicare continues to exist.
- (5) The Transition Benefit, paid for 24 months, for a survivor of an active employee who dies will be \$300; \$600 if not eligible for unreduced Social Security Benefits. The Bridge Benefit, will be \$600 month, paid from age 48 to 62.
- (6) **Retiree Death Benefits.** The retiree death benefit will be \$5,000 for employees who retire on or after January 1, 2017. This will also be effective on January 1, 2017 for all currently eligible retirees.
- b. Lockheed Martin Capital Accumulation Plan for Hourly Employees (HCAP).
 - (1) **Eligibility**. Employees hired on or after October 17, 2011, were eligible for a Company contribution to the HCAP.
 - (2) Company Contributions. Company Contributions to the HCAP were discontinued effective December 31, 2019.
 - (3) As soon as administratively practicable, HCAP will be consolidated into each participant's Performance Sharing Plan account.
- c. Lockheed Martin Performance Sharing Plan (PSP). The PSP provisions as stated in the applicable Plan Documents will govern except where modified herein.
 - (1) **Company Matching Contributions.** Deferrals to the PSP are subject to Company matching contributions at the rate of fifty percent (50%) of up to eight percent (8%) of the employee's eligible weekly base pay. **As soon as administratively practicable, Employees hired or rehired will be**

- automatically enrolled in the PSP with a 3% before-tax contribution of eligible weekly base pay. Automatic enrollment is effective 30 days from the hire or rehire date. Employees have 30 days from date of hire or rehire to opt out before contributions begin.
- (a) Automatic Escalation If automatically enrolled upon hire or rehire and no change is made to the automatic enrollment contribution percentage, the contribution percentage will be increased by 1% per year starting the year after automatic enrollment.
- (2) **Company Contribution. As soon as administratively practicable**, the Company will contribute **6%** of eligible weekly base pay into the Savings Plan (PSP) for employees hired on or after October 17, 2011.
- (3) Base pay includes regular salary, pay for holidays, pay while on vacation, and pay for short-term disability or sick leave. It also includes lump sum merit payments given in lieu of pay increases and before-tax contributions for flexible benefits or fringe benefit plans. Base pay does not include overtime, incentive compensation, bonuses, commissions, rate guarantees, severance, relocation pay, lump sum payments in lieu of vacation pay, variable rate compensation, shift differentials, or other special pay.
- d. **Applicability of Plan Documents.** For all of the benefit coverage offerings listed in this Section, the terms of the Plans will be summarized in separate Summary Plan Descriptions (SPD) where applicable. Copies of the SPDs will be furnished to the Union and to each employee eligible for the Plans.

ARTICLE 13 STRIKES, SLOWDOWNS, STOPPAGES AND LOCKOUTS

Section 1. No Strike

a. During the life of this Agreement, the Union will not authorize, cause, engage in, sanction, assist or permit its members to cause, nor will any member of the Union take part in any slowdown, work stoppage or strike, or any curtailment of work or restriction of production or interference with production of the Company. The Union will not cause or permit its members to cause, nor will any member of the Union take part in any slowdown, work stoppage or strike of the Company's operations, or picket any of the Company's plants or premises.

- b. In the event that any member or members of the Local Union or the International Union should call, engage in, sanction or assist in any unauthorized slowdown, work stoppage or strike against the Company, or should refuse to perform services duly assigned when directed to do so by the Company, the Company agrees that it will not file or prosecute any action for damages arising out of said unauthorized slowdown, work stoppage, strike or refusal to perform services, provided that the local Union, its officers and representatives comply with the following provisions:
 - (1) That each of them jointly and severally will immediately, and in no event later than twenty-four (24) hours, disavow and refuse to recognize any picket line or lines established as a result of said unauthorized slowdown, work stoppage or strike against the Company or refusal to perform services; that each of them will instruct their members by posting written notices throughout the plant, or by newspaper ads or other communication media not to respect or recognize any said picket line or lines; and in addition, each will do everything within **their** respective powers to secure the disestablishment and disbanding of any said picket line or lines.
 - (2) That each of them jointly and severally will immediately take or cause to be taken all affirmative action to demand, cause and require each and every member to perform the terms and conditions of this Agreement.
 - (3) If any employee fails to return to work immediately or refuses to perform services duly assigned when directed to do so by the Company after action is taken by the Union as set forth in Article 13, Section 1.b (1) and (2), the Union agrees that the Company may take whatever disciplinary action it deems appropriate, including discharge, and that the degree of such disciplinary action will not be reviewable through the grievance and arbitration procedure provided for in this Agreement.
 - (4) Nothing in this article will preclude any right to which the Company previously was entitled to seek legal or other redress of any individual who has caused damage to, or injury to, or loss of Company property, nor does the Company cede any rights in this regard to which it may be entitled by future legislation.

Section 2. No Lockout

During the term of this Agreement, the Company will not cause, permit or engage in any lockout of its employees.

ARTICLE 14 CHECKOFF AGREEMENT

Section 1. Authorization for Union Dues

- a. The Company agrees to deduct Union dues in the amount of two and one-half (2.5) hours of the employee's hourly base rate, plus any other amount that may be established by the Union each month from the earnings of an employee who authorizes such deductions by signing the authorization form provided for this purpose. Such deductions will be made in accordance with the provisions of the authorization form.
 - (1) Dues will be deducted at a rate of 1.44% (in accordance with the 36th UAW Constitution, Article 16, Section 2.e.) from all Union dues paying members to the UAW Local 848, when a lump sum has been received by the employee from the Company per the Collective Bargaining Agreement.
- b. The Company's obligation to make such deductions will terminate automatically upon the termination of the employee or upon **their** transfer to a plant, Union or job not covered by this Agreement. Employees who are transferred out of the collective bargaining unit into supervisory positions will have, in addition to their normal withdrawal period, thirty (30) days following their transfer to revoke or withdraw their checkoff authorization by so notifying the Company and the Union by letter. However, the Company will not resume deduction of Union dues on an employee rehired without seniority until such time a new authorization card is signed by the employee.

Deductions will be resumed, however, under the following conditions:

- (1) If an employee is recalled or rehired with seniority, provided such employee's authorization has not been revoked by **them** during a revocation or withdrawal period; provided also, that the resumed deductions will begin with the employee's earnings for the first payroll week of the next calendar month following such recall or rehire.
- (2) If a former collective bargaining unit employee is transferred back to a job covered by this Agreement, provided that such employee's authorization has not been revoked by **them** during a revocation or withdrawal period that occurred while **they were** not in the collective bargaining unit; provided also, that the resumed deductions will begin with the employee's earnings for the first payroll week of the next calendar month following such transfer.

- (3) In the event of a month beginning with a split week, the date of the check compensating for said work will constitute the eligibility for a Union dues deduction in current month.
- c. On dues week, represented employees who have authorized a dues checkoff will have dues deducted, based on deduction priority, if their earnings during the week are sufficient to permit the deduction. It is not required that the check be for forty (40) or more hours if the earnings are sufficient to permit the deduction.
- d. The Union agrees that it will indemnify and save the Company harm from any and all liability, claim, responsibility, damage or suit that may arise out of any action taken by the Company in accordance with the terms of this section or the terms of this article in reliance upon the authorization mentioned herein.

Section 2. Application of Checkoff

- a. The authorization form for checkoff of dues to be used by employees for the purpose of authorizing the Company to deduct monthly Union dues from their earnings and to assign such sums to the Union is attached and made a part of this agreement.
- b. The Union will assume full responsibility for the distribution and collection of such authorization cards and guarantees that such distribution and collection will not take place during working hours on Company premises.
- c. Each authorization card will be signed by the employee who authorized the deduction together with a witness to **their** signing and the date of signing.
- d. All authorization for cards will be submitted by the Union to the Labor **and Employee** Relations Senior Manager or **their** designated representative on or before the Friday before the week in which they are to become effective. Such transmittal, signed by an authorized officer of the Union and listing thereon the name, unit, and employee number.
- e. If an employee's earnings for the first payroll week of a calendar month are insufficient to permit the full deduction, then the deduction will be taken from the employee's earnings in the first, second, third, or fourth payroll weeks in which **their** earnings are sufficient. The Union will be provided with a weekly catch-up report and a check representing said deductions.

- f. Monthly Union dues will be deducted from vacation checks.
- g. A check in the total amount of the sum deducted on account of dues will be drawn each month to the order of Local 848, International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, and will be delivered to the Union via electronic funds transfer to the financial institution of the Union's choosing.
- h. The Company will forward to the Union each month in employee number order the following information:
 - (1) The names and employee numbers of employees who authorized deduction of Union dues and from whose wages such deductions have been made during the current month.
 - (2) The names and employee numbers of the employees who authorized the deduction of Union dues and from whose wages no such deduction was made because of insufficient earnings during the pay period for which the deduction was authorized.
 - (3) A list of all employees, including base rate identifying those employees who have not submitted to the Company an authorization for checkoff of dues.
 - (4) The names and employee numbers of employees who authorized such deductions but whose authorization became ineffective pursuant to Article 14, Section 1.b, by reason of the termination of their employment or their transfer or layoff.
- i. The Company will furnish the Union monthly an alphabetical list of all employees and their employee numbers identifying Union membership.
- j. The monthly Union dues provided for herein will be deducted from the authorizing employee's earnings for the second pay period of each calendar month. However, if an employee's earnings for the second pay period of the month are insufficient to permit the full deduction, then the deduction will be taken from the employee's earnings in the first of the subsequent pay periods in which **their** earnings are sufficient. Monthly Union dues deductions will not exceed the dues amount as set by the Union. Further, the Company will not be required to make a double deduction from an employee's subsequent monthly earnings in each of **their** preceding month's pay periods are insufficient to permit a deduction.
- k. The maximum monthly deduction provided for herein is the amount of the Union dues for one (1) calendar month, except in the case of the resumption of deductions from the earnings of an employee recalled, rehired with seniority or transferred from a non-collective bargaining unit job into the bargaining unit, as provided for in Article

- 7, Section 9. The maximum monthly deductions from such an employee's earnings for the first calendar month subsequent to recall, rehire or transfer are:
- (1) The monthly Union dues for the first calendar month; and
- (2) The monthly Union dues for the month preceding the first calendar month.

If the earnings of such recalled, rehired or transferred employees are subjected to monthly deductions as described, the deductions will be made in the first payroll weeks of the calendar month in the following manner: one (1) deduction will be taken from the employee's earnings for the first payroll week in which **their** earnings are sufficient, and the other deductions will be taken from the payroll week in which **their** earnings are sufficient.

- 1. The interpretation and application of "date of delivery" as it appears in the authorization form referenced in Article 14, Section 1, will be the date the Company actually receives the authorization for checkoff of Union dues, as evidenced by the date and time stamped on each card by a date and time recording machine.
- m. Each week, the Company will furnish Local 848 Union Hall a listing of hourly employee's status changes such as promotions, demotions, layoffs, recalls and a listing of those employees placed on or removed from Short Term Disability.
- n. The Company will provide the Union a weekly dues or catch-up dues report it may have taken in that week's payroll processing.
- o. The Company will provide the Union monthly with a clock number listing of any employees that had regular Union dues taken on dues night and did not subsequently work forty (40) hours during the dues period.
- p. The Company's agreement to furnish to the Union certain dues information contained above will not automatically cease on any termination of this Agreement but will terminate ninety (90) days after notice to the Union by certified mail from the date as set forth under Article 19, Section 1.b.

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	APPLICATION FOR ME	MBERSHIP		
INTERNATIONAL	UNION, UNITED AUTOMOBILE, AER WORKERS OF AMER! DETROIT, MICHIGA	CA (UAW)	ICULTURA	L IMPLEMENT
	DETITOR, MICHON		Date	
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ARTICLE 15 OFF-SITE OPERATIONS

Section 1. Definition of Off-Site

"Off-site" will mean the performance of work by covered employees at places geographically located at such distances from the Company's Grand Prairie, Texas, facilities that the distance requires an employee to obtain lodging other than at **their** established residence. It will also contemplate the eventual return of such employees back to the Company's Grand Prairie, Texas, operations. "Off-site" will not include a new establishment set up by the Company or the relocated operations of a major segment of the Company's present organization (such as one of its divisions) regardless of where the new establishment or the relocated division may be geographically situated.

Section 2. Application of the Agreement

- a. The Company and the Union recognize that these and other conditions on the Company's off-site operations do not make it possible to apply all parts and sections of this Agreement to employees assigned to off-site locations. Therefore, it is agreed that the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, and its Local 848, will represent collective bargaining unit employees assigned to off-site operations on:
 - (1) Wages (basic rate structure)
 - (2) Discipline and discharge
 - (3) Working Conditions
- b. However, the Company agrees to apply to covered employees assigned to its off-site operations all articles, sections, and other parts of the Agreement between the Parties dated March 1, 1978 except the following: Article 3; Article 4; Sections 1, 3, 4, 5, 7.c, and 9 of Article 5; Sections 1.c, 1.f. and 7 of Article 6, except as modified by Section 8 of this Article; Sections 1, 2, 3 and 14 of Article 7; Article 9; Sections 4 and 6 of Article 10; Article 17; Sections 1, 3, 5 and 7 of Article 19. When covered employees are promoted at an off-site location, Section 5 of Article 7 will be applied in the light of off-site conditions and requirements, but only to employees assigned to the specific off-site location where the promotion is made and at the time it is made.
- c. No labor grade inequities will exist among covered employees who are performing equal work at an off-site location. All such employees will be assigned to the labor

grade commensurate with the work being performed.

Section 3. Rules of Cognizant Agency

Off-site locations are normally under the cognizance of a military or a government civilian agency changed with an interest in the development or modification of a Company product at its locations. Because of this, employees assigned to such off-site locations are subject to rules and regulations of the agency having cognizance over the location and frequently must work at times and places under conditions the cognizant agency dictates or controls.

Section 4. Lists Required

Lists of those employees going off-site and those returning from off-site locations will be given to the local Union.

Section 5. Grievance Procedure

- a. An employee at an off-site operation who feels that **they have** a complaint involving one (1) of the three (3) categories given in Article 15, Section 2.a, with respect to an application or interpretation of the Agreement, excluding the articles and sections listed in Article 15, Section 2.b, or with respect to the provisions of this article, will write a letter of complaint to the Chairperson of the Plant Grievance Committee. The Chairperson of the Plant Grievance Committee will investigate the complaint, and if **they believe** the complaint has merit, **they** will introduce the complaint as a written grievance at the third step of the grievance procedure.
- b. Disputes concerning the interpretation and application of the provisions of the articles and sections of the Agreement made applicable to off-site locations by Article 15, Section 2, and of the provisions of this article will be subject to impartial arbitration. Recognizing that the normal procedures cannot practically be applied to off-site facilities, investigation time on such cases will be limited to normal in-plant investigation. The Company agrees to release witnesses called by the arbitrator or the Union only if they are not assigned to off-site operations, and investigations by the arbitrator will be limited so as to exclude off-site facilities.
- c. Notwithstanding any of Article 15, Section 5, the Chairperson of the Plant Grievance Committee may discuss any complaint received in writing from an off-site

employee with the Labor **and Employee** Relations Senior Manager or **their** designated representative.

Section 6. Application of Checkoff

Employees in the collective bargaining unit who are on the checkoff list when transferred to an off-site operation, or who subsequently authorize deductions, will have their deductions continued while at an off-site operation of the Company, subject to the conditions of the checkoff authorization signed by the employee.

Section 7. Policies and Practices

The Company agrees to continue, if allowed by the cognizant contract, its past policies and practices with respect to wage rates and other expense reimbursements allowed employees assigned to an off-site operation.

Section 8. Assignment to Off-Site Locations

Lockheed Martin Missiles and Fire - Dallas, the UAW International Union, and its Local Union 848 hereby agree that employees in the collective bargaining unit may be assigned to off-site operations as required and in accordance with past practice followed by the Company and UAW Local 848, subject, however, to the following:

- a. If a covered employee is assigned to an off-site operation and a layoff is called within thirty (30) days of the effective date of the off-site assignment, and the employee would have been affected if **they** had not been off-site, the employee is subject to the layoff procedure. After exhausting all rights as set forth under Article 7, the employee will be laid off and placed on the recall list as of that date.
- b. If a covered employee is assigned to an off-site operation, and a layoff is called after thirty (30) days of the effective date of the off-site assignment, and the employee would have been affected if **they** had not been off-site, the employee upon completion of that off-site assignment will be subject to the layoff procedure. After exhausting all rights as set forth under Article 7, the employee will be laid off and placed on the recall list as of the date the assignment is completed.
- c. If a covered employee assigned to an off-site operation is subsequently assigned to another operation and a layoff is called within thirty (30) days of the reassignment, and the employee would have been affected if **they** had not been off-site, the

employee is subject to the terms of Article 15, Section 8.a.

- d. If a covered employee assigned to an off-site operation has the seniority to hold, **they** may be assigned to other off-site operations, or returned to the plant as necessary.
- e. This section will apply to all covered employees currently assigned to off-site operations and those who will be assigned in the future.

Section 9. Travel Pay

- a. Employees traveling by air for Company business on a non-regularly scheduled work day will be compensated at the appropriate rate for any time worked prior to or subsequent to travel, plus pay for the FAA suggested arrival time, time travel, and one (1) additional hour after flight arrival.
- b. Employees traveling by air for Company business on a regularly scheduled workday will be compensated at the appropriate rate for any time worked prior to or subsequent to travel, plus pay for the FAA suggested arrival time, travel time, and one (1) additional hour after flight arrival; but not less than their regularly scheduled work hours.
- c. Employees traveling by automobile for Company business on a non-regularly scheduled workday will be compensated at the appropriate rate for any time worked prior to or subsequent to travel, plus travel time.
- d. Employees traveling by automobile for Company business on a regularly scheduled workday will be compensated at the appropriate rate for any time worked prior to or subsequent to travel, plus time traveled; but not less than their regularly scheduled work hours.

ARTICLE 16 SUBCONTRACTING AND MAJOR MAINTENANCE OR FACILITIES CONSTRUCTION WORK

Section 1. Intent

It is the policy of the Company not to contract for maintenance work customarily performed by its maintenance employees so long as the Company has the facilities, equipment, and available trained personnel to properly perform the work within the time required, except as provided within this Article. However, consideration will be given to leasing specialized equipment only when it represents an economic advantage to the Company or allows the total cost of such work to remain equal to or below the project budget.

The Company will continue to follow the practice of using bargaining unit maintenance personnel on maintenance work whenever the manpower, skills and equipment are available in the plant. When the maintenance work load exceeds the manpower, equipment, or skills available within the Occupational Group affected, subcontract personnel will be used. Additionally, when the work requires equipment the Company does not have or if the Company will gain an economic advantage, the work will be subcontracted to the extent necessary to accomplish the job, except as provided in this article.

It is the Company's intent that when a job is assigned to the Maintenance Department employees during the regular work week the maintenance employees will continue to work in the job if it carries over into an overtime situation regardless of shift. It is also understood that if maintenance work, as provided in this Article, is required to start on premium time, the Company maintenance employees will be given the first opportunity at such work. Likewise, when a job is assigned to an outside contractor, it will be worked by the contractor personnel if it carries into an overtime period regardless of shift.

The use of maintenance employees shall not be contrary to the control requirements of any cognizant military or government civilian agency.

Section 2. Conditions

The Company will not be arbitrary and capricious in its use of subcontractors. It is understood that bargaining unit employees who customarily perform such work as Carpenters, Painters, Plumbers, General Mechanics, Refrigeration Mechanics, Maintenance Welders, and Machine Repair Mechanics will not be displaced or laid off as a direct result of an outside contractor performing like work as the above-mentioned crafts. The scope of work is in accordance with the past practices of the Company since the sale and separation in 1992. Employees in these crafts hired on or before the date of ratification of this agreement, if on layoff or subsequently laid off will be recalled if the Company is required to assign a job, such as described above, for more than thirty (30) days of continuous work, if available on the recall list until the job is completed. The more than thirty days of work is applied to a single contract.

Section 3. Notification

When it is necessary for the Company to subcontract maintenance or construction work, the Company will inform the Chairperson of the Plant Grievance Committee, or **their** designee, of its intent to do so at the regularly scheduled subcontract meeting. The Company will review with the Union pending work to be subcontracted, of which the Facilities Organization has knowledge, unless it is faced with a situation where time and circumstances preclude it. The Company will provide the Chairperson of the Plant Grievance Committee with a list of jobs to be subcontracted with an explanation of the nature of work, approximate dates, contractor to perform the work, reasons causing the Company to subcontract such work, and the crafts involved. Non-notification will not result in a liability to the Company if such work would not have been performed by the bargaining unit employees as outlined in this Article.

The regularly scheduled meetings will ensure open communication between the Parties, provide the Union the opportunity to express any concerns, and ensure each party understands the circumstances of any subcontracting of the work in question. The Parties agree that this arrangement does not give the Union or any arbitrator the power to veto or modify the Company's right to subcontract maintenance and facilities construction work, nor will it prohibit the Union's right to file and process a grievance in accordance with Article 5 of this Agreement.

Section 4. Major Construction

It is not the policy of the Company to utilize its facility maintenance personnel to perform major construction work such as building new facilities, making major modifications to additions to existing facilities, or for the installation of major machinery or lab equipment. Accordingly, Section 2 above shall not apply to such work. However, this does not preclude the Company from utilizing facility maintenance employees to perform construction work, whether minor or major, if it is practical to do so, is economically feasible, and the scope of work can be accommodated as provided in this article.

ARTICLE 17 QUALIFICATIONS ENFORCEMENT AND WAIVER

Section 1. Specific Performance

- a. Either Party will be entitled to require specific performance of the provisions of this Agreement.
- b. Each of the Parties warrants that it is under no disability of any kind that will prevent it from completely carrying out and performing each and all of the provisions of this Agreement, and further that it will not take any action of any kind that will prevent or impede in the complete performance of each and every provision hereof.

Section 2. Waiver

The waiver of any breach of any of the provisions or terms of this Agreement by either Party does not constitute a precedent for any future waiver or enforcement of such breach.

ARTICLE 18 GENERAL PROVISIONS

Section 1. Workforce Flexibility

The Parties recognize that one of the factors to improving the Company's and Union's competitive posture is a flexible and productive workforce. Both the Company and the Union realize that employees may from time to time perform other duties, which are not part of their normal work assignments and not covered by the language of their job descriptions. Likewise, there may be times when non-bargaining unit employees will, in the completion of their regular job functions, have to perform necessary tasks that are simple in nature and within a defined area or outside of the normal flow and processes of production/facilities orders that would traditionally be considered bargaining unit work. These functions would be performed for the sole purpose of efficiency, emergency, during the instruction or training of bargaining unit employees or because adequate coverage is not readily available. Such work shall never be the cause of the layoff or extension of a layoff of a bargaining unit employee nor will it result in the displacement of a bargaining unit employee from working during premium pay hours. If it is established through the grievance procedure that such non-bargaining employees performed collective bargaining unit work outside the limitations set forth in this section, the employee(s) who normally perform the work in question will be paid for the amount of time the non-bargaining unit employees performed the work but in no event will it be less than one (1) hour.

Section 2. Safety

- a. The Company will abide by and maintain in its plant, standards of sanitation, safety and health in accordance with the federal, state, country, and city laws and regulations.
- b. Proper and modern safety devices will be provided by the Company for all employees engaged in work where such devices are necessary. Such devices must be used where provided.
 - (1) No employee will be discharged for refusing to work on a job if **their** refusal is based on the claim that the job is not safe or might unduly endanger **their** health, until it has been determined that the job is safe by using the procedure set forth in this section and applying the standards set forth in Article 18, Section 2.a. In cases where an employee believes a life threatening or serious injury situation

- exists, or may be about to occur, the employee may contact a member of the Environment, Safety and Health (ES&H) office. No employee will be subjected to reprisals for contacting the ES&H office to report a serious safety situation.
- (2) No employee with a physical disability, infirmity or illness will be discharged for refusing to work on a job if **their** refusal is based on the claim that said job might unduly endanger **their** health or physical condition. In such cases, the supervisor will request an immediate determination by the Labor **and Employee** Relations Senior Manager and/or the ES&H manager as to whether the job is safe or unsafe. Pending such determination, the employee will be assigned to other work by the Labor **and Employee** Relations Senior Manager if such is available; or, if no work is available, **they** will be sent home.
- (3) If the employee is not satisfied with the decision of the Labor **and Employee** Relations Senior Manager as to whether the job is safe or unsafe, in accordance with the plant standards described in Article 18, Section 2.a, the dispute may be subject to the grievance procedure and the employee will not be discharged for refusing to work on the particular job involved during the time the grievance is being processed. Time lost by the employee while such determinations are being made will not be paid for by the Company.
- c. The Chairperson of the Plant Grievance Committee is appointed to perform duties involving collectively bargained benefit plans and safety duties. As part of their duties, approximately 25% of their time, they will be assigned to the Manager Environmental, Safety and Health (ES&H) to consult on ES&H matters affecting work areas where members are assigned and to perform Level 1 Hazard Control Audits and Job Safety Analysis in such areas as required.

The Company agrees to allow the Chairperson of the Plant Grievance Committee to act jointly with the Manager, ES&H to form a Factory ES&H Committee. ES&H Committee members will be selected based on geographical work assignment to ensure representation throughout the plant facility. Meetings may be requested once per month or less frequently at the discretion of the Chairperson of the Plant Grievance Committee with the concurrence of the Manager, ES&H. The mission of the Committee will be to explore opportunities to optimize safety in the workplace and to communicate safety, hygiene and environmental information.

The Union may submit to the Company, names of employees from geographical areas of the plant facility designated by the Labor **and Employee** Relations Senior Manager who the Union desires to serve on the ES&H Committee. The geographical areas designated will ensure representation throughout the Plant Facility. Final appointment will be made by the Labor **and Employee**

Relations Senior Manager. A minimum of fifty (50%) percent of the ES&H Committee members will be selected from the list submitted by the Union.

CPR training and certification will be provided at no cost for volunteering members of the Factory ES&H Committee on an annual basis. The training will be conducted during regular work hours.

The Company agrees to provide funds for the Chairperson of the Plant Grievance Committee to attend one day of Safety and/or Environmental related training in the Dallas/Ft. Worth area annually.

The Company agrees to provide the Chairperson of the Plant Grievance Committee access to Lockheed Martin Missiles and Fire Control - Dallas ES&H technical information, Safety Data Sheets (SDSs) and ES&H policies and directives as required to properly perform **their** assigned duties.

The Chairperson of the Plant Grievance Committee shall have no other authority or responsibility except as provided for in this Section and applicable Federal and State regulation.

d. The Union agrees that willful neglect and failure by an employee to obey the plant safety regulations and to use safety devices provided by the Company is just cause for disciplinary action. However, if the employee believes the disciplinary action to be unjust, **they have** the right of appeal as provided in the grievance procedure.

Section 3. Union Bulletin Boards

The Company will furnish bulletin boards in conspicuous places to be used solely for the posting of Union notices, rules, regulations and such other notices as may be mutually agreed upon. Before posting, all notices must be approved by the Labor **and Employee** Relations Senior Manager, or their designee. The Union will notify the Company in writing of the name and the Union representative who is authorized to sign such notices. Notices will be posted by the Chairperson of the Plant Grievance Committee or **their** designated representative as provided under Article 4, Section 8.b (12).

Section 4. Nondiscrimination

a. There will be no intimidation, coercion or discrimination in any way by the Company

or its agents or by the Union, its representatives or members against any employee because **they are** or is not a member of the Union. There will be no solicitation of employees for Union membership or dues conducted upon the premise of the Company during working hours by the Union, its representatives or by employees.

- b. There will be no discrimination, coercion or intimidation by the Company or its agents or by the Union, its representatives or members against any employee or applicant because of race, ethnicity, color, religion, sex, pregnancy, age, national origin, ancestry, mental or physical disability so long as the essential functions of the job can be performed with or without reasonable accommodation, United States military veterans status, sexual orientation, marital status, family structure, gender identity or expression, genetic information or any other reason. Sexual harassment is an insidious form of sex discrimination and it is prohibited. Sexual harassment is defined as unsolicited and unwelcome sexual overtures or conduct, verbal or physical, that threaten the employment relationship, which includes conditions of employment and personnel decisions, or creates a hostile, intimidating or offensive work environment.
- c. Any reference in this Agreement, job descriptions, mutual agreements or other documents executed by the Parties relating to employees of either sex will be considered as being equally applicable to employees or both sexes.

Section 5. Absence for Union Business

Union members will be given permission to be absent from or to leave the plant on bona fide Union business upon request of the President of the local Union providing that:

- a. Forty-eight (48) hours' advance notice has been given to the Labor **and Employee** Relations Senior Manager or their designee.
- b. The total number for which permission is requested to be absent from the plant on any one (1) day will not exceed twenty-five (25) and not more than two (2) of these are from any one (1) Steward's district, except in those instances where an employee is elected as an official delegate to an International UAW convention, or to a function sponsored by or under the auspices of the UAW.

Such time spent by employees out of the plant will not be paid for by the Company.

Section 6. Education Assistance

- a. The Company maintains a program of educational assistance for the purpose of encouraging the self-development of its employees. The Parties have agreed that participation in the Education Assistance Program will be offered to all members of the UAW Local 848 bargaining unit effective October 16, 2011.
- b. Employees wishing to participate in the Company's Education Assistance Program will be subject to all terms and conditions of the Company's Education Assistance Policy. Any improvements, modifications, reductions, eliminations or changes in this policy shall be automatically applicable to bargaining unit employees covered by this agreement on the same basis as such changes are made for non-represented employees.

Section 7. Security and Access

Nothing contained in this Agreement will in any way limit the right of the Company to discharge any employee in order to comply with its obligations to the government under any security agreement, under any security provisions of its government contracts, or under any law, regulation or direction of the government. The Company will notify the Union prior to or immediately following such a discharge and, if permitted, will disclose to the Union the reason or basis for its action.

- a. Since the Company has mandated security obligations in its contracts with certain other companies and/or government agencies pertaining to security access, nothing contained in this Agreement is intended to place the Company in violation of said security agreements. Therefore, the Company is not required to employ, continue in its employment, assign to or give access to any employee not approved for access by the aforementioned other Company or government agency.
- b. Where it is practical and reasonable, the Company will follow the principle of seniority in determining employees to be submitted for access clearances by the appropriate other Company and/or government agency. It is recognized that other non-secured, non-accessed programs must operate efficiently, and where possible avoid disruption. Therefore, it may not be practical and reasonable to submit candidates by seniority. The Company's intent will be to follow the principle of seniority. However, should this not be practical and reasonable, the Company will discuss the matter with the appropriate Committeeperson(s) and the Chairperson of the Plant Grievance Committee. The Company will have no liability should it be determined that a

more senior employee(s) has to be laid off while retaining a less senior employee(s) because of security requirements imposed by other companies and/or government agencies.

- c. Promotional opportunities within an access area will be filled in accordance with the contract provisions of Article 7, Section 5. Access clearance will not be a considered factor in identification of an individual for promotion. An employee's promotion and assignment to work a job requiring security access depends upon such employee chosen for the promotion submitting access paperwork and obtaining the necessary security access from the cognizant agency in a timely manner.
- d. In a job classification requiring the assignment of a small number of employees to work full time in a security access program, the Company will request bidding employees to submit themselves for the necessary clearance in seniority order, beginning with the most senior first and so on. An employee's promotion and assignment to work a job requiring security access depends upon such employee submitting access paperwork and obtaining the necessary security access from the cognizant agency in a timely manner.

Section 8. Tobacco Free Work Environment

The use of all tobacco products and any product or device designed or intended to simulate a tobacco product is prohibited on all Company property including buildings, grounds, vehicles and parking lots, as referenced in the Tobacco and Smoke Free Environment policy. Information regarding tobacco cessation programs are available for all employees.

Section 9. Awards Program

Employees represented by the Union may receive awards under the Company's Awards Program. The Union waives its right to bargain over these Programs and agrees that the design and administration of the Programs as well as the amount and frequency of awards under the Programs are solely at the discretion of the Company. Program administration, as well as any potential changes to or termination of the Company's programs, are not subject to the grievance procedure. Any improvements, modifications, reductions, eliminations or changes in this policy shall be automatically applicable to bargaining unit employees covered by this agreement on the same basis as such changes are made for non-represented employees.

Section 10. Company Expressions of Sympathy

It is in the best interest of both the Company and the Union to allow the Company to express sympathy with a gift upon the death of an employee or a member of the employee's immediate family, if requested. This Section will confirm the Parties' agreement with respect to eligibility to participate in the Lockheed Martin Missiles and Fire Control "Company Expressions of Sympathy" program.

This agreement is subject to any changes, modifications, additions or deletions of the aforementioned program. The Union waives its right to bargain over this program and agrees that the design and administration of the program as well as the value and type of gift under the program are at the sole discretion of the Company. Program administration, as well as any potential changes to or terminations of the Company's program are not subject to the grievance procedure. Either party may terminate this arrangement upon 30 days written notice to the other party.

Section 11. Vacation Donation

The Parties agree to allow employees to receive donated vacation time up to 400 hours in accordance with the "Donating Vacation to an Employee on Unpaid FML" policy. All other vacation eligibility, accrual and other provisions will continue to follow Article 10, Section 6 and its respective subsections. Approval of vacation donors will be in accordance with the Donating Vacation policy. Furthermore, program administration and any potential changes to the program will be at the sole discretion of the Company and no part of this process is subject to the grievance procedure. Either party may terminate this arrangement upon 30 days written notice to the other party.

ARTICLE 19 ATTENDANCE AND DISCIPLINE PROGRAMS

Section 1. Attendance Program

a. All absences shall be considered as incidences of violation under the provisions of the Attendance Program, excluding contractually provided time off for vacation, paid absence allowance, approved leaves of absence, jury duty, bereavement, military duty, union business, FMLA/medical leave, and work-related injuries. Additionally, unexcused/unauthorized absences, reporting late to work without notice, leaving early without authorization from

supervision, and absences from scheduled overtime work will also be considered as elements of the Attendance Program.

- (1) Any generation of lost time in the amount of 0.1 (3:00 minutes or more) or greater will be considered an occurrence. With the exclusion of the end of the shift, clocking's recorded by employees of less than 0.1 (2:59 minutes or less) will be considered a grace period and will not be considered an occurrence unless these punches constitute a pattern as defined in this Section.
- (2) When tracking absences, a note from a physician does not "excuse" an individual's absence(s) from work unless it is associated with an approved medical leave of absence.
- (3) Employees who volunteer to work overtime or are identified to work mandatory overtime and fail to report for some or all of the scheduled overtime will be charged an occurrence and the time not worked will be counted as lost time.
- (4) During periods when employees are scheduled to work extensive amounts of overtime, the amount of overtime actually worked by an employee will be an important mitigating factor in management's consideration of whether disciplinary action is appropriate for an employee who is absent from work when scheduled on such overtime.
- b. If an employee fails clocking-in, such employee will bring the matter to the attention of the employee's immediate supervisor; and the employee will be required to prove to the immediate supervisor that they were at work during any time for which the employee wants credit. Once the discrepancy is reviewed and requirements are met, the supervisor can update the employee's timecard accordingly.
- c. Employees who fail to clock out and/or back in for their meal period will be subject to the following for possible discipline:
 - No out/in clocking in the same day: one (1) occurrence
 - No out clocking: one (1) incident*
 - No in clocking: one (1) incident*

*Note: Any combination of four (4) incidents as described above in Article 19, Section 1c will be considered as one occurrence for discipline purposes.

- d. The following attendance disciplinary triggers will prompt a review of the circumstances of the occurrences that formed the trigger for possible disciplinary action, if an employee has:
 - Three (3) or more occurrences within a two-week period or

- Four (4) or more occurrences within a four-week period or
- Six (6) or more occurrences within a rolling three-month period or
- Twenty-two (22) or more hours of unexcused lost time within the rolling calendar year or the last date of discipline.
- e. Following Company review, if the Company determines disciplinary action is warranted under the Attendance Program, the Company will follow the progressive disciplinary procedure as described below to encourage employees to improve unacceptable attendance:
 - Step 1 <u>Counseling</u>: Administered by management with documentation given to the employee and recorded in the employee's record.
 - Step 2 <u>Verbal Reprimand</u>: Administered by management with documentation given to the employee and recorded in the employee's record.
 - Step 3 <u>Written Reprimand</u>: Administered by management with Labor and Employee Relations with formal written notification given to the employee and recorded in the employee's record.
 - Step 4 <u>Final Written Reprimand</u>: Administered by management with Labor and Employee Relations with formal written notification given to the employee and recorded in the employee's record.
 - Step 5 <u>Discharge</u>: Administered by management with Labor and Employee Relations with formal written notification given to the employee and recorded in the employee's record. Prior to the termination being issued, the Company will notify the designated Union representative, unless the employee has signed a waiver of union representation.
- f. Once an employee receives a disciplinary action under the Attendance Program, if they do not receive any additional disciplinary actions for twelve (12) months of active employment, all outstanding disciplinary actions under the Attendance Program will no longer be considered for purposes of further steps of discipline. However, if the employee incurs a new attendance disciplinary trigger within twelve (12) months of active employment from the

date of the last disciplinary step, the next step of discipline as described in Article 19, Section 1e will be applied.

Section 2. Professional Conduct and Performance Discipline

- a. For all disciplinary matters other than attendance, which shall be covered under Article 19 Lost Time and Disciplinary Action, Section 1, the Parties agree that the following disciplinary procedures are to be used. Disciplinary actions shall be administered into two (2) categories: professional conduct and performance. While the Parties agree that in administering progressive discipline the Company shall normally follow the steps below, it is understood that the Company may skip steps based on the nature and severity of the violation.
 - Step 1 <u>Counseling</u>: Administered by management with documentation given to the employee and recorded in the employee's record.
 - Step 2 <u>Verbal Reprimand</u>: Administered by management with documentation given to the employee and recorded in the employee's record.
 - Step 3 <u>Written Reprimand</u>: Administered by management with Labor and Employee Relations with formal written notification given to the employee and recorded in the employee's record.
 - Step 4 <u>Suspension/Final Written Reprimand</u>: Administered by management with Labor and Employee Relations with formal written notification given to the employee and recorded in the employee's record. The Company at its discretion may elect to issue a Final Written Warning in lieu of suspension or in addition to suspension.
 - Step 5 <u>Discharge</u>: Administered by management with Labor and Employee Relations with formal written notification given to the employee and recorded in the employee's record. Prior to the termination being issued, the Company will notify the designated Union representative, unless the employee has signed a waiver of union representation.

- b. In addition to the notifications above, the Company shall provide to the Union notice of all disciplines issued by the Company at any Step in a form and time mutually agreed upon by the Parties.
- c. It is understood that the Company may suspend an Employee without pay pending investigation of alleged misconduct which may lead to the issuance of a disciplinary action in the form of a suspension without pay or termination. The unpaid suspension shall be limited to a maximum of one (1) week, with additional days of paid suspension as necessary, and that the Employee shall be reinstated and paid for the missed scheduled work time should the Company decide not to take disciplinary action against the Employee as a result of the investigation.
- d. When conducting an interview with an employee that said employee could reasonably believe lead to discipline, or when notifying an employee of a disciplinary action, the Company will notify the employee of their right to union representation. If the employee declines union representation, the Company will require the employee to sign a waiver of the employee's right to representation. If the employee refuses to sign the waiver, the Company will make note of the refusal on the form. The Company shall provide the Union with the waiver form. Neither failure by management to notify an employee about their right to union representation nor failure to obtain a waiver if representation was refused may be used to overturn any disciplinary action taken by the Company.

Section 3. Disciplinary Meeting

When the Company plans disciplinary action involving suspension or discharge, the following procedure will apply except in cases involving disorderly or threatening conduct:

- a. Labor **and Employee** Relations will review the facts of the pending disciplinary action with the affected Committeeperson or Chairperson of the Plant Grievance Committee prior to the disciplinary meeting.
- b. The employee will be escorted to Labor **and Employee** Relations, given the reasons in writing for the action and advised of **their** right to representation by **their** Committeeperson.

- c. In the event the employee declines Union representation, **they** will so indicate in writing with a copy to be provided to the Union.
- d. In those cases where the employee elects to be represented, **their** Steward, Committeeperson or, in the Committeeperson's absence, the Chairperson of the Plant Grievance Committee, will be notified so that **they** can attend the meeting. No action will be taken without the presence of the employee's Steward, Committeeperson or Chairperson of the Plant Grievance Committee. However, in no event will the Company be required to delay or postpone disciplinary action more than two (2) hours following notification to the Union, except in cases involving disorderly or threatening conduct.
- e. In attendance at the disciplinary meeting will be the employee, the Union representative if requested, the employee's supervisor and a Labor **and Employee** Relations representative. The purpose of the interview will be to exchange information concerning the reason for the planned action.
- f. Grievances resulting from the above stated actions must be filed within three (3) working days from the suspension or discharge and will be processed at the second step of the grievance procedure.
- g. If the Company elects to terminate an employee by mail, the Chairperson of the Plant Grievance Committee will receive, on the day it is mailed, a copy of the letter.
- h. If an employee is reprimanded a notation thereof shall be placed **in their** service record and shall be given a copy of such notation. The employee will be given a copy of the discipline and shall acknowledge in writing receipt of such copy. Reprimands or suspensions predating a period of twelve (12) months on the active payroll, during which no reprimand or suspension has been received, will not be considered for the purposes of further disciplinary action, but may be used on cross-examination for purposes of impeachment and credibility at an arbitration.

ARTICLE 20 SEVEN DAY OPERATIONS

Section 1. General Provisions

- a. In the case of employees working a seven-day operation, the Company's normal workday for employees will be twelve (12) hours, including lunch periods, except as provided herein. The Company's normal work schedule for employees will be seven (7) 12-hour days on duty with the first workweek of the two-week cycle beginning on Monday and ending mid-shift on the 4th workday and the second workweek beginning mid-shift on the 4th workday, for a total of forty-two (42) hours per workweek. The seven (7) consecutive days scheduled on duty will be followed by seven (7) consecutive days scheduled off duty.
- b. Time and one-half will be paid for:
 - (1) All time worked in excess of twelve (12) hours in a twenty-four (24) hour period, which begins with the start of the employee's normal scheduled shift. This provision will not apply when the employee is transferred during the twenty-four (24) hour period from one shift to another as the result of a layoff or when the employee exercises shift preference; however, it will apply in such a case if the employee receives less than twenty-four (24) hours' notice that they are to be transferred permanently to another shift.
 - (2) All work performed by employees on a calendar Sunday where Sunday is considered a regular workday.
- c. An employee will receive twelve (12) hours' pay at their regular base rate, including shift differential, but excluding all premiums, bonuses or overtime allowances for such holidays as designated by the Company and agreed to by The Union.
- d. Employees will accumulate Paid Absence Allowance (PAA) credit at the rate of 3.5 straight-time hours for each month of service during the calendar year.
- e. Vacation requests can be made during scheduled holidays without vacation time being taken. This will be on a first service basis and will require adequate shift coverage. Should there be multiple requests for vacation during a scheduled holiday, and coverage is not adequate, the supervisor is to base the approval on seniority of the requesting Parties.

f. Vacation Accrual

- (1) A vacation accrual rate of seven (7) hours per month, totaling a maximum annual eligibility of eighty-four (84) hours, will be earned by an active hourly rated employee each year until their 7th vacation seniority date.
- (2) A vacation accrual rate of ten and one half (10.5) hours per month, totaling a maximum annual eligibility of one-hundred and twenty-six (126) hours, will be earned by an hourly rated employee upon the completion of seven (7) years continuous and active employment with the Company, beginning in the month of their vacation seniority date.
- (3) A vacation accrual rate of fourteen (14) hours per month, totaling a maximum annual eligibility of one-hundred and sixty-eight (168) hours, will be earned by an hourly rated employee upon the completion of fourteen (14) years continuous and active employment with the Company, beginning in the month of their vacation seniority date.

g. Bereavement

(1) Four (4) days' bereavement pay will be granted to an employee who takes time off from a regular workweek because of a death in the immediate family as defined in Article 10, Section 1.

Section 2. Vacation Accrual Schedule

Years	Annual Accrual Rate	Monthly Accrual Rate	
Less than 7 th Vacation Seniority Date	84 Hours	7.00 Hours	
Starting on 7th Vacation Seniority Date	126 Hours	10.50 Hours	
Starting on 14th Vacation Seniority Date	168 Hours	14.00 Hours	

Section 3. Holidays

a. Hourly employees on a Seven-Day Operations A schedule who meet all of the eligibility rules and conditions will be paid for the following holidays:

Holiday	2024	2025	2026	2027	2028
New Year's Day					
New Year's Day (Observed)			Jan 5	Jan 4	Jan 3
Martin Luther King, Jr. Day		Jan 20	Jan 19	Jan 18	Jan 17
Memorial Day (Observed)					
Memorial Day		May 26	May 25		
Independence Day (Observed)				July 5	July 3
Independence Day			July 6	July 6	July 4
Labor Day		Sept 1			
Labor Day (Observed)					
Thanksgiving Day	Nov 28	Nov 27	Nov 26	Nov 25	
Day after Thanksgiving (Observed)	Nov 29	Nov 28	Nov 27	Nov 26	
Holiday Shutdown	Dec 25	Dec 25	Dec 25	Dec 24	
	Dec 26	Dec 26	Dec 26	Dec 25	
	Dec 27	Dec 27	Dec 27	Dec 26	
		Dec 28			

b. Hourly employees on a Seven-Day Operations B schedule who meet all of the eligibility rules and conditions will be paid for the following holidays:

Holiday	2024	2025	2026	2027	2028
New Year's Day		Jan 1	Jan 1	Jan 1	Jan 1
New Year's Day (Observed)		Jan 2			
Martin Luther King, Jr. Day					
Memorial Day (Observed)		May 25			
Memorial Day				May 31	May 29
Independence Day (Observed)		July 3	July 3		
Independence Day		July 4	July 4	July 4	July 1
Labor Day			Sept 7	Sept 6	
Labor Day (Observed)		Sept 8	Sept 8		Sept 4
Thanksgiving Day					
Day after Thanksgiving (Observed)					
Holiday Shutdown	Dec 20	Dec 29	Dec 28	Dec 27	
	Dec 21	Dec 30	Dec 29	Dec 28	
	Dec 22	Dec 31	Dec 30	Dec 29	
	Dec 30		Dec 31	Dec 30	
	Dec 31			Dec 31	

c. If not specifically called out in this Section, the remaining provisions of the Agreement is applicable to Seven-Day Operations employees covered under Article 3, Section 2.

ARTICLE 21 DURATION

Section 1.

- a. This Agreement will be in force and effect through 11:59 p.m., **October 27, 2028** and for additional periods of one (1) year thereafter unless either Party gives written notice of its intent to terminate the Agreement or modify any portion of any of the terms thereof by registered mail to the other Party not less than sixty (60) nor more than seventy (70) days prior to **October 27, 2028** or prior to the end of any yearly period subsequent thereto.
- b. In the event either Party gives notice to the other of its intent to terminate or modify this Agreement as provided for in **Article 21**, Section 1.a, this Agreement will not forthwith terminate on its anniversary date, but will continue thereafter in force and effect until either Party gives to the other final written notice of termination, which will be effective not earlier than one hundred twenty (120) hours from the receipt of said notice by the addressee.
- c. In the event notice of intent to terminate or modify this Agreement has been given by either or both Parties as provided for in **Article 21**, Section 1.a, collective bargaining meetings will be held between the Plant Grievance Committee, representatives of the international Union and the Company, beginning promptly after receipt of a notice of intent to terminate or modify. The Parties will, after receipt of a notice of intent to terminate or modify, promptly exchange contract proposals, provided that neither Party will be precluded from submitting new or additional proposals at any time prior to the execution of a new, extended or modified collective bargaining agreement.
- d. It is expressly understood that the notice of dispute to the Federal Mediation and Conciliation Service required by the Labor Management Relations Act of 1947, as amended, will be due sixty (60) days prior to October 27, 2028, or any subsequent October 27.

Section 2.

The Union and the Company, in consideration of the benefits, privileges and advantages provided in this Agreement, suspend meetings in collective bargaining negotiations with each other during the life of this Agreement with respect to any

further demands, including pensions or insurance for employees or with respect to any questions of wages, hours or working conditions, except as may be dealt with as a grievance under Article 5.

Section 3.

Notices will be in writing and will be sent by registered mail addressed, if to the Union, to Local 848, International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, 2218 E. Main, Grand Prairie, TX, 75050, and to the Region 5 Dallas Area Office of the International Union, **8787 N. Stemmons Freeway, Suite 350,** Dallas, TX, 75247; and if to the Company, Lockheed Martin Missiles and Fire Control - Dallas, Labor **and Employee** Relations Senior Manager, P. O. Box 650003 M/S LHR-LA, Dallas, TX, 75265-0003.

Lockheed Martin Missiles and Fire Control

International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) and its Local 848

Jacob Addie

Director, HR and Labor & Employee Relations

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Marty Giesecke

Chairperson, Plant Grievance Committee

Lorenzo Taylor

Committeeperson, Zone 1

William Evan Nichols

Committeeperson, Zone 2

David Barker

International Representative, Region 8

Rickey Blair

International Representative

UAW National Aerospace Department

LETTERS OF AGREEMENT TABLE OF CONTENTS

Letter	Subject	Page
1	Repeal of Section 14(b)	108
2	Alcohol and Drug Program	109
3	Hardware Fabrication – Dallas Operations	115
4	New Technology	117
5	Supplier Material Management Initiative	118
6	Flex Time	119
7	Business Execution and Surge Support	120

Letter of Agreement 1 Repeal of Section 14 (b)

This reaffirms the letter dated 1 March 1978 that states:

The Parties agreed that in the event that Section 14(b) of the Labor Management Relations Act of 1947 is repealed, those employees who are members of the Union at that time must retain their membership while they are covered by this Agreement, and those employees hired subsequent to the repeal of the Section will be required, as a condition of employment, to become a member of the Union within thirty (30) days after being placed on the payroll.

It was agreed further that those employees who on the effective date of the repeal of Section 14(b) were not members of the Union will not be required to become a member as long as they have seniority under the terms of the Agreement.

	Agreed to	this	_17th	day	of	October	2016, by	and	between
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Jay Sumner

Director, Labor and Employee Relations

lames Ducker

President

Albert H. Labat

Sr. Manager, Labor Relations

Kyle Dubberke

Chairperson, Plant Grievance Committee

David Barker

Region 5, International Representative

75265-0003

Telephone 972/603-1000

Alcohol and Drug Program (Revised October 2019)

The Parties to this Agreement, the UAW and its Local Union 848 (hereinafter referred to as "the Union") and Lockheed Martin - Missiles and Fire Control, Dallas (hereinafter referred to as "the Company"), wish to cooperate in making our workplace a safe environment and our workforce a productive one for the benefit of all the Parties, our customers and our community.

To that end the Company affirms that it will administer and conduct its alcohol and drug testing programs, which includes employees covered by the Department of Transportation (DOT) regulations, to ensure that:

- The dignity and privacy of those tested will be safeguarded to the maximum extent possible.
- The program may not be used for any purpose except the achievement of a alcohol and drug-free workplace and work force.
- It will continue to employ the rigorous controls, safety checks and quality control
 measures that are employed in testing other segments of the work force.

For its part, the Union agrees to support the Alcohol and Drug Program described herein. All Parties agree that their mutual interests will be best served in adopting this program to achieve the goal of a drug-free workplace and work force.

Section 1. Purpose

To define alcohol and drug testing practices to provide an alcohol and drug-free workplace/work force for all employees.

Section 2. Policy

It is the policy of the Company to hire/employ only individuals who do not use illegal drugs or other controlled substances in any amount or frequency, unless properly prescribed for them by their physician. The term "illegal drugs" means controlled substances included in Schedules I through V as defined by Section 202 of the Controlled Substances Act (21 U.S.C. 812), the possession of which are unlawful. The Company will not arbitrarily change the current list of drugs being tested. In the event the

Company deems it appropriate to change the list of drugs being tested, the Company will consult with the Union at least thirty (30) days prior to any change. The term "illegal drugs" does not include controlled substances obtained and used pursuant to a valid prescription or as otherwise authorized by law. Labor **and Employee** Relations will administer the following Alcohol and Drug Program. The Alcohol and Drug Program will apply in the following circumstances:

- a. All UAW represented new hires, recalls, rehires, and reinstatements will be tested as a part of the Company's pre-employment review requirements. If the employee has not been absent from the payroll for thirty (30) days or more, this provision will not apply. All UAW represented employees who are made an offer of recall will be required to submit to a urinalysis drug screen immediately prior to returning to work. In the event that a recalled employee tests positive for illegal drugs, the matter will be handled as outlined by the provisions of this letter. Should any recalled employee refuse to submit to the urinalysis drug screen, the offer of recall will be immediately withdrawn and the employee will lose any and all seniority rights as provided by the Collective Bargaining Agreement.
- b. All UAW represented employees will be subject to systematic random testing without notice and after a positive test, accelerated testing under Section 6b. The testing program is complementary to, and in no way supersedes Company disciplinary procedures for individuals who are on Company premises in an impaired state caused by a violation of this agreement.
- c. Testing for reasonable suspicion, when there is cause to believe that an individual is under the influence of alcohol, illegal drugs, improperly administered medications and/or unauthorized substances, or post-accident/incident/near-miss shall be administered by a contracted medical facility on or offsite.
- d. Any other circumstances required by the Department of Defense, Department of Transportation, or other federal agency regulations relating to a drug free workforce.

Section 3. For Cause Alcohol and Drug Testing

- a. **Reasonable Suspicion.** The criteria, which may constitute reasonable suspicion by the Company include, but are not limited to:
 - (1) Slurred speech, smell of alcohol or marijuana
 - (2) Physical loss of control, such as stumbling or violent behavior

Letter of Agreement 2

- (3) Psychological loss of control, such as paranoia, rambling or incoherent speech, diminishing consciousness, or loss of touch with reality
- (4) Signs of emotional stress, such as argumentative or unusually aggressive behavior
- (5) Detection of paraphernalia related to alcohol and/or illegal drugs
- (6) Detection of alcohol/illegal drugs/prescription drugs not prescribed for the individual on Company premises or the individual
- (7) Unusual or repeated injury on the job or damage to property not readily explained by work conditions
- (8) Criminal behavior relative to illegal drug activity
- b. **Post-Accident/Incident.** Testing may be administered after involvement in an accident/incident or potentially dangerous near-miss accidents, while performing jobrelated duties on or off Company property of the following individuals:
 - (1) Employees injured on the job if (a) the injury is serious enough to require medical treatment beyond first aid and (b) the injured employee's actions or omissions reasonably could have been a contributing factor to the accident/injury or
 - (2) Employees whose actions or omissions reasonably could have been a contributing factor in the case of an accident involving only property damage in an amount reasonably estimated at the time of the accident to exceed \$2,000.00. When such property damage occurs, the individual shall be tested even if the accident is not work related (e.g., an accident occurring in a Company parking lot before or after an individual begins to work, during lunch or any other break from work/non-working time, etc.) or
 - (3) Employees whose actions or omissions reasonably could have been a contributing factor to a "near miss" in terms of injury or property damage, or
 - (4) Employees covered by the Agreement whose actions or omissions reasonably could have been a contributing factor to another individual's personal injury.

Section 4. General Procedure

- a. Prior to the authorization of a "reasonable cause" drug test, the Medical Department's professional judgment must indicate a need for such test. In the absence of such a professional, Security Services may provide authorization.
- b. The Labor **and Employee** Relations Department and the Chairperson of the Plant Grievance Committee or their designee will attempt to discuss the issue (if possible) before a drug test is to be administered on a "reasonable cause" basis.

- c. Nothing in this policy will preclude the Company from taking action against the employee warranted by other policies, procedures, rules of conduct, etc.
- d. Consent No alcohol and drug test may be administered, without the written consent of the person being tested (Attachment 1). Employees have the right to speak with a Union representative prior to testing, if requested by the employee. Because time is of the essence, the conversation with the employee's Union representative shall not delay the alcohol or drug test. Refusing to consent and/or submit to an alcohol and/or drug test is considered insubordination and shall result in termination of employment. An employee shall be placed on indefinite suspension pending the outcome of the test if it is not readily available.
- e. Transportation for Testing Alcohol and drug testing may be performed through an offsite medical facility. Transportation to an offsite medical facility for alcohol and drug testing will be provided by the Company. The employee will be transported to an offsite medical facility in the absence of the Union representative.
- f. Chain of Custody Collection and shipment of all urine samples will follow strict chain of custody procedures.
- g. Notification An employee who tests positive shall be so notified by the Company.
- h. Confidentiality The identities of employees who have tested positive on For Cause Testing shall be limited to the extent legally and contractually permissible to those persons having a need to know.

Section 5. Positive Test Results

a. Employees whose blood alcohol levels are equal to or exceed 0.04% shall be deemed positive and the employee will be sent home without pay for the remainder of their shift. The employee will not be allowed to drive and must find alternate transportation. Employee drug test results indicating a detectable amount of illegal/illicit drugs, improperly administered medications and/or unauthorized substances consistent with the Substance Abuse and Mental Health Services Administration (SAMHSA) certified laboratories in effect and as amended from time to time, shall be deemed as positive. An employee whose alcohol or drug test is positive will be considered in violation of this agreement and will be placed on a leave as described below in Section 6. Individuals who test positive will be asked to provide a listing of prescribed and over-the-counter medications taken within the last thirty

Letter of Agreement 2

(30) days.

- b. Employees whose assignments make them subject to Department of Defense, Department of Transportation, or other federal agency regulations relating to a drug free workforce will return to work in strict compliance with those regulations.
- c. False Positive: In instances where an initial positive test is determined to be negative, the employee will be returned to work and shall be compensated for time lost.

Section 6. Leave of Absence Following Positive Test

- a. Treatment Not Required: If at the time of an employee's positive test result, an assessment by an accredited drug and alcohol rehabilitation program or the Company's EAP representative indicates that the employee does not meet the criteria for treatment, they will be returned to work upon completion of a three (3) day disciplinary suspension. Upon return from suspension, a second positive test will result in termination.
- b. Treatment Required: Employees who have tested positive for drugs or alcohol in accordance with this agreement and with the recommendation of a Company EAP representative, shall be placed on an unpaid leave for up to thirty (30) calendar days, consistent with the employee's treatment plan. The leave may be extended up to an additional unpaid thirty (30) calendar days if the employee presents satisfactory evidence to the Company of continuing to participate in treatment. The leave must be taken after a positive alcohol or drug test and shall be without pay. However, the employee may use accrued personal time. Their benefit coverage will continue. The employee must present a release from an accredited alcohol or drug rehabilitation program and/or be cleared by the Company's EAP representative in order to return to work. Upon return to work, they shall be tested for alcohol and drugs within the first five (5) calendar days and will be placed on a Last Chance Agreement (LCA), which shall include random accelerated alcohol and drug testing for up to twenty-four (24) service months. A positive test result or failure to comply with any of these requirements will result in the employee's termination.
- c. Upon successful completion of the twenty-four (24) service month period, the employee's positive test result will be disregarded.
- d. An employee who tests positive again within two years, will have their case reviewed by the Company to determine the appropriate action to be taken which may result in

disciplinary action up to and including discharge.

Section 7. Testing Responsibility

- a. The Wellness Center receives the random selection and informs supervision in a timely manner of employees selected for alcohol and drug testing.
- b. Supervision notifies the employee to report to the Wellness Center.
- c. The Wellness Center collects a sample as specified in the General Procedures section.
- d. The Company Medical Review Officer receives test results, confirms test results, notifies employee(s), and communicates positive test results to the Labor **and Employee** Relations Senior Manager or designated representative.
- e. If a test result is positive, the Labor **and Employee** Relations Senior Manager or designee will take appropriate action as outlined in Section 4.
- f. The Labor **and Employee** Relations Senior Manager or designee notifies Security of positive results when the employee has a security clearance.
- g. The Labor **and Employee** Relations Senior Manager or designee notifies the EAP Coordinator of all positive test results so that coordination with the EAP provider can be established.
- h. The Company Wellness Center is authorized to release individual employee test results to Security when the employee is being submitted for a security clearance.

The Parties to this Agreement, UAW Local 848 and Lockheed Martin - Missiles and Fire Control, Dallas, wish to cooperate in making our workplace a safe environment and our workforce a productive one for the benefit of all the Parties, our customers and our community.

To that end the Company affirms that it will zealously administer and conduct its drug testing programs to ensure that:

- The dignity and privacy of those tested will be safeguarded to the maximum extent possible.
- The program may not be used for any purpose except the achievement of a drug-free workplace and work force.

Letter of Agreement 2

• It will continue to employ the rigorous controls, safety checks and quality control measures that are employed in testing other segments of the work force.

For its part, the Union (UAW Local 848) agrees to support the Substance Abuse Testing Program described herein. All Parties agree that their mutual interests will be best served in adopting this program to achieve the goal of a drug-free workplace and work force.

Agreed to this 17th day of October 2019.

Letter of Agreement 3 Hardware Fabrication Dallas Operations

In response to the concerns expressed by the Union regarding the type of work performed in various engineering laboratories, it is not the policy of the Company to assign bargaining unit work so as to erode the Union. Therefore, the following serves as a guideline to help differentiate work which may be performed similar in nature by both production employees and engineering laboratories. This letter does not modify or change the interest of Article 3, Section 2.

Research

What: Typically theory verification.

Who: Non-Collective Bargaining Employees.

Engineering Concepts/Research and Development

What: Typically Research and Development, Engineering Models, Engineering

Product Development Test Articles, Brass Boards, Breadboards, or assemblies intended for proof-of-principal, or concept validation prior to production or production development. Usually to support field/lab

testing, failure analysis of hardware/assemblies/systems and special testing

as required.

Who: Engineering Laboratory Non-Collective Bargaining Employees

Manufacturing Prototype/Production in Development

What: Test Hardware, Prototypes, Mockups, Mods, Special Inspection

Equipment, cables, harnesses, other hardware or assemblies intended for eventual military use through incremental development. Full data package may eventually be required, but not necessary at the onset of development.

Who: Manufacturing, Collective Bargaining Represented Employees.

Low-Rate Production/Production/Spares

What: Hardware, Assemblies, Tooling, Systems, Spares, that have a full

Technical Date Package and Manufacturing Statement of Work and

planning.

Who: Manufacturing, Collective Bargaining Represented Employees.

Agreed to this <u>17th</u> day of <u>October</u> 2016, by and between

Letter of Agreement 3

Jay Sumner

Director, Labor and Employee Relations

James Ducker

President

Albert H. Labat

Sr. Manager, Labor Relations

Kyle Dubberke

Chairperson, Plant Grievance Committee

David Barker

Region 5, International Representative

Letter of Agreement 4 New Technology (Revised October 2019)

The Company and Union recognize that it is to their mutual benefit to ensure that the competitiveness of this organization is maintained through the continued introduction of new technology.

It is understood that the Company has the right to implement technological advancements, including, but not limited to the introduction of new tools, techniques and/or processes.

The Company agrees to meet with the Union, including the Chairperson and Committeepersons on a quarterly basis to discuss current business status, which may include new technology updates under consideration unless the Parties mutually agree to meet on a more frequent basis. In addition, the Company will provide the Union with information regarding the nature of significant impending technological advancements impacting the bargaining unit as soon as possible, and the anticipated effect it will have on the Bargaining Unit employees. The Union must request in writing, within eight (8) calendar days from date of notification, to discuss the technological advancements. After the conclusion of this dialog, the Company will notify any employee impacted by such technological advancements.

When changes to hourly jobs are instituted by the Company in accordance with Article 9, Section 1.b. of the Collective Bargaining Agreement as a result of technological changes, the Company will counsel affected bargaining unit employees in their efforts to obtain additional or update existing skills commensurate with the technological change so they can be considered for placement in bargaining unit jobs.

While the Company does not anticipate major reductions in the work force due to new technology, if a reduction will result from the introduction of such new technology, the Company will make every reasonable effort to achieve such reduction through normal attrition.

Letter of Agreement 5 Supplier Material Management Initiative (SMMI) (Revised October 2016)

It is agreed by the Company and the Union that the Company has the right to subcontract the following delivery and stocking duties to support chemicals to satellite chemical cabinets and tools and other non-critical items to Vendor Managed Inventory (VMI) cabinets. These duties are the following:

- Perishable tooling
- Non-production tooling material (TM)
- Chemicals
- Maintenance material stock Crib in Building 61

Such effort shall not be the cause of a layoff of the current employees in affected Job Family Groups. If a reduction in force as a result of SMMI impacts current employees, the above activities will cease.

Any future considerations for SMMI must be agreed to in writing by the Chairperson of the Bargaining Committee.

Agreed to this __17th___day of ___October___ 2016, by and between

Jay Sumner

Director, Labor and Employee Relations

ames Ducker

President

Albert H. Labat

Sr. Manager, Labor Relations

Kyle Dubberke

Chairperson, Plant Grievance Committee

David Barker

Region 5, International Representative

Letter of Agreement 6 Flex Time

It is hereby agreed between Lockheed Martin Missiles and Fire Control and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) and its Local No. 848, as follows:

In order to improve the quality of life for employees by enhancing opportunities to accommodate extenuating circumstances **or personal needs** (i.e., parent/child conferences, doctor appointments, family illness, etc.) Flexible Time is intended to accommodate employee requests to temporarily modify regularly scheduled hours, provided that Operational requirements can still be met.

- 1. Employee Request: An employee may normally request in writing at least the day prior, absent unforeseen circumstances, to work an adjusted schedule for equivalent time off within their normally scheduled days of work. Authorization is subject to operational requirements and advanced approval by their **Immediate Supervisor and one-over leader**. Flextime arrangements shall not extend to normally scheduled days off.
- 2. Requests (denied or approved) are not subject to the grievance procedure.
- 3. Flextime is not regular and recurring, but rather to accommodate short-term or occasional requirements. In the event there is a documented recurring medical appointment, the employee may request an exception from their Senior Manager and Labor and Employee Relations.
- 4. Flextime is compensable at straight time rate.
- 5. Employees will be ineligible for overtime until the regularly scheduled hours are completed.
- 6. Employees fulfilling their flextime workweek have priority of assignment over overtime.
- 7. If an employee reports for less than four (4) hours due to their flex week scheduling, they are not entitled to 4 hours report pay.
- 8. Flextime may be taken and made up in 30-minute increments.

Letter of Agreement 7 Business Execution and Surge Support

It is understood that the Company may supplement its bargaining unit workforce with temporary and/or part time employees while acknowledging that it is not the intent of the Parties to utilize such a non-bargaining unit workforce for the purpose of eroding, displacing and/or avoiding hiring full-time bargaining unit employees. Further, the Company will not hire temporary or part-time employees in classifications where employees are currently on layoff.

If the Union believes the Company is violating the intent of this Agreement, the Parties agree to meet and discuss the issue, if requested by the Union, in lieu of resorting to the use of the grievance process. If the Union and the Company cannot resolve the issue raised by the Union within two (2) weeks of the Union notifying the Company of the issue, the Regional Director and Director of Labor **and Employee** Relations, or their designees, shall meet within one (1) week to attempt to resolve the issue. If the issue is not resolved, the Union may immediately move the issue to arbitration and the Parties agree to use their best efforts to expedite the arbitration.

Temporary and/or part time employees may be hired by the Company for the limited purpose of addressing temporary surges in production (not to exceed a three (3) month period in a rolling calendar year unless otherwise extended by mutual agreement between the Parties which shall not be unduly denied) and/or a singular special project of limited duration. Such temporary or part-time employees hired for the purpose of addressing temporary surges in production will not exceed twenty percent (20%) of the employee population of a classification to which temporary and/or part-time employees are hired.

The Company shall not be limited in how it hires the aforementioned temporary and/or part-time employees and shall be permitted to utilize a subcontractor to obtain such employees provided that such conduct on the part of the Company does not cause the layoff or displacement of bargaining unit employees. With the exception of Lead employees, bargaining unit employees will not be expected to aid, assist, or-train temporary or part-time employees hired pursuant to this Letter of Agreement.

The Company shall provide the Union with notice and opportunity to discuss prior to hiring temporary and/or part-time employees under this provision.

JOB FAMILY APPENDIX

LG JOB TITLE

Job Family 90	0
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01R Inspector - Mechanical A
 03R Inspector - Mechanical B
 06R Inspector - Mechanical C

Job Family 903

03R Inspector - Shipping/Receiving A06R Inspector - Shipping/Receiving B

Job Family 905

02R Calibration Technician A 05R Calibration Technician B

Job Family 916

01R Maintenance Machinist A05R Maintenance Machinist B

Job Family 917

04R Maintenance Painter A06R Maintenance Painter B

Job Family 918

03R Carpenter A 06R Carpenter B

Job Family 920

02R Plumber A05R Plumber B

Job Family 921

01R Central Utility Plant Operator A05R Central Utility Plant Operator B

LG JOB TITLE

Job Family 922

O2R General Maintenance Mechanic A
O5R General Maintenance Mechanic B

Job Family 923

01R Machine Repair Mechanic A04R Machine Repair Mechanic B

Job Family 925

02R Refrigeration Mechanic A05R Refrigeration Mechanic B

Job Family 928

02R Maintenance Welder A05R Maintenance Welder B

Job Family 932

02R **Production** Welder A03R **Production** Welder B

Job Family 933

Tool & Model Maker Expert
Tool & Model Maker A
Tool & Model Maker B

Job Family 949

O1R Sheet Metal Fabrication & Assembly Expert
O2R Sheet Metal Fabrication & Assembly A
O4R Sheet Metal Fabrication & Assembly B
O6R Sheet Metal Fabrication & Assembly C

Job Family 959

02R Electrical Technician Expert 04R Electrical Technician A

LG JOB TITLE

Job Family 961

03R Manufacturing Painter A05R Manufacturing Painter B

Job Family 965

04R Control Operations Coordinator A06R Control Operations Coordinator B

Job Family 970

04R Shipping/Receiving A06R Shipping/Receiving B

Job Family 972

02R PWB Technician Expert04R PWB Technician A

Job Family 973

01R Cutter Grinder A 04R Cutter Grinder B

Job Family 980

02R Environmental Technician A 06R Environmental Technician B

Job Family 981

04R Maintenance Crib Attendant A06R Maintenance Crib Attendant B

Job Family 982

01R General Machinist A03R General Machinist B05R General Machinist C

Job Family 984

04R Property Control Specialist A06R Property Control Specialist B

LG JOB TITLE

Job Family 985

04R GPC Coordinator

Job Family 986

04R Inventory Control Specialist A06R Inventory Control Specialist B

Job Family 987

01R Inspector - Electrical Expert

02R Inspector - Electrical A

Job Family 989

03R Internal Transportation/Truck Driver A

05R Internal Transportation/Truck Driver B





Missiles and Fire Control 2024 Calendar

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Missiles and Fire Control 2025 Calendar

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Missiles and Fire Control 2026 Calendar

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Missiles and Fire Control 2027 Calendar

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Missiles and Fire Control 2028 Calendar

	JANUARY								
S	М	Т	W	Т	F	S			
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9	10	11	12	13	14	15			
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	FEBRUARY								
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MARCH							
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26	27	28	29	30	31		

APRIL							
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MAY								
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JUNE								
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	JULY							
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AUGUST							
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SEPTEMBER							
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OCTOBER								
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NOVEMBER							
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DECEMBER								
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31								

Building Quality Products



