

AGREEMENT

Between

MAGNUM CARBIDE LLC

And

LOCAL LODGE 2530

DISTRICT 98

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS AFL-CIO**

2020-2022

Effective December 31,2019 thru December 31,2022

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AGREEMENT

PURPOSE

It is the intention of this Agreement and the provisions contained herein to maintain harmonious relations between the MAGNUM CARBIDE LLC and LOCAL LODGE 2530, DISTRICT #98, of the INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS and to provide mutual understandings with respect to hours, wages and working conditions affecting all the employees of said Company, as set forth in Article One of this Agreement.

ARTICLE ONE - RECOGNITION

1.0 The Company recognizes the Union as the sole and exclusive collective bargaining agency for ALL production and maintenance employees.

Excluding all office clerical employees, professional employees, guards, shipping and stock room clerk, and all supervisors as defined in the Act.

1.1 In the event that new jobs are created which are not covered by a Company job description or there is a substantial alteration in a current job which justifies a change in labor grade, the labor grade applicable to such job shall be negotiated between the Union and the Company and disputes will be settled by resort to the Grievance Procedure. In either event the Company shall notify the Shop Committee, in writing, prior to implementing any new job or job changes.

ARTICLE TWO- UNION SHOP

2.0 It shall be a condition of employment that all employees of the employer covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing and those who are not members on the effective date of this Agreement shall, on the thirty-first (31st) day following the effective date of this Agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the thirty-first (31st) day following the beginning of such employment become and remain members in good standing in the Union.

2.1 The Company will within three (3) working days after receipt of notice from the Union, discharge any employee who is not in good standing in the Union as required by the preceding paragraph.

2.2 The Union recognizes that the bylaws of certain religious groups prohibit an individual from joining a labor union. In such event, an employee who belongs to such religious group shall not be required to be a member of the Union but must donate to the Union the

equivalent amount of Union dues and initiation fee. The Union agrees to indemnify and hold the Company harmless against any and all liability arising from any action resulting from this clause.

2.3 The Company may employ a student as a management trainee during school vacations or holidays. Such employee shall be exempt from Section 2.0 of this Article, Article Nineteen, and Article Thirty. Unless a mutual agreement between the Union and the Company, the student shall be limited to twenty-five (25) hours of work per week.

ARTICLE THREE - CHECK-OFF

3.0 Upon receipt by the Company of a signed authorization of the employee involved, the Company shall deduct from the employee's paycheck the initiation fees, dues and assessments payable by them to this Union during the period provided for in said authorization.

3.1 Deductions shall be made on account of initiation fees, from the first paycheck of the employee after receipt of the authorization, when initiation fee is deducted no deduction will be made in the same month for Union dues.

3.2 One quarter of the monthly dues are deducted from each weekly period with the exception of four pay periods in December. Dues are not deducted for these four periods.

3.3 Deductions shall be made on account of Union assessments, from the first paycheck of the employee after notice of the assessment has been given to the Company by the Union.

3.4 Deductions provided for in paragraphs above, shall be remitted to the Financial Secretary of the Union within ten (10) days from the time deductions are made by the Company. The Company shall furnish the Financial Secretary of the Union with a record of those for whom deductions have been made and the amount of the deductions.

3.5 The Secretary-Treasurer of the Union shall notify the Company in writing what the amount of dues shall be, in accordance with the bylaws of the Union.

3.6 The Union shall indemnify and save the Company harmless against any and all claims, demands, suits, or other form of liability that shall arise out of or by reason of action taken or not taken by the Company for the purpose of complying with any of the voluntary check-off provisions of this Section, or in reliance on any list, notice or assignment furnished under any of such provisions.

3.7 The parties agree that check-off authorization shall be on the appropriate form supplied by the Union.

ARTICLE FOUR - MANAGEMENT CLAUSE

4.0 The Union agrees that except as otherwise specified in this Agreement, the usual and customary rights inherent in management including, but not limited to, the right to manage the Company's plant and operations; direct the working force, hire, discharge and discipline employees for just cause; determine means and methods of production; establish reasonable working rules and regulations; are vested exclusively in the Company. Management shall have the right to reduce the working force if, in the sole judgment of management, such reduction of force is fairly required. Nothing in this Agreement shall be construed to restrict the right of management to adopt, install, or operate new or improved equipment or methods of operation. The Union and the employees covered by this Agreement shall have only such rights as are granted by the Company herein and any rights not so granted are specifically reserved by the Company to its own exclusive discretion.

ARTICLE FIVE - HOURS OF WORK

5.0 Eight (8) consecutive hours in a regular work shift, exclusive of an unpaid lunch period of one-half (1/2) hour. This shall not constitute a guarantee.

5.1 Five (5) days, Monday through Friday shall constitute a normal week's work for all employees covered hereunder except mechanical and electrical maintenance employees and janitorial employees not to exceed 50% of employees in those positions. Employees will be so assigned for a minimum of 60 days.

5.2 Starting time shall be 6:00 a.m., for the first (1st) shift and 2:30 p.m., for the second (2nd) shift. The one-half (1/2) hour unpaid lunch period shall begin at 11:30 a.m., for the first (1st) shift and 3:00 a.m., for the second (2nd) shift. Any employee who is called in before their regular starting time shall be granted the opportunity of working out their regular hours.

5.3 Wash-Up Time -- A five (5) minute wash-up period will be allowed before each lunch period and before the end of each weekday or work period.

5.4 There shall be one ten minute break period in the first half at 8:30 A.M., or 5:00 P.M... For employees working overtime there will be a break in the second half at 2:20P.M., or 11:00 P.M... There shall be no other Breaks granted unless Authorized by the employee's foreman. Employees are not permitted to eat food at any time during working hours, except hard candy, mints, or other bite size items which does not interfere with production or an employee's work.

5.5 When the scheduled workweek is less than forty (40) hours, all work on days not scheduled shall be voluntary.

ARTICLE SIX-REPORT AND CALL-IN PAY

6.0 In the event an employee reports to work on their regular shift without having been previously notified not to report, they will receive as a minimum four (4) hours pay or the number of hours they actually worked, whichever is the greater, plus shift differential, if applicable, as reporting pay. In the event an employee reports to work their scheduled overtime without having been previously notified not to report, they will receive as a minimum the overtime for which they were scheduled or the hours they actually work, whichever is greater, at their overtime rate plus shift differential, if applicable. The employee may be given work of any nature they can perform during this time. If an employee refused to do the available work assigned to them, they shall forfeit the right to receive reporting pay. These provisions shall not apply where lack of work is due to conditions beyond the control of the Company such as: Fire, flood, storm or failure of power supply.

6.1 In the event that an employee is called in for emergency work, they will receive a minimum of two (2) hours pay plus overtime and shift differential, if applicable.

ARTICLE SEVEN - OVERTIME

7.0 Time and one-half shall be paid for each, or any, of the following instances and each instance shall not be dependent of any other instance:

- A. All work performed in excess of forty (40) hours in a week.
- B. All work performed on Saturday.

7.1 Double time shall be paid in any, or each, of the following instances, and each instance shall not be dependent on any other instance:

- A. All work on Sunday.
- B. All hours worked in excess of twelve (12) hours in any twenty-four (24) hour period.
- C. All work performed on any of the holidays recognized in this Agreement.
- D. All work performed during an employee's regular lunch period.

7.2 The Company will make every reasonable effort to distribute overtime equally among employees in their respective job classifications in accordance with seniority. The Company agrees to give the employees concerned as much notice of expected overtime work as is reasonably possible, but not less than the end of the day prior to the day on which the overtime shift occurs or by the end of the shift on Thursday for weekend overtime, except in the case of an emergency.

Employees refusing overtime, in excess of forty-four (44) hours in one (1) week, for three consecutive requests, shall be notified, in writing, by the Company that they shall not be requested to work overtime again until they notify the Company that they again, wish to be considered for overtime.

If there is a need for overtime to be performed by an employee not regularly assigned to the work center in question, the Company will select the senior employee qualified to perform the work needed provided the employee is not already working overtime. Time spent on temporary transfers will not count as qualifying for such assignments. Assignment of overtime outside an employee's regular work center will not affect equalization of overtime within the employee's regular work center.

The Company may not cancel scheduled overtime later than lunch time of the day in question.

7.3 An employee shall work the overtime assigned him or her unless they are excused for good cause by their supervisor, but an employee may refuse overtime in excess of forty-four (44) hours in any work week. Saturday and Sunday scheduled overtime shall be on a voluntary basis. One (1) hour of overtime may be required each workday Monday through Thursday inclusive.

7.4 Overtime shall not be pyramided.

ARTICLE EIGHT- HOLIDAY PAY

8.0 All employees covered by this Agreement shall receive eight (8) hours pay at their hourly rate (including shift differential if applicable) for the following holidays:

| | |
|----------------------------|---|
| Thanksgiving Day | New Year's Day |
| Day following Thanksgiving | Good Friday |
| Christmas Day | Memorial Day |
| July 4 th | Birthday (Used on or after during the calendar year) |
| PA First Day of Buck | |
| Labor Day | |

8.1 Double time shall be paid for all hours worked on any of the holidays above in addition to the provisions set forth in 8.0.

8.2 Any holiday that falls on a Sunday shall be observed on the following Monday. Any holiday that falls on a Saturday shall be observed on the preceding Friday.

8.3 If a holiday falls within an employee's vacation period, such holiday shall not be considered as part of the vacation period. The employee shall take an additional day off following the vacation period, unless otherwise agreed to by employee and their foreman.

8.4 To be eligible the employee must have been in the service of the Company for at least sixty (60) calendar days immediately prior to the holiday and must have worked the day before and after the holiday or have vacation scheduled.

ARTICLE NINE - WAGES

9.0 The wage rates shall be effective during the term of this Agreement as set forth in Appendix "A" annexed hereto and made part hereof.

9.1 The Company shall pay all employees covered by this Agreement before lunch time on **Friday on a Bi-weekly basis** except when unforeseen circumstances cause a delay beyond lunch time, the employee will be notified.

9.2 **Salary Increases**, 2020 1%, 2021 1%, 2022 1%

ARTICLE TEN - SHIFT PREMIUM

10.0 A shift premium of 3% shall be paid to those employees assigned to the second or third shift.

ARTICLE ELEVEN - VACATION

11.0 Any employee who will have attained the seniority status specified in the table below will be entitled to the corresponding vacation with pay:

| | | | |
|---------|-------|----|-------|
| 1 week | after | 1 | year |
| 2 weeks | after | 3 | years |
| 3 weeks | after | 5 | years |
| 4 weeks | after | 20 | years |

11.1 For the purpose of determining the amount of vacation pay, military service time counts the same as active employee time for purposes of seniority under 11.0 if the employee was honorably discharged from the service and returned to employment within 90 days thereafter.

11.2 An employee must take the vacation during the current year and cannot accumulate it from one year to another.

11.3 Vacation will be calculated in half days.

11.4 Upon resignation, discharge or retirement employees shall be entitled to payment for all accumulated unused vacation. Such payment shall be paid pro-rata vacation at the time of their job severance. Such pro-rata vacation pay shall be at the rate of one-twelfth (1/12) of the hours due the employee for each completed month of credit toward his next vacation.

11.5 In the event the employee is paid wages equal to 75% of straight time hours he is entitled to full vacation. For every 1/15 less than 75% of straight time hours the employee will lose 1/15 of his vacation. Workmen's compensation time counts the same as regular wages paid. If an employee's vacation time occurs while he is receiving Workmen's compensation, the Company will pay the difference between Workmen's compensation and the employees regular vacation pay.

11.6 By April 01, employees may select two Vacation Periods to be taken January thru December.

- A. Vacation Period may be **half day**, single day, several consecutive days or weeks.

These selections will be on the basis of seniority.

- B. After April 1st all remaining unscheduled Vacation will be on first come basis.

Completed Vacation Forms must be turned in to the Supervisor to schedule Vacation.

- C. No more than two Employees may be on Vacation on any given day. One Employee per Classification may schedule a Vacation Day on any given day.

- D. A 2day notice must be given to Supervisor for vacation time to be used.

11.7 If an employee dies while on the payroll of the Company, vacation pay, as provided above, shall be paid to his legal representative or estate.

ARTICLE TWELVE - TRANSFERS AND PROMOTIONS

12.0 When a new job or an existing job vacancy occurs, a notice shall be posted on the bulletin board for three (3) working days so that employees shall have an opportunity to submit bids within the three (3) days. All bidders' names shall be listed on the job award notice. A copy of such posted notice shall be furnished to the Union Shop Committee.

12.1 The Company will award the job to the most senior qualified employee. The successful bidder shall have the right to return to their old job within five (5) working days voluntarily. The successful bidder must be proficient on the job between five and twenty working days or be returned to their old job... Job descriptions, for the purpose of biddings, shall

be kept posted on Bulletin Boards. All successful bidders shall be moved to the awarded position within ten (10) working days.

- (a) The Company may employ a working foreman. The selection shall be the senior qualified applicant. Pay shall be two dollars (\$2.00) per hour on regular hourly rate during the absence of Plant Supervisor.

12.2 Successful bidders and employees temporarily transferred shall be paid in accordance with the following schedule:

- (a) To a higher rated job twenty cents (\$.20) per hour increase (for grades 3 & 4), thirty cents (\$.30) per hour increase for grades 5 & 6 or the minimum of the labor grade whichever is higher. Transferred employee is responsible for submitting time sheets for transfer pay.
- (b) To an equally rated job--current rate of pay.
- (c) If to a lower rated job by a successful bid the pay remains the same or the maximum of the labor grade, whichever is lower. If to a lower rated job by a temporary transfer, the rate of pay shall remain the same.
- (d) In any event no employee shall be paid more than the maximum of the Labor Grade in which they are working except as provided for in Appendix "A" of this Agreement and 12.2(c) above.
- (e) Employees assigned to train other employees will be paid an additional premium of 5% for all hours worked as in instructor.

12.3 Employees shall be permitted to bid to a job in the same Labor Grade (laterally) once every six (6) months.

12.4 A temporary transfer is the placement of an employee, other than through bidding or bumping, in a classification other than his/her regular classification for a period of up to thirty (30) days. This shall not be considered as skill and ability in relation to Section 7.2.

ARTICLE THIRTEEN - SENIORITY

13.0 Seniority is defined as the employee's length of service and is determined by the employee's hiring date and continue until they: (a) quit, (b) are discharged for just cause, (c) fail to report for work within 72 hours after the Company sends to the last known address a certified written notification to return to work, or (d) upon the termination of a leave of absence, unless such time is extended by the Company or the employee is unable to report through no fault of their own.

13.1 In the event it becomes necessary to lay off employees, the employees with the least amount of seniority within his job classification will be laid off first. The Company shall give at least one (1) week notice of all layoffs.

13.2 A. An employee subject to layoff may displace a junior employee in the sequence below, or take layoff in lieu of bumping.

- (1) The least senior employee in their own classification, on the same shift, plant-wide, or if none, then;
- (2) The least senior employee in any classification, on the same shift, plant-wide, or if none, then;
- (3) The least senior employee in their own classification, on any other shifts, plant-wide, or if none, then;
- (4) The least senior employee in any classification, or any other shifts, plant-wide, or if none, then;
 - (a) When bumping outside the classification, bumping up or down into a new classification will be permitted only when the employee has previously held the position by way of job award and has had at least nine months experience in the previous ten years in the applicable classification. An employee may only bump an employee with less seniority when faced with a permanent layoff.
 - (b) Classification shall mean a group title. Example: Group A, Group B, Group C, Group D, etc.
 - (c) An employee displacing a junior employee shall be given a five day trial... The Company will provide familiarization of the basics if necessary. If after five days the employee is not proficient in the classification, the bump will be denied.

13.3 When an employee bumps due to a reduction of the work force, he or she shall be paid in accordance with the following schedule:

- (a) To a lower rated job--present hourly rate or maximum of Labor Grade, whichever is lower (except employees with less than One (1) year service with the Company that bump from Grade 2 to Grade 1,) the employee will receive the rate held as a Grade 1 employee plus any earned increments;
- (b) To an equally rated job--present hourly rate;

- (c) To a higher rated job--present hourly rate or the minimum of the Labor Grade, whichever is higher.

13.4 The length of service of a person who has been laid off or who is not actively at work because of illness or injury shall not terminate until the expiration of the following period:

- (a) Less than one year of service--a period equal to the length of service, or
- (b) One (1) to ten (10) years of service--three (3) years, or
- (c) More than ten (10) years of service--five (5) years.

13.5 Seniority lists shall be posted in the plant and shall show the employees' seniority standing within the Company. These lists shall be open to protest by the employee involved and any mistakes thereon shall be corrected within seven (7) days thereafter.

13.6 (a) All new employees shall, for the first sixty (60) days of their employment, be considered probationary employees. Employees retained after the probationary period shall be placed upon the seniority list with seniority as of the date of hiring and be paid at least the minimum of the Labor Grade in which they are employed.

(b) The Company shall have (90) days to qualify any employee that is recalled to a classification that such employee has never held in the past.

13.7 Employees will be recalled from layoff within their classification in the order of their seniority.

13.8 Employees promoted to supervisory positions shall continue to accumulate seniority for six (6) months. Such employees remaining out of the Bargaining Unit beyond the six (6) month period will lose all seniority for the purpose of returning to the unit.

13.9 The two (2) Union Stewards, with the most plant seniority, shall have top seniority, in regard to layoff, during their term of office.

13.10 The Company will actively assist laid off employees by a weekly posting of job openings in Area Company's they are aware of.

ARTICLE FOURTEEN - LEAVE OF ABSENCE

14.0 Seniority will be accumulated during leaves of absence approved and granted by the Company.

ARTICLE FIFTEEN - MILITARY LEAVE

15.0 With respect to employees in Military Service, the Federal Law shall apply.

ARTICLE SIXTEEN - JURY DUTY

16.0 An employee with sixty (60) days or more of continuous service with the Company who is called for Jury Duty will be paid by the Company for the difference between the payment received for such Jury Duty at the employee's base pay for any day the employee would otherwise have been scheduled to work for the Company, but not to exceed eight (8) hours per day, forty (40) hours per week, or eighty (80) hours per contract year. When the employee is excused from Jury Duty before noon on any day, the employee is required to return to work, and the employee will be required to provide a record of jury assignment showing days and pay received.

16.1 An employee who has completed their probationary period and who is subpoenaed as a witness in a court appearance shall be paid the difference between any witness pay and the employee's regular pay, not to exceed eight (8) hours per day, forty (40) hours per week, or eighty (80) hours per contract year.

ARTICLE SEVENTEEN - DISCHARGE & DISCIPLINE

17.0 The Company retains the right to discharge, suspend, or otherwise discipline for just cause. The employee shall be given immediate notice of the reason for discipline at the time it is administered followed within one (1) working day by written notice to the employee and the Union.

17.1 Just cause shall include but not be limited to the offenses and penalties as outlined in Exhibit 1 to this Agreement.

17.2 If the Union believes an employee has been discharged, suspended or otherwise disciplined without just cause it may invoke the procedures in Article Eighteen.

17.3 All warnings will be removed from employee's files after twenty four (24) months.

ARTICLE EIGHTEEN - GRIEVANCE PROCEDURE

18.0 A grievance shall be defined as any dispute concerning the interpretation or application of this contract between the Union or an employee and the Company. A grievance as so defined shall be taken up in the following four-step procedure.

- A. Between the aggrieved employee (with the aid of his shop committeeman if the employee so desires) and the foreman of the department involved.
- B. Between a shop committeeperson, the employee involved, if the employee so desires, (or two committee persons if the grievant elects not to attend), and Company Representatives which may include the Plant Superintendent and Company Officers if applicable. All grievances shall be reduced to writing at the beginning of this Step.
- C. The Shop Committee (limited to two employees) together with the Business Representative of the International Association of Machinists and Aerospace Workers and respective legal counsel (along with the employee involved if they so desire) may be present at this step of the grievance procedure when it is necessary or desirable that both be present.
- D. In the event that the grievance has not been settled at Step C, either party may submit the matter to arbitration under the rules of the American Arbitration Association. In the event that such action is not taken within one week following the next regularly scheduled monthly meeting of the Union, the grievance shall be considered to have been settled.

It is mutually agreed that the arbitrator's decision shall be final and binding on both parties. The arbitrator shall be restricted to the terms of this agreement, and he shall not have the power to add to, subtract from or modify the provisions of this Agreement. The cost of the arbitrator, including the charges made by the American Arbitration Association, shall be borne equally between the parties. All other costs shall be borne by the party incurring such cost.

18.1 The Company will not in any way discriminate against any employee for serving on the Shop Committee or for acting in the adjustment of grievances.

18.2 All grievances must be taken up within ten (10) working days of the time the grievance (employee, Union, or the Company) should have known a grievance existed. After a grievance is submitted, either party shall have two (2) working days, in Step A, to answer. If needed, a Step B meeting shall be held within five (5) working days (a five (5) working day extension shall be granted on request of either party). Grievances not settled in Step B shall be discussed at the meeting referred to in Article, Twenty-One, Section 21.1, except discharge grievances which must be held within five (5) working days of the Step "B" meeting.

Further extensions of these time limits may be granted only by written mutual agreement of the parties and only for unusual mitigating circumstances.

Grievances not answered timely in Step "A" shall proceed automatically to Step "B". Failure to comply with time limits (excluding Step A) shall be cause for the failing party to lose the grievance (except as provided for in Step D). For the purpose of this Article, working days shall mean Monday through Friday inclusive.

ARTICLE NINETEEN - SPECIAL WORK

19.0 Supervisors will not perform regular production and maintenance work in the shop except for:

- A. Training new employees or giving other employees instructions.
- B. Maintenance supervisors if there is no employee able to do the work and the Company has made good faith efforts to hire and/or train employees.
- C. Performance of quality control, testing and inspections so long as employees covered by this Agreement are not replaced by supervisors.
- D. Bona fide emergencies with notice of explanation to Union Committeeperson.
- E. Research and Development work with notice of explanation to Union Committeeperson.

ARTICLE TWENTY - SAVING CLAUSE

20.0 In the event that any Federal or State Legislation, Governmental regulations or Court decisions cause invalidation of any Article or Section of this Agreement, all other Articles and Sections not so invalidated shall remain in full force and effect.

ARTICLE TWENTY-ONE - ACCREDITED REPRESENTATIVES

21.0 Accredited representatives of the Union will have access by appointment to the plant premises of the Company during working hours. There shall be no other Union activity on Company time or Company premises except adjustment of grievances.

21.1 The Company and two Union Committeepersons along with the Union Business Representative shall meet at 10:00 a.m. to 12:00 Noon on the second Monday of each month to discuss pending Step C grievances (except Discharge cases which shall be handled in accordance with Article Eighteen, Section 18.2).

ARTICLE TWENTY-TWO - FUNERAL LEAVE

22.0 Bereavement time off with pay, including night shift differential, up to three (3) days (8 hours per day) ending with the day of the funeral will be granted in case of death of a member of an employee's immediate family. Immediate family includes the employee's wife, husband, children, parents, sisters, brothers, step-parents, step-children, step-sisters and step-brothers, mother-in-law, father- in-law, grandparents and grandchildren. Bereavement time off is

calculated at not more than five (5) hours for Saturday if the employee is scheduled to work Saturdays and the time must be taken off in order to receive the bereavement pay. Upon death of the following relations an employee will receive One (1) day, with pay, the day of the funeral--employee's brother-in-law, sister-in-law, and spouse's grandparents. Employees are eligible for bereavement pay sixty (60) days after employment.

ARTICLE TWENTY-THREE - SAFETY AND SANITATION

23.0 The Union and Company agree to establish a Safety Committee consisting of two (2) Union and two (2) Company representatives. These safety representatives shall meet in the first week of each month and make a list of all safety suggestions or violations and the proposed action on the items listed. When it is deemed necessary by the Committee a personal inspection will be made of the problem area.

23.1 The Company will furnish and maintain safe and healthful sanitary conditions, including washing facilities, toilets, and first-aid station.

23.2 The Company shall furnish the Union a copy of its monthly accident report.

23.3 Safety devices, wearing apparel and other equipment which in the Company's judgment is necessary to properly protect employees from injury shall be provided by the Company.

23.4 The Company and the Union shall make every reasonable effort to cooperate in enforcing all safety rules and regulations, in the use of protective clothing and safety devices in maintaining cleanliness and good housekeeping throughout the plant.

23.5 In order to help enforce safety regulations, Union Committeeperson will be permitted to investigate all reported accidents on Company time and at Company expense.

23.6 The Union Safety Committee shall inspect all new machines/operations prior to their being placed into production.

23.7 Management representative and the Chairman of the Union Safety Committee will review all pertinent safety procedures with all employees newly assigned to machine. Where business conditions prohibit the Chairman of the Union Safety Committee's attendance, the Plant Supervisor will appoint another member of the Union Safety Committee.

ARTICLE TWENTY-FOUR - PRIOR PRIVILEGES

24.0 It is agreed that any and all privileges enjoyed by the employees prior to this Agreement will not be denied them because of the signing of this Agreement. Such privileges and benefits shall be continued to be enjoyed by the employees during the term of this Agreement.

ARTICLE TWENTY-FIVE - GROUP INSURANCE

25.0 The Group Insurance coverage for employees and dependents shall be shown in Appendix "B". Medical coverage plans will be reviewed yearly to obtain the best rates possible while retaining similar coverage to the plan in effect at the signing of this agreement.

25.1 The contribution rate for all employees covered by the Company Medical Plan will be as follows:

Employee will pay \$20 per month toward employee only coverage and 50% of additional cost to cover family members. Employee contribution will be paid by payroll deductions.

Adjustments to the policy will be made on the renewal date of December 1st each year.

The Company and the Union will meet **prior to December** of each year to explore the next year's insurance coverage and costs. **If the plan premium increases by more than 10%, the employee's portion would be reevaluated at that time.** With the Company and the Union trying to keep the coverage in line with what the employees have and keeping the costs as low as possible. If the Company and the Union cannot come to an agreement the contract will become null and void

25.2 Coverage will be available for all new full-time employees on the 1st of the month following 2 full months of service.

25.3 Dental plan is offered through Drillco and paid 100% by employee and the Dental plan is Optional. Company will offer a dental plan to full-time employees effective on the 1st day of the month following J. 2 full months of service. Coverage is optional and paid by employee by payroll deductions.

25.4 Vision plan is offered through Drillco and paid 100% by employee and the vision plan is Optional.

ARTICLE TWENTY-SIX - 401 (K)(M) RETIREMENT PLAN

26.0 The employer shall contribute to a 401(k)(m) Retirement Plan at 4% for each day gross pay for which employees in all job classifications covered by this Agreement are entitled to receive pay under this Agreement. The contribution will not be paid on Overtime or bonuses. Employees are eligible after 3 months of service.

ARTICLE TWENTY-SEVEN - BULLETIN BOARDS

27.0 The Company agrees to place bulletin boards at appropriate locations in the plant for the exclusive use of the Union.

ARTICLE TWENTY-EIGHT - PICKET LINES

28.0 The Company will not, as condition of continued employment, require the employees to cross any picket line established on or in front of the premises or at the premises of any other Company. The individual or concerted refusal to pass such picket line shall not constitute grounds for discipline, discharge or layoff and is not to be considered as violating any provisions, written or implied, which prohibits the Union from striking.

ARTICLE TWENTY-NINE - NO STRIKES OR LOCKOUTS

29.0 During the term of this Agreement there shall be no strikes, picketing or other interference by the Union or the employees it represents with the productive operations of the Company.

29.1 In the event of violation of 29.0 above, the Union, by its responsible officers shall:

- (a) Within no more than twenty-four (24) hours after the occurrence of any such action, disavow the same by posting notice (signed by the Union Recording Secretary and bearing seal of Local Lodge) on all Union and Company bulletin boards throughout the plant stating that such action is not authorized, sanctioned or condoned by the Union.
- (b) Promptly order its members to return to work, notwithstanding the existence of any picket line; if required, such orders shall be promptly followed by similar written direction from the Grand Lodge.
- (c) Refuse to aid or assist such action in any way.
- (d) In good faith use every reasonable effort to terminate such action.

29.2 Compliance by the Union with the provisions of 29.1 of this Article in a particular situation shall constitute complete defense against any claim, suit, or arbitration proceeding instituted by the Company and arising out of that situation.

29.3 During the term of this Agreement there shall be no lockout by the employer.

ARTICLE THIRTY - NON DISCRIMINATION

30.0 The Company agrees that it will not discriminate on account of membership in, or actively on behalf, of the Union.

30.1 The Union and the Company agree that no employee will be discriminated against, or treated disparagingly, because of race, religion, color, sex, national origin, or age.

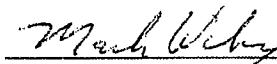
ARTICLE THIRTY-ONE - DURATION

31.0 This Agreement will be in full force and effect from the 31st day of December, 2019 but terminating at 12:01 a.m., 31st December, 2022

31.1 This Agreement shall continue in full force from year to year thereafter unless either party desiring to amend or terminate this Agreement shall serve upon the other party written notice at least sixty (60) days prior to October 15, 2022 of its desire to amend or terminate this Agreement.

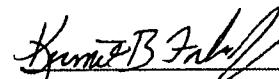
Executed at Waynesboro, Pennsylvania on October 15th, 2019.

FOR THE COMPANY:



Mark Wilcox
President

FOR THE UNION



Kermit B. Forbes, Jr.
Business Representative

NEW
CONTRACT
NEW
CONTRACT

| Labor Grade | Minimum | Maximum | Effective |
|-------------|---------|---------|-----------|
| 3 | \$18.86 | \$19.76 | 1/1/2020 |
| 4 | \$19.06 | \$19.98 | 1/1/2020 |
| 5 | \$19.43 | \$20.37 | 1/1/2020 |
| 6 | \$19.72 | \$20.63 | 1/1/2020 |
| 7 | \$19.94 | \$20.85 | 1/1/2020 |

| 2021 | Minimum | Maximum | Effective |
|------|---------|---------|-----------|
| 3 | \$19.04 | \$19.95 | 1/1/2021 |
| 4 | \$19.25 | \$20.17 | 1/1/2021 |
| 5 | \$19.62 | \$20.57 | 1/1/2021 |
| 6 | \$19.91 | \$20.83 | 1/1/2021 |
| 7 | \$20.13 | \$21.05 | 1/1/2021 |

| 2022 | Minimum | Maximum | Effective |
|------|---------|---------|-----------|
| 3 | \$19.23 | \$20.14 | 1/1/2022 |
| 4 | \$19.44 | \$20.37 | 1/1/2022 |
| 5 | \$19.81 | \$20.77 | 1/1/2022 |
| 6 | \$20.10 | \$21.03 | 1/1/2022 |
| 7 | \$20.33 | \$21.26 | 1/1/2022 |

APPENDIX B

LIFE INSURANCE AND ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS

I. **ELIGIBILITY:** All full time employees who have completed three (3) months of service. Coverage will be effective on the 1st of the month following 2 months of service.

II. **AMOUNT OF INSURANCE PROTECTION:**

- A. The amount of insurance protection shall be 35,000 for all employees.

DISABILITY INSURANCE

SHORT TERM

I. **ELIGIBILITY:** All full time employees who are under age 65 and have completed three (3) months of employment. To receive the benefit, the employee must provide proper documentation related to the disability, signed by attending physician.

II. **AMOUNT OF BENEFIT:**

- A. **First week employee must use vacation or unpaid time off. Employees are eligible to receive 12 weeks of disability pay at 60% of their regular pay.**
- B. The 60% benefit will include any other payments received from the Company, the Workman's Compensation Act, or from any other governmental agency.
- C. **All Employees are eligible for this 12 week benefit in a 12 month period.**

LONG TERM

- A. **Employees will pay 50% of the Long Term Policy.**
- B. **No longer will be an active employee. All company supported policies (Dental, Vision, Life and Health) will be terminated.**

EXHIBIT NO. 1**DISCIPLINE**

| DISCIPLINE | 1st Offense | 2nd Offense | 3rd Offense | 4th Offense | 5th Offense |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Engaging in horseplay running, scuffling, throwing things. | Written Warning | Written Warning | 1 Day Off | 1 Week Off | Disc. |
| Failure to observe parking and traffic regulations on Company property. | Written Warning | Written Warning | 1 Day Off | 1 Week Off | Disc. |
| Wasting time, loitering, disturbing other workers, or leaving place of work during working hours without permission. | Written Warning | Written Warning | 1 Day Off | 1 Week Off | Disc. |
| Reading newspapers, magazine, cell phones etc., during working hours, unless authorized. | Written Warning | Written Warning | 1 Day Off | 1 Week Off | Disc. |
| Making any preparation whatsoever for leaving work prior to the allowing clean-up time unless authorized. | Written Warning | 1 Day Off | 1 Week Off | Disc. | |
| Contributing to unsanitary conditions and poor housekeeping. | Written Warning | Written Warning | 1 Day Off | 1 Week Off | Disc. |
| Causing scrap of material or parts, causing additional expense due to carelessness. | Written Warning | 1 Day Off | 1 Week Off | Disc. | |

| | | | | |
|--|-----------------|-----------------|------------|------------|
| Posting, altering, or removing any matter on bulletin boards of Company property unless specifically authorized. | Written Warning | 1 Day Off | 1 Week Off | Disc. |
| Violating safety rule or safety practice. | Written Warning | 1 Day Off | 1 Week Off | Disc. |
| Use or possession of another employee's tools without his consent. | Written Warning | 1 Day Off | 1 Week Off | Disc. |
| Vending, soliciting, or collecting contributions for any purpose whatsoever during working hours, except contributions for flowers, etc., for sick or retiring employees, unless authorized. | Written Warning | Written Warning | 1 Day Off | 1 Week Off |
| Brewing coffee, etc. on the premises. | Written Warning | Written Warning | 1 Day Off | 1 Week Off |
| Distributing written or printed matter of any description on Company premises during working hours unless approved. | Written Warning | 1 Day Off | 1 Week Off | Disc. |
| Smoking in shop area. | Written Warning | 1 Week Off | Disc. | |
| Deliberately restricting out-put. | 1 Day Off | 1 Week Off | Disc. | |
| Falsifying Company Records. | Written Warning | 1 Day Off | 1 Week Off | Disc. |
| Gambling on Company premises. | Written Warning | 1 Day Off | 1 Week Off | Disc. |

| | | |
|---|---------------|-------|
| Threatening, intimidating, interfering or fighting with fellow employee on Company property. | | Disc |
| Reporting for work obviously under the influence of alcohol or drugs. | 1 Week Off | Disc. |
| Sleeping during working hours. | 1 Week Off | Disc. |
| Insubordination. | 1 Week Off | Disc. |
| Possessing firearms or explosives on Company premises without authorization. | | Disc. |
| Theft of any Company or employee property. | | Disc. |
| Consumption of any alcoholic beverage on Company property or possession of the same within the plant. | | Disc. |
| Immoral conduct or indecency. | | Disc. |
| Verbal threats or intimidation of Supervisor. | | Disc. |
| Physical threats or striking Supervisor. | | Disc. |
| Intentionally setting fire to Company Property. | | Disc. |

Intentionally damaging or destroying employee & Company Property.

Disc.

Action considered by Company Management as requiring discipline but not specifically mentioned in Company rules.

Discipline at discretion of Company Management.

- NOTE:
1. The accumulation by an employee of any five disciplinary penalties for violating the above Company rules during 24 month period is cause for discharge.
 2. To be counted as 2nd, 3rd, 4th, or 5th step of discipline, the offenses must have occurred within 24 month period.

EXHIBIT NO. 2

MAGNUM CARBIDE LLC ATTENDANCE POLICY

THE FOLLOWING ATTENDANCE RULES AND PROCEDURES STATED IN THIS POLICY SHALL BE APPLICABLE TO ALL EMPLOYEES AND WILL BE STRICTLY ENFORCED.

ALL ABSENCES WILL BE RECORDED EITHER AS EXCUSED OR UNEXCUSED.

EXCUSED ABSENCE - SHALL BE CLASSIFIED AS SUCH WHEN THE ABSENCE IS DUE TO:

- A. BEREAVEMENT
- B. MILITARY OBLIGATION
- C. JURY DUTY OR COURT APPEARANCE BY A SUBPOENA
- D. WORKER'S COMP DISABILITY
- E. SHORT OR LONG TERM DISABILITY
- F. SCHEDULED VACATION
- G. DESIGNATED PAID HOLIDAYS
- H. PLANT CLOSING DUE TO WEATHER OR OTHER EMERGENCY SITUATIONS
- I. LAYOFF OR SENT HOME DUE TO LACK OF WORK
- J. UNION LEAVE
- K. MEDICAL OCCURRENCE WITH WRITTEN MEDICAL EXCUSE

UNEXCUSED ABSENCE - SHALL BE CLASSIFIED AS SUCH WHEN THE REASON IS NOT COVERED BY THE PROVISIONS ABOVE.

UNREPORTED ABSENCE (NO CALL-IN) – ANY EMPLOYEE ABSENT THREE (3) CONSECUTIVE DAYS OR THREE (3) SEPARATE ABSENCES WITHOUT CALLING IN SHALL BE AUTOMATICALLY DISCHARGED.

TARDINESS - SHALL BE DEFINED AS CLOCKING IN OR ARRIVING LATER THAN YOUR SCHEDULED START TIME EITHER AT THE BEGINNING OF YOUR WORK PERIOD OR UPON RETURNING FROM YOUR LUNCH BREAK. IF AN EMPLOYEE IS TARDY TWO (2) TIMES WITHIN A THIRTY DAY PERIOD IT WILL BE COUNTED AS ONE (1) OCCURRENCE.

PREARRANGED ABSENCE - SHALL BE DEFINED AS A LATE STARTING OR AN EARLY QUITTING TIME THAT HAS BEEN ARRANGED IN WRITING WITH THE SUPERVISOR AT LEAST ONE (1) WORKING DAY IN ADVANCE AND IS FOR A VALID MEDICAL APPOINTMENT. AN APPOINTMENT SLIP MUST BE

PROVIDED TO THE SUPERVISOR UPON YOUR RETURN. IF THE LATE STARTING OR EARLY QUITTING TIME IS NOT PREARRANGED OR AN APPOINTMENT SLIP IS NOT PROVIDED UPON RETURN, IT WILL COUNT AS AN UNEXCUSED ABSENCE THE SAME AS TARDINESS -TWO (2) WITHIN A THIRTY DAY (30) PERIOD WILL COUNT AS ONE (1) UNEXCUSED ABSENCE.

OCCURRENCE - SHALL BE DEFINED AS ANY ABSENCE OF ONE OR MORE DAYS DUE TO A NON WORK RELATED ILLNESS OR INJURY SEPARATED BY ONE OR MORE DAYS OF WORK. IF THE PERIOD OF ILLNESS APPEARS THAT IT WILL EXTEND BEYOND EIGHT DAYS OR THE EMPLOYEE SUFFERS A NONRELATED INJURY WHICH WILL RESULT IN LOST WORKDAYS, THE EMPLOYEE'S SUPERVISOR IS TO BE CONTACTED AS SOON AS POSSIBLE.

ABSENCES OF MORE THAN THREE (3) CONSECUTIVE DAYS FOR ILLNESS MUST BE VERIFIED BY A WRITTEN STATEMENT OF TREATMENT BE A BONA FIDE MEDICAL PROFESSIONAL. THE EMPLOYEE'S SUPERVISOR IS TO BE PROVIDED THE STATEMENT IMMEDIATELY UPON THE EMPLOYEE'S RETURN.

DISCIPLINARY PROCEDURES - THIS POLICY SHALL BE STRICTLY ENFORCED AND CORRECTIVE DISCIPLINE WILL BE ADMINISTERED ACCORDING TO THE FOLLOWING PROCEDURES. ONLY UNEXCUSED ABSENCES WILL BE USED FOR DISCIPLINARY PURPOSES. EACH PERIOD OF UNEXCUSED ABSENCE SHALL BE RECORDED AS ONE (1) OCCURRENCE.

DISCIPLINARY TABLE:

- (a) FIVE (5) OCCURRENCES WITHIN A CONSECUTIVE TWENTY FOUR (24) MONTH PERIOD.
WRITTEN WARNING
- (b) SIX (6) OCCURRENCES WITHIN A CONSECUTIVE TWENTY FOUR (24) MONTH PERIOD.
WRITTEN WARNING
- (c) SEVEN (7) OCCURRENCES WITHIN A CONSECUTIVE TWENTY FOUR (24) MONTH PERIOD.
ONE DAY (1) SUSPENSION WITHOUT PAY
- (d) NINE (9) OCCURRENCES WITHIN A CONSECUTIVE TWENTY FOUR (24) MONTH PERIOD.
THREE DAY (3) SUSPENSION WITHOUT PAY
- (e) NEXT OCCURRENCE AFTER THREE (3) DAY SUSPENSION WITHIN A CONSECUTIVE TWENTY FOUR (24) MONTH PERIOD.
DISCHARGE

LETTER OF AGREEMENT

BY AND BETWEEN

MAGNUM CARBIDE LLC

AND

LOCAL LODGE 2530-IAMAW

The parties to this Agreement do hereby agree that the employees of the Wayne Tool Company may continue to use personal radios during working hours so long as:

1. The radio is battery operated and contained on the person.
2. Has private listening device such as earphones or earplugs.
3. Has no exposed cords or wires.

It is further agreed that the Company has the right to deny the use of radios to employees with substandard productivity so long as those employee's productivity remains substandard.

LETTER OF AGREEMENT

BY AND BETWEEN

MAGNUM CARBIDE LLC

AND

LOCAL LODGE 2530-IAMAW

The Parties to this Agreement do hereby agree that:

"In the event the Government enacts a Government Health Plan, the Medical Expense Benefit Program of the Company can be revised with the approval of both Management and the (employees) Union.

APPENDIX D

JOB CLASSIFICATION

GROUP A GRADE 7

Machine and Tool Repairman / Machinist

GROUP D GRADE 6

Spiral Flute Milling and Flute Grinding Operator - Standard and Specials

GROUP C GRADE 6

Automatic Tracer and CNC Operator

GROUP F GRADE 6

CNC Programmer Operator

GROUP B GRADE 5

Heat Treat Operator

GROUP G GRADE 4

Drill Operations

GROUP H GRADE 3

Tool Grinder- Standard Tool Operator (Clearing Reamers)

GROUP I GRADE 3

Cylinder Grinder Operator

GROUP J GRADE 3

Utility Operator