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**2015 - 2019**

National Agreement

*Between*

**Bechtel Marine Propulsion Corporation (BMPC – KAPL)**

*And the*

IUE-CWA, The Industrial Division of
the Communications Workers of America
AFL-CIO**,** CLC

THIS BOOK CONTAINS

**2015 - 2019**
**Bechtel Marine Propulsion Corporation (BMPC -– KAPL)** –
IUE – CWA (AFL - CIO)
National Agreement

AND

**2015 - 2019** Wage Agreement

**2015 - 2019**

# Bechtel Marine Propulsion Corporation (BMPC -– KAPL)
– IUE - CWA (AFL-CIO)

National Agreement

The **2015** Amendments to the Agreement are shown in bold type

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PREAMBLE

This Agreement (referred to as the **2015 - 2019 BMPC - KAPL** - IUE – CWA the Industrial Division of the Communications Workers of America (AFL-CIO), CLC NATIONAL AGREEMENT) is entered into as of the **24th** day of **August, 2015**, by and between **BMPC - KAPL** – Schenectady, NY (hereinafter referred to as the "Company") and the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers – IUE - CWA (AFL-CIO) (hereinafter referred to as the "Union"), acting for itself and on behalf of the below-listed IUE - CWA (AFL-CIO) Local currently certified as **the** collective bargaining representative of Company employees and such other IUE - CWA (AFL-CIO) Locals as may hereafter be certified as collective bargaining representatives of Company employees (each referred to individually as the "Local").

The Local which is initially party to this National Agreement is listed below:

| LOCAL NO. | LOCATION | CLASSIFICATION |
|---|---|---|
| 301AE | Schenectady, N.Y. (**BMPC-KAPL.)** | P & M |

ARTICLE I
Union Recognition

■ 1. The Company agrees to recognize the Union on behalf of and in conjunction with its Local for those bargaining units of Company employees for which the Union, through National Labor Relations Board certifications, is designated as the exclusive collective bargaining representative of employees within such units for the purpose of collective bargaining in respect to rates of pay, wages, hours of employment and other conditions of employment.

■ 2. Where the Union or its Local through National Labor Relations Board certifications shall have been lawfully designated as the exclusive collective bargaining representative for any additional bargaining units of Company employees, such certified representative shall be recognized as provided above and become a party hereto, and the terms of this National Agreement shall thereupon be applicable to the employees within such unit.

ARTICLE II
Union Security

■ 1. Union Security

(a) Subject to applicable law, all employees who, as of the date of this Agreement are members of the Union in accordance with the constitution and by-laws of the Union or who become members of the Union following the effective date of this Agreement, shall, as a condition of employment, remain members of the Union insofar as the payment of an amount equal to the periodic dues and initiation fees, uniformly required, is concerned.

(b) Subject to applicable law, all present employees who are not members of the Union and all individuals hired after the effective date of this agreement, shall, beginning on the thirtieth (30th) day following the effective date of this agreement or the thirtieth (30th) day following employment, whichever is later, as a condition of employment, become and remain members of the Union insofar as the payment of an amount equal to periodic dues and initiation fees, uniformly required, is concerned.

(c) For the purposes of this Article II, the phrase "members of the Union" shall only require the payment of an amount equal to periodic dues and initiation fees, uniformly required.

■ 2. Union Dues

(a) The Company, for each of its employees included within the bargaining units recognized by the Company pursuant to Article I hereof, who individually, in writing, duly authorizes the employee's Company Paymaster to do so, will deduct from the earnings payable to such employee on a weekly basis, the weekly dues

(including initiation fee, if any) for such employee's membership in the Local, and shall remit promptly to the Local all such deductions. Local unions and local management are authorized to negotiate variations from this checkoff procedure with respect to the frequency of dues deductions (including weekly dues deductions) and to modify checkoff authorization forms in accordance with any such local agreements.

(b) Subject to applicable law, individual authorizations executed after the effective date of this Agreement shall be signed cards in the form agreed to by the Company and the Union.

ARTICLE III
Working Conditions

■ 1. The Company will continue to provide systematic safety inspections, safety devices, guards, and medical service to minimize accidents and health hazards on its premises.

ARTICLE IV
Discrimination and Coercion

■ 1. Neither the Company nor any of its **S**upervisors, Managers, or other agents or representatives, shall discriminate against any employee because such employee is a member, Steward, Officer, or other agent or representative of the Union or of **t**he Local.

■ 2. Neither the Union nor any Local, nor any Steward, Officer, or other agent or representative of either, shall intimidate or coerce any employee, nor solicit members or funds in the plant during working hours.

■ 3. The Company, the Union and its IUE - CWA Local shall not discriminate against any employee on account of race, color, religion, national origin, sex, age, sexual orientation, marital status, physical or mental disability, veteran's status, or any other basis as required by law.

ARTICLE V
Working Hours: Straight Time - Overtime

■ 1. (a) *Workweek*

The regular working week for both salaried and hourly rated employees shall be either 40 hours per week, 8 hours per day, 5-day week, from Monday to Friday inclusive, or 8 nine-hour days and 1 eight hour over the course of two weeks (9/80 Schedule). For those on 9/80 schedules, the workweek will end after four (4) hours on Friday for a Friday 9/80 schedule and after four hours on Monday for a Monday 9/80 schedule. The workweek on multiple shifts may be less than 40 hours.

An employee's workday is the twenty-four hour period beginning with the employee's regularly assigned starting time of the employee's work shift, and the employee's day of rest starts at the same time on the day or days the employee is not scheduled to work. The employee's workweek starts with the start of the employee's regularly assigned work period on Monday of that workweek, except on continuous operations. Upon commencing work on Monday at a newly assigned starting time which is earlier than the employee's starting time during the preceding week, the workday immediately preceding such Monday shall end provided the employee has had a 24-hour period of rest prior to the newly assigned starting time.

Variations in hours of work and schedules of hours of the several shifts, including multiple shifts where the workweek starts late Sunday night and where such hours on Sunday are considered as part of the Monday workday, are subjects for local negotiations.

(b) *Continuous Operations*

Special schedules of hours and overtime will apply (1) on jobs which require continuous operation such as powerhouse attendants and on jobs requiring continuous manufacturing processes such as those which, for reasons of protection of equipment and material, must be run on a 24-hour day and a week-by-week basis, or (2) on process oriented jobs which cannot readily be operated on a non-continuous basis. Existing jobs or processes described in (2), but not currently on continuous operations as of July 1, 1973, may be designated as continuous operations by negotiation and agreement between local management and the Local Union. In the case of jobs described in (2), where new operations or processes are developed or established after July 1, 1973, the Local will be given thirty (30) calendar days notice prior to the designation of such jobs as continuous operations.

(c) Schedule Change

When a change is made in the hours of work or working schedules of substantially all employees of a plant or a department thereof, local management will notify the employees and the Locals respectively affected at least one week in advance of the effective date of such change. When a change is made in the hours of work or working schedules of various individuals or smaller groups of employees, the Supervisor will give the affected employees and their Union Steward as much notice as possible.

Any grievance resulting from the establishment of a new working schedule will be handled through the regular grievance procedure.

■ 2. *Overtime - Regular Workweek*

The Company will pay an hourly rated or salaried employee on a nonexempt job for overtime as follows:

(a) At the rate of time and one-half for hours worked either

**(1)** In excess of 40 hours in any given workweek;

or

(2) After working the employee's regular schedule, if on multiple shifts of less than 8 hours each; or on the employee's Saturday.

(b) At the rate of double time for hours worked either

(1) On the employee's Sunday; or

(2) In excess of 12 hours in the employee's workday; provided that an employee who shall have worked in excess of 12 hours in any single workday, and who shall be required to continue at work beyond that workday, shall continue to be paid at the double time rate for hours worked until they shall have been relieved from work; or

(3) Outside the employee's regularly scheduled shift on a calendar Sunday.

(c) At the rate of double time and one-half for hours worked either

(1) On the employee's holidays listed in Article VII as paid holidays; or

(2) Outside the employee's regularly scheduled shift on any of the calendar holidays listed in Article VII as paid holidays; or

(d) An employee who is transferred from the employee's regular established shift to another and who is thereafter returned to the employee's original shift during the same week, or during the immediately succeeding week, shall be paid at the rate of time and one-half for the first 8 hours worked following the first such transfer, except where either or both such transfers (i) results from the failure of another employee or employees to report for work; or (ii) is made in connection with a lack of work situation; or (iii) is made at the employee's request; or (iv) results from an emergency breakdown of equipment or machinery; or (v) is made in connection with an established program of shift rotation; or (iv) required training.

■ 3. *Continuous Operations*

(a) *Workday - Workweek*

(1) When any employee on continuous operations has a scheduled workweek of 5 days at work and 2 days off, the employee's first scheduled day off shall be considered as the 6th day of the employee's workweek, and the employee's second scheduled day off whether or not successive, as the 7th day of the employee's workweek. When such working schedule contains a regularly recurring workweek of 6 days at work and one day off, such scheduled day off shall be considered as the 7th day of their workweek and the day immediately preceding as the 6th day of their workweek.

■ 4. *Overtime - Continuous Operations*

The Company will pay an hourly rated or salaried employee on a nonexempt job for overtime as follows:

(a) At the rate of time and one-half for hours worked either

(1) In excess of 8 hours in any single workday; or

(2) In excess of 40 hours in any given workweek; or

(3) In excess of 8 hours in any continuous 24 hours beginning at the starting time of the employee's shift; or

(4) On the employee's Saturdays or Sundays if either day is not the employee's 7th day of the employee's workweek;

(5) On employee's 7th day of the employee's workweek if such day is neither the employee's Saturday **or** Sunday; or

(6) On the employee's Saturdays and Sundays (as a minimum if employee is on a special schedule other than that outlined in 3(a)(1) above).

(b) At the rate of double time for hours worked either

(1) On the employee's 7th day of the employee's workweek, if such day is the employee's Saturday **or** Sunday; or

(2) In excess of 12 hours in the employee's workday; provided that an employee who shall have worked in excess of 12 hours in any single workday, and who shall be required to continue at work beyond that workday, shall continue to be paid at the double time rate for hours worked until the employee shall have been relieved from work.

(c) At the rate of double time and one-half for hours worked on the holidays listed in Article VII as paid holidays.

■ 5. *General*

(a) Listed holidays referred to above shall mean those holidays listed in Article VII of this Agreement.

(b) Computation of overtime shall be in accordance with the day as defined in 1(a) above and shall be allowed under only one of these overtime provisions for any given hours.

(c) All salaried employees if absent for personal reasons other than Personal Time Off (PeTO) shall be paid in accordance with the established plan.

(d) In cases where the Company instructs employees to report ahead of schedule and/or remain after the regular schedule to change clothes, etc., employees involved will be paid for such additional time.

■ 6. *Night Shift Differential*

Hourly rated and salaried employees who are assigned to recognized second and third shift operations shall have 10% added to their regular hourly rate for all work performed on such shifts. Recognized second and third shifts shall in all cases be those beginning between 12 noon and 3:30 a.m. In exceptional cases the starting time for a recognized second shift may be earlier by mutual agreement between the Local and local management.

■ 7. *Other Special Payments*

(a) *Early Reporting and Call-In*

(1) Employees who are called in outside of their regular schedule of hours will be paid at the applicable premium rate, but not less than the equivalent of four hours pay at their straight-time rate.

(2) Day shift employees who are called back after the end of their regular day shift (or told to report prior to their regular starting time) will be paid at the rate of time and one-half for hours worked outside their regular schedule, up to midnight and at the rate of double time for hours worked after midnight and up to the beginning of the regular day shift.

(3) Employees on the second and third shifts who are called back after the end of their regular shift (or told to report prior to their regular starting time) will be paid at the rate of time and one-half for hours worked up to the beginning of their regular shift.

(4) Subsections (1), (2) and (3) above are not applicable where an employee continues to work into the next shift following their normal quitting time.

(b) *Report-in Time*

Employees who report for work in accordance with their regular schedules, and, without previous notice thereof, neither their regularly assigned nor any reasonably comparable work is available, will receive not less than four hours pay at the rate applicable had they worked. This Subsection (b) shall not be applicable where the inability of the Company to supply work is the result of fire, snowstorm, flood, power failure or work stoppage by employees in the same Company location.

(c) *Dispensary Time*

Employees will be paid at their applicable rate for time spent in attending the Company dispensary for examination or treatment of any injuries arising out of and in the course of their employment, whenever such time would otherwise have been spent by the injured employee on the work assigned to him. Employees who are directed

not to return to work as a result of their injury shall be paid at their straight-time rate to the end of their scheduled work shift.

■ 8. *Division of Overtime*

Overtime shall be divided as equally as proficient operations permit among the employees who are performing similar work in the group. A record of overtime worked by employees (or credited to them) will be maintained by the Supervisor for the Supervisor's group and will be available for examination by the appropriate Union Steward upon request.

■ 9. *Work Schedule Flexibility*

(a) The local management and the local union may negotiate modifications to the regular workweek, regular work day and work shifts. These agreements, to be effective, must be set forth in writing and signed by local management and the local union.

(b) Management and the local union, in conjunction with agreements negotiated under § 9 (a), may negotiate overtime provisions that provide that the overtime premium payment be paid only for hours worked over forty (40) in a week.

■ 1. Any question which affects hourly rates or salary rates of individuals or groups shall be subject to negotiation between the Local and the local management.

■ 2. The Company shall furnish the Local with information concerning all hourly and salaried job classifications, definitions, rates, progression schedules, and changes therein, for all jobs included within the bargaining unit represented by such Local. It is understood that the job classifications and definitions referred to above are merely for purposes of identification and general description and do not purport to be all-inclusive or exhaustive of the actual requirements of any job so classified or defined. In addition, upon request of the Local, the Company will furnish to the Local a copy of the currently applicable wage structure for the plant or location.

■ 3. When an employee is hired or transferred through the Company Human Resources Department, the employee will be given a card showing the employee's job classification, starting rate, rate of progression or progression schedule and job rate, if any, applicable to the job for which the employee is hired or to which transferred.

■ 4. *Step Rates and Progression Schedules*

The Union and the Locals recognize that starting rates, progression rates, and job rates for hourly rated and salaried employees will vary, depending on the job, its location, and its surrounding circumstances.

The following provisions of this Section 4 are applicable to all hourly rated and salaried employees

except draftsmen, apprentices and other trainees participating in an entry-type training program; provided that hourly rated employees who are hired after July 1, 1985 on any job with a job rate at or below the top of the one month progression schedule, will not begin progression toward job rates until they have accumulated six (6) months of service credits with the Company. This provision shall not apply to subsequent upgrades to jobs above the top of the one month progression schedule. Also, provided that hourly rated and salaried employees hired after June 26, 1988 who have no record of prior Company service, shall be placed on starting rates and progression schedules in accordance with the provisions contained in Section 6 of this Article.

(a) *Hourly Rated Employees on Daywork*

(1) All starting, progression and job rates for hourly rated employees will be on steps in accordance with the applicable local wage structure.

(2) The minimum starting rates for all hourly rated jobs will be as follows:

(a) On jobs with a job rate which is not more than two (2) steps below the top of the one month progression schedule:

Four (4) steps below job rate; provided that this minimum starting rate shall be six (6) steps below job rate for employees who are hired after July 1, 1985 on any job with a job rate at or below the top of the one month progression schedule. This provision shall not apply to subsequent upgrading to jobs above the top of the one month progression schedule or after the employees have completed their initial progression to job rate.

(b) On jobs with a job rate which not more than five (5) steps, nor is less than three (3) steps below the top of the one month progression schedule:

Three (3) steps below job rate;

provided that this minimum starting rate shall be five (5) steps below job rate for employees who are hired after July 1, 1985 on any job with a job rate at or below the top of the one month progression schedule. This proviso shall not apply to subsequent upgradings to jobs above the top of the one month progression schedule or after the employees have completed their initial progression to job rate.

(c) On jobs with a job rate which is more than five (5) steps below the top of the one month progression schedule:

Two (2) steps below job rate;

provided that this minimum starting rate shall be four (4) steps below job rate for employees who are hired after July 1, 1985 on any job with a job rate at or below the top of the one month progression schedule. This proviso shall not apply to subsequent upgradings to jobs above the top of the one month progression schedule or after the employees have completed their initial progression to job rate.

(3) Applicants fully experienced on jobs of the kind for which hired will begin at a rate not less than two steps below the job rate and will be increased to the job rate in accordance with the applicable progression schedule set forth in paragraph 4 below, except that when the applicant is hired for a job to which the six month progression schedule is applicable, the job rate must be paid at the end of six months.

(4) Each hourly rated employee will progress on steps from the employee's starting rate to the job rate of the employee's job in accordance with the following progression schedules:

(a) ONE MONTH PROGRESSION SCHEDULE

Step rates up to, and including, the top of the One Month Progression Schedule in effect at each local plant on October 26, 1969:

*One (1) step at the end of each one month period.*

(b) THREE MONTH PROGRESSION SCHEDULE

Step rates from one to three steps (inclusive) above the top of the One Month Progression Schedule:

*One (1) step at the end of each three month period.*

(c) SIX MONTH PROGRESSION SCHEDULE

Step rates more than three steps above the top of the One Month Progression Schedule:

*One (1) step at the end of each six month period.*

(5) The above progression schedules are mandatory for employees on the job.

(b) *Salaried Employees*

(1) All starting, progression and job rates for salaried employees will be on steps in accordance with the applicable local salaried structure.

(2) The minimum starting rates for all salaried jobs will be as follows:

(a) On jobs with a job rate of Grade No. 8 or higher:

*Four (4) steps below job rate.*

(b) On jobs with a job rate of Grade Nos. 4 through 7:

*Three (3) steps below job rate.*

(c) On jobs with a job rate of Grade No. 3 or lower:

*Two (2) steps below job rate.*

(3) Each salaried employee will progress on steps, from the starting rate to the job rate established for that employee's particular job, or to the top of the progression schedule (the Grade No. 11 rate), whichever is less as follows:

(a) THREE MONTH PROGRESSION SCHEDULE

Step rates up to and including Grade No. 6

*One (1) step at the end of each three month period.*

(b) SIX MONTH PROGRESSION SCHEDULE

Step rates from Grade No. 6 up to and including Grade No. 11:

*One (1) step at the end of each six month period.*

(4) The above progression schedules are

mandatory for employees on the job.

(5) Any further increase in rate for any salaried employee above the top of the progression schedule, up to the job rate for the employee's job will also be on steps but shall be based solely on the employee's performance on the job. In addition, each such employee will be reviewed at least once each year.

(6) Applicants fully experienced on jobs of the kind for which hired will begin at a rate not less than two steps below the job rate and will be increased to the job rate within six months for normal performance.

(7) Subject to the foregoing provisions of this Section 4(b), the job rate shall be paid for normal performance.

(c) *Group Leaders and Instructors*

(1) Group leaders of dayworker groups shall be paid two steps above the highest job rate in the group. If individuals in any group have a preferential rate above the job rate, the leader may be assigned a rate up to two steps above such preferential rate if negotiated locally.

(2) Rates of instructors and group leaders other than the above shall be negotiated locally.

■ 5. *Notice to Locals of Wage Increases for Hourly Rated and Salaried Employees*

Whenever a Local's request for a wage increase for an employee within its bargaining unit is denied, the Local shall be advised in advance if the increase is subsequently granted by the Company within six months after such request.

■ 6. *Starting Rates and Progression Rates and Schedules for Employees Hired After July 1, 2002*

(a) This Section will apply to hourly employees hired for jobs with a job rate within the one month progression schedule who have no record of prior Company service and salaried employees hired for jobs with a job rate within the three month progression schedule who have no record of prior Company service. Employees hired after July 1, 2002 who have no record of prior Company Service, may be hired at a minimum of 80% of job rate. Employees will progress in six (6) month steps to job rate in accordance with the following table:

| *Hiring Rate as Percent of Job Rate* | *Number of Progression Steps* |
|---|---|
| 95 | 1 |
| 90 | 2 |
| 85 | 3 |
| 80 | 4 |

(b) Employees on the above progression schedule who are transferred to higher rated jobs within the one month progression schedule (hourly) or the three month progression schedule (salaried) will have their paid rates adjusted to the same percentage of the new job rate. Time accumulated toward the next progression step will be carried forward and progression timing to the next step will not be affected by such transfer. Employees on the above progression schedule who are transferred to higher rated jobs outside the one month progression schedule (hourly) or the three month progression schedule (salaried) will have their paid rates adjusted according to the other provisions of this Article and Article X.

(c) Employees on the above progression schedule who are transferred to a lower rated job will have their progression rates adjusted to the same percentage of the new job rate. They will progress to the next higher percentage progression step based on the time accumulated since their last step.

(d) Employees hired under the provisions of this paragraph will progress to the job rate of their assigned job in accordance with the schedules contained herein; the other provisions of this Article and Article X, Transfers, notwithstanding. After completing the initial progression schedule and reaching job rate of the assigned job the other provisions of this Article and Article X will be applicable to subsequent transfers.

ARTICLE VII
Holidays

■ 1. *Listed Holidays*

| | |
|---|---|
| New Year's Day | Labor Day |
| Memorial Day | The day after Thanksgiving |
| Independence Day | Thanksgiving Day |
| The day before Christmas | Christmas Day |

The holiday schedule listed in 2 (d), which includes the above days**,** will be mutually selected by the local union and local management prior to December 31 of the year preceding the year in which the holiday will occur. In the absence of mutual agreement by such December 31, the holiday will be designated by local management. Holidays listed above may not be changed or substituted unilaterally by either party.

■ 2. ***Non-Exempt Employees***

**a) A non-exempt employee not on continuous operations will be paid, for each of the above listed holidays not worked, up to eight hours at their average straight-time hourly rate as taken from the last periodic statistics available at the time the employee's holiday occurs (current rate for dayworkers).**

**b) Employees who are on active roll as of the last working day before an observed holiday and who earn some salary during the month in which the observed holiday falls will be paid for the holiday.**

**c) When an observed holiday falls on an employee's Friday scheduled day of rest on 9/80 shift schedule, the employee will be granted an additional "floating" holiday to be used at the employee's discretion with their supervisor's approval.**

**d)** Hourly rated employees on continuous operations will be paid for the above-listed holidays under the above conditions if the holiday falls within their scheduled workweek and they are not scheduled to work on the holiday. If such employee fails to work as scheduled, the employee will not be paid for the holiday. If, however, such failure to work on the holiday is due to verified personal illness, death in family, jury duty, or emergency illness at home, the employee will be paid for the holiday if the employee is otherwise eligible in accordance with all the provisions of Section 2 (a) above.

e) Hourly rated employees who are receiving the night shift differential pursuant to Article V, 6 shall have the same added to any holiday pay received by them under this article.

f) In order to accommodate different work schedules that may involve regular work days less than or greater than eight (8) hours, the maximum holiday hours attributed to any holiday will be eight (8) hours.

g) Holiday eligibility from January 1, 2016 through termination of this agreement for the sites represented in this agreement is expressed as follows:

| | Total Annual Number of Holidays | Total Annual Hours of Holidays |
|---|---|---|
| **BMPC/KAPL** | **10** days | **80** hours |

h) Scheduling of holiday time that is not included within the listed or otherwise determined holiday schedule will be subject to manager's approval. Such approval will not be unreasonably withheld.

■ 3. Any of the above-listed holidays falling on Sunday shall be treated for all purposes under this Agreement as falling on the following Monday and shall for such purposes be observed on that Monday only. In like manner, any of the above-listed holidays falling on Saturday shall be treated for all purposes under this Agreement (including the purposes of Section 2(c) of Article V) as falling on the preceding Friday and shall for such purposes be observed on that Friday only. However, local plant management and a local union may, by local agreement in writing, substitute a day other than the preceding Friday for any such holiday which falls on Saturday. Since holidays must be observed during the calendar year in which they occur, when the New Year's holiday falls on Saturday, it will be observed on the following Monday.

For an employee on continuous operations, when a holiday falls on the employee's scheduled day off, the employee's next non-premium scheduled workday shall

be deemed to be the employee's holiday. In no event will an employee receive the holiday pay or premium more than once for a holiday.

■ 4. Local management and the local union at each plant may agree in writing to substitute a different holiday in place of any of the above-listed holidays for all purposes.

ARTICLE VIII
Continuity of Service - Service Credits

■ 1. *Definition of Terms*

(a) "Continuity of service" designates the status of an employee who has service credits totaling 52 or more weeks.

(b) "Continuous service" designates the length of each employee's continuity of service and shall equal the total service credits of an employee who has "continuity of service."

(c) "Service credits" are credits for periods during which the employee is actually at work for the Company or for periods of absence for which credit is granted. (As provided in Section 3.)

(d) "Absence" is the period an employee is absent from work either with or without pay (except a paid **personal time off** period), computed by subtracting the date following the last day worked from the date the employee returns to work. Each separate continuous period away from work shall be treated as a single absence from work.

(e) "Illness" shall include pregnancy, whenever the Supervisor or other immediate supervisor is notified prior to absence from work.

■ 2. *Loss of Service Credits and Continuity of Service*

(a) Service credits previously accumulated and continuity of service, if any, will be lost whenever the employee:

(1) Quits, dies, resigns, retires or is discharged.

(2) Is absent from work for more than two consecutive weeks without satisfactory explanation.

(3) Is absent from work because of personal illness or accident and fails to keep the Company notified monthly, stating the probable date of the employee's return to work.

(4) Is notified within a year from date of layoff that the individual may return but fails to return or to give satisfactory explanation within two weeks.

(5) Is absent from work without satisfactory explanation beyond the period of any leave of absence granted to the individual by the Company.

(6) Is absent from work for a continuous period of more than one year for any reason, other than (a) a leave of absence granted in advance, or (b) an absence due to a compensable accident (up to 18 months) or compensable illness (up to 18 months).

(b) Individuals who at the time of layoff had one (1) year of continuous service shall, despite loss of service as a result of such layoff, be retained on the recall list and be eligible for reemployment in accordance with the applicable local procedure for a period of sixty (60) months following layoff or until retirement, whichever occurs first. Similarly, in the case of individuals with the required service absent due to illness or injury, the same extended recall arrangement will be made only if:

(1) The individual reports promptly to the Human Resources Department for employment upon recovery.

(2) The individual is otherwise eligible in which case the individual will promptly thereafter have their name added to the recall list.

Actual recall will be predicated upon the individual meeting the Company health requirements.

(c) If the Company reemploys an employee who has lost service credits and continuity of service because of layoff due to lack of work for more than one year, because of absence due to illness or injury for more than one year, or because of termination for transfer to a successor employer, such employee shall have such service credits and continuity of service automatically restored if the individual's continuous service at the time of the individual's layoff, termination for transfer to a successor employer, or first day of illness was greater than the total length of such absence or if the employee has recall rights under Section 2(b) of this Article.

(d) The service record of each employee laid off and reemployed after layoff or reemployed following illness or injury, will be reviewed by the Company at the time of their reemployment and in each case, such employee will be notified as to their service credits and continuity of service, if any.

**(e) If the Company reemploys, on or after June 27, 1988, a former employee who had continuity of service at the time of a previous termination of Company employment {and the employee is not eligible for automatic service restoration under Section 2(c)}, the Company shall restore such continuity of service upon reemployment.**

(f) For employees reemployed prior to June 27, 1988 who do not have restoration rights under prior National Agreements, the Company shall restore the employee's prior unrestored continuity of service when such employee has three years of continuous service (effective January 1, 1990), provided, however, that if the

employee is absent on the date the restoration would otherwise occur, such service restoration will occur when the employee returns to work with continuity of service.

(g) Service restoration provided for in this Section 2 will be contingent upon the employee's full repayment of Income Extension Aid benefits, special termination payments or Severance Pay provided under Article XXII within a reasonable time after rehire, if such benefits were paid under the Voluntary Special Layoff Bonus or the 60-day lump sum termination option or as a result of a lump sum due to 1) a plant closing termination which occurred within six months prior to the date of reemployment, 2) a transfer of work, 3) the discontinuance of a discrete, unreplaced product line, or 4) the introduction of a robot or an automated manufacturing or office machine.

■ 3. *Service Credits*

Service credits for each employee shall be granted for periods during which the employee is actually at work for the Company, and service credits for absences shall be added to an employee's service, after reemployment with continuity of service or with prior service credits, as follows:

(a) Employees when reemployed with prior service credits or continuity of service following absence due to illness, accident, layoff, leave of absence granted by the Company, because of termination for transfer to a successor employer, or due to plant closing, will receive service credits for up to a total of the first twelve months of such absence. Where the absence of an employee, with continuity of service, is due to a compensable accident or compensable illness, and the employee is reemployed without loss of continuity of service, service credits will be granted for the period of the employee's absence in

excess of twelve months up to a maximum of six additional months.

(b) For all other absences of two weeks or less, such employees will receive service credits, but, if the absence is longer than two weeks, no service credits will be allowed for any part of such absence.

If an employee who has lost prior service credits or continuity of service is reemployed, the employee shall be considered a new employee and will not receive service credits (unless all or part of prior service credits are restored) for any time prior to the date of such reemployment.

■ 4. *Application*

An employee's continuity of service date is controlling for those benefit plans that so designate it as the controlling date. An employee's continuity of service date would not be applicable where an employee's Pension Qualification Service Date (PQS) or Pension Benefit Service Date (PBS) is controlling.

ARTICLE IX
Personal Time Off (PeTO)

■ 1. *Paid PeTO Periods*

(a) PeTO may be used, in 1/10 hour increments. PeTO will be treated as "time worked" for overtime purposes. PeTO will be accrued by eligible employees as follows:

Schedule C (effective 1/1/2012 for active employees as of 12/31/12 that selected this option and all new hires or rehires after 1/1/12):

| | |
|---|---|
| <3 years of service | 120 hours |
| >3 years of service | 160 hours |
| >15 years of service | 200 hours |

(b) Employees on active or protected service statues as of January 1, 2012 will be credited with one-third (1/3) of the hours eligible according to the above schedule. Employees with an original hire or rehire date on or after January 1, 2012 will have their PeTO bank credited with 40 hours on their first day of employment.

(c) Accruals will commence on the first day of the fifth month (the 40 hour initial deposit represents an advance of the time that would have been accrued during the first four months.

(d) Employees will be credited additional PeTO time, according to the above schedule during the year in twice per month increments.

(e) Unused PeTO up to the annual eligibility may be carried into the next calendar year.

(f) During an accrual period which contains a service anniversary that results in a change in eligibility amount, the employee's accrual rate will increase effective the next accrual deposit. For example, an employee that reaches his/her fifteen year service anniversary will see an increase from 6.67 hours twice monthly to 8.33 hours twice month effective at his/her next accrual deposit.

(g) An employee will continue to accrue PeTO during the following statuses: active, paid disability, FMLA unpaid, or paid military leave. Employees on unpaid personal absences or long term disability will not continue to accrue PeTO.

(h) Employees will be paid for the unused, accrued PeTO bank balance upon separation from employment, at the rate of pay on their last day of work.

(i) Schedule B (effective 1/1/12):

Employees on active or protected service prior to 1/1/12 will have a one-time opportunity to choose Schedule B:

| | |
|---|---|
| 3 months of service or greater: | 80 hours |
| 5 years of service or greater: | 120 hours |
| 12 years of service or greater: | 160 hours |
| 20 years of service or greater: | 200 hours |

(j) Employees who have chosen schedule B will have their entire annual eligibility amount credited to their PeTO bank on the first day of the calendar year (per the above schedule in Article IX, section (i))

(k) Employees on Schedule B may carry a maximum of 80 hours into the next calendar year.

■ 2. *Eligibility Requirements*

Employees on schedule B will have their entire annual eligibility amount credited to their PeTO bank on the first day of the calendar year as an active employee, until they separate from service.

If an employee returns to work without loss of continuity of service during the PeTO year, the employee will become entitled to PeTO or PeTO allowance in the PeTO year after the employee shall have worked in the PeTO year for 15 working days or for a period equal to that of the employee's absence if the absence was less than 15 working days. Any such employee reemployed too late to work for 15 working days in the PeTO year will be paid the employee's PeTO allowance and may have a portion of the time out considered as the PeTO to which the employee is otherwise eligible.

PeTO will be counted as time worked for OT purposes.

Subject to site specific business needs and with management approval prior to the absence, employees can make up PeTO absences of less than four hours in duration within the same work week, providing that making up that time does not require the payment of overtime.

An employee whose continuity of service is unbroken as of January 1st each year shall qualify for PeTO.

■ 3. *Termination of Employment*

An employee who quits, is discharged, dies or retires will promptly thereafter receive the full PeTO balance to which the employee has earned or accrued. In the case of employees who died, PeTO balance will be treated as wages owing the employee and payment made accordingly. The rate that PeTO will be paid out will be the rate of pay on the employee's last day of work.

■ 4. *Use of PeTO Time for Absences of Employees*

(a) *Leave of Absence*

An employee who is granted a leave of absence may have the first portion of such leave designated as the period of any PeTO to which the employee may then be entitled, if the Manager shall approve.

(b) *Extended Illness, Accident or Layoff*

An employee who is absent because of illness or accident, or because they are laid off for lack of work, may (except in a plant or part thereof which is scheduled for an annual shutdown or furlough) have the first portion of such absence designated as the period of any PeTO to which they may then have earned or accrued, if the Manager shall approve.

(c) *Incidental Absences*

An employee whose absence is excused because of personal illness, personal business, holidays that are unpaid, temporary lack of work, or short workweeks of one (1) hour or longer may (with the Manager's approval) utilize extra PeTO time to which

they are entitled in excess of the scheduled Shutdown or in excess of two weeks in locations where there is no shutdown for such absences in the form of PeTO days. This time may be paid out in increments of no less than one-tenth (0.1) hour.

(d) *Other Absences*

An employee who is absent from work for any reason other than those reasons listed above will not be entitled either to have their PeTO scheduled or to receive a PeTO allowance during the period of such absence.

(e) *PeTO Payment Guarantee*

An employee whose absence from work continues beyond the end of a PeTO year and who did not receive in such PeTO year the full PeTO pay for which the employee had qualified, shall receive at the end of such absence or upon prior termination of service, a PeTO allowance in lieu of any PeTO which they had accrued.

■ 5. *Computation of PeTO Pay*

(a) *Basic Formulas*

PeTO pay for each hour of PeTO to which an employee is entitled will be computed by multiplying the appropriate hourly rate as determined by Subsection (c) below.

(b) *Determination of Weekly Hour Multiplier*

The weekly hour-multiplier for PeTO pay computation for all employees will be 40 hours except as noted in the following paragraphs of this Subsection (b).

(i) *Short Schedules*

The weekly hour-multiplier of an

employee whose regular weekly schedule at the time the employee's PeTO begins is less than 40 hours will be the greater of either (A) the employee's scheduled hours per week at the time the PeTO begins, or (B) the employee's scheduled hours per week during the last full week, in the calendar year worked by the employee during the year preceding the PeTO year, but in any event will not be greater than 40 hours.

(ii) *Multiple-Shift Short Schedule*

Notwithstanding the provisions of (i) above, the weekly hourly pay rate for an employee who is on a multiple shift operation and whose regular weekly schedule of hours is not less than 37 1/2 hours shall be not less than 40 hours.

(iii) PeTO formula

For PeTO taken during the term of this agreement, the PeTO rate determined in (c) below, will be multiplied by the number of hours charged up to 40 hours per week.

(c) *Determination of **PeTO** Rate*

The rate-multiplier for various types of employees will be as follows:

***PeTO Rate***

The greater of:

| *Type of employee* | Current Rate (including night-shift bonus for employees who are regularly scheduled | Year End Rate (including night-shift bonus for employees who are regularly scheduled |
|---|---|---|

| | | |
|---|---|---|
| | on a night shift | on a night shift) |
| *Hourly employee on daywork* | Regular hourly daywork rate in effect at the time the employee's PeTO begins. | Regular hourly daywork rate in effect during the last full calendar week worked by the employee during year preceding PeTO year. |
| *Salaried employee* | Hourly equivalent of employee's straight time salary actual rate in effect at time PeTO begins. | Hourly equivalent of employee's actual straight time salary rate for last week worked by the employee during year preceding PeTO year. |

(d) *Payments for Incidental Absences*

The payments described in Section 5(c) will be paid on the same basis as outlined above.

■ 6. *Scheduling of PeTO*

*Scheduling*

In the event of one or more shutdowns scheduled in any plant within the PeTO year, one of such shutdowns will be a Primary Shutdown of no more than two (2) weeks and no less than one (1) week in duration and during such Primary Shutdown, the PeTO for eligible employees shall be considered to run concurrently. Exceptions for certain departments or individuals by

reason of the requirements of the business shall be at management's discretion. With respect to other scheduled shutdown periods, employees entitled to PeTO time in excess of, the designated Primary Shutdown may elect to take the time off without pay as though on temporary layoff for lack of work and take ones remaining PeTO time off at some earlier or later date including the week immediately preceding or following the Primary Shutdown period. PeTO taken at times other than during shutdown periods will be scheduled to conform to the requirements of the business at the Manager's discretion. For any part of a Shutdown period for which an employee is not eligible or does not become eligible for PeTO pay during the PeTO year, and during which the employee has no work available, one will be deemed to be on temporary layoff for lack of work. A furlough does not meet the definition of a shutdown and PeTO will not be available for use.

ARTICLE X
Transfers

■ 1. *Hourly and Salaried Employees*

(a) In the case of employees who are laid off from their regular jobs for lack of work, every effort will be made to transfer them to related jobs having an equal rate or to available openings on jobs having a higher rate.

(b) Employees permanently transferred to lower rated jobs will receive either one week's advance notice of such transfer, or payment for the first week's work after transfer at their rate immediately prior to transfer.

(c) An employee who desires a transfer to another shift may so advise one's Supervisor in writing with a copy to the Human Resources Department. As openings occur in their department on work for which the employee is presently qualified, consideration will be given one's request along with others in accordance with the employee's relative seniority. Such transfers, however, shall not take precedence over the normal upgrading of qualified longer service employees. Exceptions to the above may be made in certain special cases by mutual consent.

This does not supersede any existing local agreement.

■ 2. *Hourly Rated Daywork Employees*

An hourly rated employee on daywork when permanently transferred

(a) To a higher rated daywork job will be transferred at a rate commensurate with the employee's qualifications to perform the job to which transferred, but not less than the rate the employee was paid on the job

from which transferred.

(b) To an equal or lower rated daywork job will be transferred at the lower of the daywork rate the employee was paid on the job from which transferred or the job rate of the job to which transferred.

■ 3. Section (2) above notwithstanding, an employee who is transferred to a daywork job that one formerly held on a permanent basis will be transferred at not less than the step rate the employee was paid at the time one held such job.

■ 4. *Salaried Employees*

A salaried employee when permanently transferred

(a) To a higher rated salaried job will be transferred at a rate commensurate with that employee's qualifications to perform the job to which transferred, but not less than the rate that employee was paid on the job from which transferred.

(b) To an equal or lower rated salaried job will be paid the lower of the rate that employee was paid on the job from which transferred or the job rate of the new job.

■ 5. *Minimum Starting Rate*

In any case where the transfer rate as provided above is less than the minimum starting rate of the job to which transferred, the minimum starting rate will be paid.

■ 6. *Progression to Job Rate*

If after transfer, an employee is on a progression schedule and receiving less than the job rate of the job to which transferred, the employee will progress to job rate in accordance with the provisions of Article VI.

ARTICLE XI
Reduction or Increase in Forces

■ 1. Whenever there is a reduction in the working force or employees are laid off from their regular jobs, total length of continuous service, applied on a plant, department, or other basis as negotiated locally, shall be the major factor determining the employees to be laid off or transferred (exclusive of upgrading or transfers to higher rated jobs). However, ability will be given consideration.

Similarly, in all cases of rehiring after layoff, total length of continuous service, applied on a plant, department, or other basis as negotiated locally, shall be the major factor covering such rehiring if the employee is able to do the available work in a satisfactory manner after a minimum amount of training.

Where employees have accumulated six months or more of service credits, but have not established continuity of service, such service credits will be considered in the above cases rather than total length of continuous service.

■ 2. Each Local shall negotiate with local management a written agreement covering the layoff and rehiring procedure for the employees represented by the Local.

■ 3. Employees who have been or who may be transferred to jobs outside the bargaining units may be returned to their former classification in the bargaining unit in accordance with their total length of continuous service.

Employees who, after October 3, 1966, are transferred to jobs outside the bargaining units may be returned to their former classification in the bargaining

unit in accordance with their total length of continuous service at the time they left the unit plus the number of years outside the unit up to a maximum of five such years outside the unit.

Employees who, after June 30, 1985, are transferred to exempt management jobs outside the bargaining units may be returned to their former classification in the bargaining unit in accordance with their total length of continuous service during the period up to twenty-four (24) months following the first such transfer to a job outside the unit.

Employees who, after June 30, 1991, are transferred to jobs outside the bargaining units may be returned to their former classification in the bargaining unit in accordance with their total length of continuous service during the period up to six (6) months following the first such transfer to a job outside the unit.

Employees who, after June 29, 1998, are transferred to jobs outside the bargaining unit may be returned to their former classification in the bargaining unit in accordance with their total length of continuous service during the period up to three (3) months following the first such transfer to a job outside the unit.

■ 4. An employee who retires at the employee's option as provided in the Company Pension Plan shall cease to have any rights under the provisions of this agreement. (However, this agreement shall continue to be applicable to formerly retired employees who leave retirement and are returned to active employment by the Company.)

■ 5. Employees will be given at least one week's notice and one week's work at the prevailing schedule before layoffs are made due to decreasing forces.

■ 6. An employee with continuity of service out due to illness for a period not exceeding one (1) year who returns to work shall be reemployed on the employee's former job providing one is able to perform the job and normal seniority provisions permit.

■ 1. *Layoff Deferment*

(a) An employee who is an official of any Local, and who has accumulated six months or more of service credits shall, on written request of the Local, be deferred from layoff (except temporary layoffs or furloughs) so long as work for which the employee is qualified is available and so long as the official's duties would permit such layoff deferment under applicable law. Such employee shall displace an employee with less actual seniority on work for which the employee who is a Local official is qualified or, in the event such employee does not have actual seniority to displace any employee, then the employee shall to the extent necessary to defer the employee from such layoff be deemed to have greater seniority than the shortest service employee in the bargaining unit on work for which the employee who is a Local official is qualified. Such deferral from layoff will continue only so long as the employee retains the employee's position as an official of any Local. This provision shall apply to a minimum of four and a maximum of twelve such officials, dependent on the number of employees within the unit as follows:

| *Employees* | *Union Officials* |
|---|---|
| 500 or less | 4 |
| 501-2000 | 6 |
| 2001-5000 | 8 |
| Over 5000 | 12 |

(b) An employee who is a Steward of such Local and who has accumulated six months or more of service

credits shall, upon written request of the Local, and if a majority of the group of employees the Steward represents assents as certified in writing by the Local, be deferred from layoff (except temporary layoffs and furloughs) so long as work for which the Steward is qualified is available among the group of employees the Steward represents. In the event of a layoff affecting the group of employees represented by the employee who is a Steward, such employee shall, in accordance with the applicable local supplement or the local procedures on layoff and displacement, displace an employee within the group who has less actual seniority on work for which the Steward is qualified. In the event the Steward does not have sufficient actual seniority to displace any employee within the group, in accordance with the applicable local supplement or the local procedures on layoff, then such Steward shall be deemed to have sufficient seniority to retain the Steward's job classification and wage rate within the group. Such deferral from layoff will continue only so long as the employee retains their position as a Steward. This provision shall, in general, apply to a maximum of one Steward for each Company Supervisor.

(c) Paragraph (a) and (b) hereof shall apply only to those officials whose names, titles and order of precedence, and to those Stewards whose names and sections, have been furnished in writing to the Company prior to the giving of notice of layoff by the Company and shall not apply to any such officials or Stewards who are on leave of absence pursuant to the provisions of Section 2 hereof.

■ 2. *Leave of Absence*

Upon written request of the Union or any Local:

(a) Employees who are officials of the Union or

officers of such a Local, who have at least one year of continuous service, and who represent the Union in its relations with the Company, shall be granted one year's leave of absence by the Company, without forfeiture of prior accumulated continuous service. This provision shall be limited at any one time to not more than 12 officials of the National Union and not more than 6 officers of any Local.

(b) If made at the end of such leave of absence

(1) such leave of absence may be extended yearly.

(2) such employees will be reemployed in work of the same or a similar character in the same or other divisions of the same plant, if qualified therefore, and if entitled thereto on the basis of their prior accumulated continuous service. In the case of employees who are officials of the Union or officers of a Local and who are granted a leave of absence after the effective date of this Agreement, such employees will be entitled (solely for determining their relative seniority for purposes of layoff and rehire under Article XI) to add to their prior accumulated continuous service the total period of any such leave of absence.

■ 3. *Payment for Time on Local Union Activities*

(a) Unless otherwise provided by local written agreement, employees not on leave of absence pursuant to the provisions of Section 2 hereof will be paid by the Company at their respective rates then prevailing for absences from work while engaged in the following activities on Company premises:

(1) During each fiscal month, the number of weeks in such fiscal month multiplied by 1 1/2 hours per

week for those Stewards whose names and sections have been furnished to the Company pursuant to the provisions of Section 1(c) hereof, while engaged in processing grievances at Supervisor level pursuant to the provisions of Article XIII, Section 2(a). Meetings called by management for the purposes of discussing labor relation matters will not be charged against this 1 ½ hours per week.

Where any plant is regularly scheduled on a forty-eight hour per week basis, the above allowances will be based on 2 hours per week. Payment to Stewards will be made on a weekly basis within the above limits.

(2) Up to a total of eight hours per week (exclusive of time payable under Section 1 hereof) for members of Local Executive Board or for Negotiating Committee members while engaged in processing grievances with representatives of local management pursuant to the provisions of Article XIII, Section 2(b). Such Committee members or Executive Board representatives shall be limited at any one meeting concerning a bargaining unit of less than 5000 employees to six representatives, and shall not exceed twelve for any larger bargaining unit, unless the number is increased by mutual agreement of the Local and local management. This does not limit the number of Executive Board members and does not prevent meeting of the full Executive Board with local management when such meetings are arranged in advance.

(b) (1) Local management and the Local may negotiate a local agreement with respect to payment to local Stewards in excess of the limits provided in (a) (1) above.

(2) In those plant locations where the number

of employees in the bargaining unit is 5000 employees or more or where more than one product department is located, local management and the Local may negotiate a local agreement with respect to payment to Local Executive Boards or Negotiating Committee members in excess of the limits provided in (a)(2) above.

(c) Employees requesting payment pursuant to the provisions of Paragraph (a) hereof, shall report all time spent on the handling of grievances to their respective supervisors or other immediate supervisors.

Chief Stewards or Executive Committee members in Company Operations where they act as Chief Stewards will be permitted to contact Stewards in their respective divisions when the officers of the Local deem such contact necessary. They will advise their own supervisors before leaving their departments and also contact the Supervisor in the department which they are visiting before they contact the Steward.

The Company shall report their names, rates of pay and time absent from work to their respective Locals, and shall in no event be required to make any payments pursuant to Paragraph (a) hereof, except to the extent that such reports are approved by such Locals, and such Paragraph (a) is otherwise applicable.

(d) Whenever an OSHA inspection shall occur in a work area that includes employees represented by a Local Union listed in the Preamble, an employee designated by the Union who accompanies the OSHA inspector as the employees' representative will be paid for time lost from work during such inspection.

ARTICLE XIII
Grievance Procedure

■ 1. Grievances may be filed by an employee or group of employees, a Steward or the Local**.** Grievances of a general nature filed by the Local shall be initiated at the second step of the grievance procedure.

■ 2. Steps: Grievances other than those of a general nature may be processed only by recourse to the following successive steps:

(a) *Step One (Supervisor Level)*

(1) Within a reasonable time after the occurrence or knowledge of the situation, condition or action of Management giving rise to the grievance, the employee affected thereby or their Steward may present the grievance to the employee's Supervisor or other immediate supervisor. (If presented by the employee, one may also have their Steward present.)

(2) Within one working day after such presentation, such Supervisor or other immediate supervisor shall give to such employee and Steward the decision with respect to such grievance, or shall advise them that additional time for such decision is needed, in which event the Supervisor shall give them such decision within one week thereafter.

(3) A Steward who submits a written grievance to one's Supervisor shall receive, upon request, a written reply.

(4) If a settlement is not reached between the Steward and one's immediate supervisor, the Local may refer the grievance to two representatives of the Local for discussion in the department with representatives of local

management for settlement, if possible.

(b) *Step Two (Management Level)*

(1) If a settlement is not reached at Step One, the designated Local official may present to a representative designated by local management, a written statement of such grievance within thirty (30) days of the Company answer at Step One of the grievance procedure giving all pertinent information relative to the grievance and indicating the relief requested, provided, however, that the designated Local official may advise local management that additional time is needed, in which case the Local shall have an additional one week to process the grievance to Step Two. The time limit between Step One and Step Two may be extended by mutual agreement.

(2) Meetings between representatives of the Local and local management shall be arranged at mutually agreeable times for the purpose of discussing such grievances. In those cases where it is mutually agreed by Management and Local representatives that an inspection of the job would be helpful in settling the case, a subcommittee of the Local with Management representatives shall be allowed to make an inspection of the job. Local representatives may include the Business Agent or the Business Agent's assistant or officers of the Local.

Grievances referred to Step Two will be scheduled and discussed as expeditiously as possible but not later than forty-five (45) days after the grievance has been presented to Step Two. Such time limits may be extended by mutual agreement.

(3) Upon request, local management will give the Local a written reply.

(c) *Step Three (Headquarters Level)*

Any grievance, having been processed through Step Two without satisfactory settlement, may be referred to the National Officers of the Union for submission to an Executive Officer of the Company or designated representative, who shall arrange meetings for the purpose of discussing such grievances.

Such grievances shall be submitted to the Company not less than two weeks prior to the date of any discussion and not more than three months after the completion of discussions and the final decision of local management at Step Two.

When the Union requests an emergency meeting on a particular grievance or grievances, such a meeting shall take place within one week after the Company receives the request for such an emergency meeting.

The Company shall give its final decision to the Union in writing within a reasonable time after the completion of discussion on any grievance.

The discussions provided for above may, by mutual agreement, be held at the plant location of the Local submitting the grievance, if requested by the Union.

■ 3. *Discipline Based on Warning Notices*

Before imposing a disciplinary penalty or discharge which is based upon the cumulative effect of written warning notices, the Company will notify the employee concerned one week in advance. The matter may be made a subject for grievance discussions, but such discussions shall not prevent imposition of the penalty pending their final outcome, and in the event it is determined that an employee has been improperly

penalized, the employee will be reimbursed for any loss of wages sustained as a result of the imposition of the penalty.

■ 1. There shall be no strike, sit-down, slowdown, employee demonstration or any other organized or concerted interference with work of any kind in connection with any matter subject to the grievance procedure, by any employee or group of employees and no such interference with work shall be directly or indirectly authorized or sanctioned by a Local or the Union, or their respective Officers or Stewards, unless and until all of the respective provisions of the successive steps of the grievance procedure set forth in Article XIII shall have been complied with by the Local and the Union. The foregoing exception will not apply if (a) the matter is submitted to arbitration as provided in Article XV, or (b) 12 months shall have elapsed after receipt by the Union of the Company's final decision on the grievance at Step Three, or (c) the Company shall not have received written notice of such strike from the Local more than 24 hours prior to the commencement of such strike, which notice will specify the exhausted grievance over which the strike is being called. Upon receipt by the Company of such a strike notice, the Company and the Union will meet immediately to discuss the dispute and the contemplated action so that management may assess the situation.

Prior to the commencement of any strike or lockout, the Chairman of the Conference Board (or authorized designee) and the authorized Company representative will discuss the dispute and contemplated action so that both parties may assess the situation for a possible remedy.

■ 2. The Company will not lock out any employee or

transfer any job under dispute from the local Works, nor will the local management take similar action while a disputed job is under discussion at any of the steps of the grievance procedure set forth in Article XIII, or if the matter is submitted to arbitration as provided in Article XV.

ARTICLE XV
Arbitration

■ 1. Any grievance which remains unsettled after having been fully processed pursuant to the provisions of Article XIII, and which involves either,

(a) the interpretation or application of a provision of the Agreement, or

(b) a disciplinary penalty (including discharge) imposed on or after the effective date of this Agreement, which is alleged to have been imposed without just cause, or

(c) a nondisciplinary termination occurring after the effective date of this agreement, may be submitted to arbitration upon written request of either the Union or the Company, provided such request is made within 60 days after the final decision of the Company has been given to the Union pursuant to Article XIII, Section 2(c). For the purpose of proceedings within the scope of (b) above, the standard to be applied by an arbitrator to cases involving disciplinary penalties (including discharge) is that such penalties shall be imposed only for just cause.

■ 2. (a) A request for arbitration shall state in reasonable detail the nature of the dispute and the remedy requested. A copy of the request shall be sent to the American Arbitration Association.

(b) Within 30 days after receipt of a request to arbitrate, the receiving party will give its response thereto in writing, with a copy to the Association, stating whether or not it believes the stated dispute to be arbitrable. If the receiving party believes the dispute not to be arbitrable, it will state its reasons in reasonable detail.

(c) If the response agrees to the arbitrability of

the dispute, the Association will proceed to process the request in accordance with Section 3.

(d) If a response to a request for arbitration disagrees as to arbitrability of the dispute, either party may request a conference to discuss the arbitrability of the dispute, and to seek to resolve the differences between the parties.

■ 3. (a) When a request for arbitration involves relief from a discharge alleged to have been imposed without just cause, or involves a dispute which the Company admits to be arbitrable, or when a final court judgment shall have ordered arbitration of a request, the Association shall submit the appropriate matter promptly to one of the Contract Arbitrators listed below for scheduling of a hearing thereon.

The Contract Arbitrators shall serve for the duration of this Agreement. The Association will assign each arbitration case in rotation, in the order of Contract Arbitrators listed below. If a Contract Arbitrator states an inability to accept a case, it will be referred to the next Contract Arbitrator in line.

Whenever the number of unresolved arbitration requests assigned to a Contract Arbitrator shall exceed three, any additional requests which would otherwise be assigned said Contract Arbitrator in order of rotation shall be referred to the next Contract Arbitrator in line.

CONTRACT ARBITRATORS

| | |
|---|---|
| Timothy L. Bornstein | Joseph P. Sirefman |
| Leroy D. Clark | Janet M. Spencer |
| Lawrence T. Holden, Jr. | Theodore St. Antoine |
| Mark L. Irvings | Jeffrey B. Tener |
| Craig E. Overton | Paul Zonderman |
| Joan W. Parker | |

In all discharge and upgrading cases, the Association shall expedite the handling of such cases as follows:

(i) Request from the Contract Arbitrator, at the time of appointment, two or three proposed alternative hearing dates for hearing days within sixty (60) days of appointment.

(ii) Communicate proposed alternative hearing dates to designated representatives of the parties promptly and secure a firm commitment on a hearing date.

(iii) Schedule agreed upon hearing date in accordance with regular procedure.

(b) Only one request shall be scheduled for the same arbitration hearing, except by mutual agreement of the parties.

(c) In the conduct of an arbitration hearing, the applicable provisions of the Voluntary Labor Arbitration Rules of the Association shall control, except that either party may, if it desires, be represented by counsel.

(d) The dispute as stated in the request for arbitration shall constitute the sole and entire subject matter to be heard by the arbitrator, unless the parties agree to modify the scope of the hearing.

■ 4. (a) In the event the receiving party has asserted that the dispute contained in a request for arbitration is not arbitrable, the Association shall have authority to process the request for arbitration and appoint an arbitrator in accordance with the procedure set forth in Section 3 above only after a final judgment of a court has determined that the grievance upon which arbitration has been requested raises arbitrable issues and has directed arbitration of such issues. The foregoing part of this section shall not be applicable if the request for arbitration involves only relief from a disciplinary penalty or discharge alleged to have been imposed without just cause.

(b) In the consideration and decision of any question involving arbitrability (including any application to a court for an order directing arbitration), it is the specific agreement of the parties that:

(i) Some types of grievance disputes which may arise during the term of this Agreement shall be subject to arbitration as a matter of right, enforceable in court, at the demand of either party. (See Section 6 below.)

(ii) Other types of disputes shall be subject only to voluntary arbitration, i.e., can be arbitrated only if both parties agree in writing, in the case of each dispute, to do so. (See Section 7 below.)

(iii) This Agreement sets out expressly all the restrictions and obligations assumed by the respective parties, and no implied restrictions or obligations inherent in this Agreement or were assumed by the parties in entering into this Agreement.

(iv) In the consideration of whether a matter is

subject to arbitration as a matter of right, a fundamental principle shall be that the Company retains all its rights to manage the business, including (but not limited to) the right to determine the methods and means by which its operations are to be carried on, to direct the work force and to conduct its operations in a safe and effective manner, subject only to the express limitations set forth in this National Agreement, Local Seniority Supplements executed under the provisions of Article XI thereof, and Local Understandings executed in accordance with Section 3 of Article XXI thereof; and it is understood that the parties have not agreed to arbitrate demands which challenge action taken by the Company in the exercise of any such rights, except where such challenge is based upon a violation of any such express limitations (other than those set out in Section 7 below).

(v) No matter will be considered arbitrable unless it is found that the parties clearly agreed that the subject involved would be arbitrable in light of the principles of arbitrability set forth in this Article and no court or arbitrator shall or may proceed under any presumption that a request to arbitrate is arbitrable.

(c) If a final judgment of a court has determined that a request raises arbitrable issues, the court's decision shall specify in reasonable detail the issues as to which arbitration is directed. The arbitration shall thereafter proceed only upon the issues specified in such final court judgment and the arbitrator shall have no authority or jurisdiction to consider issues other than those specified.

■ 5. The powers of an arbitrator shall include the authority to render a final and binding decision with respect to any dispute brought before the arbitrator including the right to modify or reduce or rescind any

disciplinary action taken by the Company but excluding the right to amend, modify or alter the terms of this Agreement, or any Local Understanding.

The expense of the arbitration will be borne equally by both parties.

Individuals who are covered by this Agreement do not have the right to invoke the arbitration procedure on their own initiative. The arbitration procedure can only be invoked by the Company on its behalf or the Union on behalf of the employees.

■ 6. (a) Arbitration as a matter of right includes only requests to arbitrate which involve:

(i) Disciplinary action (including discharge) or nondisciplinary terminations but with certain exceptions spelled out in this article;

(ii) The claimed violation of a specific provision or provisions of the National Agreement (with the limitations and exceptions set out in this Article);

(iii) The claimed violation of a provision or provisions of a signed Local Seniority Supplement entered into in accordance with Article XI, Section 2 of this National Agreement or of a provision or provisions of a Local Understanding entered into in accordance with Article XXI, Section 3 of this National Agreement.

(b) A request for arbitration, in order to be subject to arbitration as a matter of right under the provisions of Subsections (a) (ii) and (a) (iii) above, must allege a direct violation of the express purpose of the contractual provision in question, rather than of an indirect or implied purpose. For example, a request which claims incorrect application of the method of computing overtime pay under the provisions of Section 2 of Article V would be

arbitrable as a matter of right, whereas a request which questioned the right of the Company to require the performance of reasonable overtime work, on the claimed ground that Article V contains an implied limitation of that right, would be subject only to voluntary arbitration. A request that Article XI and the appropriate Local Seniority Supplement had been violated by the layoff of a senior employee in preference to a junior employee would be arbitrable as a matter of right but a request that subcontracting of work in the plant while bargaining unit employees are on layoff violated a claimed implied limitation of Article XI and the applicable Local Seniority Supplement would be subject only to voluntary arbitration.

■ 7. All requests for arbitration which are not subject to arbitration as a matter of right under the provisions of Section 6 above are subject only to voluntary arbitration. In particular, it is specifically agreed that arbitration requests shall be subject only to voluntary arbitration, by mutual agreement, if they

(a) Involve the existence or alleged violation of any agreement other than those described in 6(a) above.

(b) Involve issues which were discussed at national level negotiations, but which are not expressly covered in this National Agreement (e.g., subcontracting).

(c) Involve claims that an allegedly implied or assumed obligation of this National Agreement has been violated.

(d) Involve claims that Article I, or Section 3 of Article IV of this National Agreement has been violated; provided, however, that grievances which claim that a disciplinary action, discharge, upgrading action or transfer

action violates Section 3 of Article IV will be subject to arbitration as a matter of right.

(e) Would require an arbitrator to consider, rule on or decide the appropriate hourly, or salary rate at which an employee shall be paid, or the method (day, or salary) by which the employee's pay shall be determined. (See footnote)

(f) Would require an arbitrator to consider, rule on or decide any of the following:

(i) The elements of an employee's job assignment;

(ii) The level, title or other designation of an employee's job classification;

(iii) The right of management to assign or reassign work or elements of work. (See footnote[1])

(g) Involve claims of violation of Sections 1 and 2 of Article XI, in locations in which a Local Seniority Supplement has not been signed in accordance with Section 2 of Article XI.

(h) Pertain in any way to the establishment, administration, interpretation or application of Insurance, Pension or Savings Plans, or other Benefit plans in which employees covered by this Agreement are eligible to participate.

(i) Involve discipline or discharge imposed on employees having less than six months of service credits

[1] Subsections e and f reflect the fact that this National Agreement does not set out specific rates or classifications for jobs, and are designed to confirm the intent of Article VI, Section 1 and Article VI, Section 5 (first sentence) that disputes over individual job classifications, rates of pay, etc., are assigned by the parties to local negotiations, and not to arbitration.

with the Company, provided that if by Local Understanding a period of less than six months has been agreed upon as the probationary period for new employees, and such Local Understanding is applicable to the particular employee involved, such agreed upon shorter period of time shall be substituted for "six months" in the foregoing; and provided further that nothing in this subsection shall limit the authority of an arbitrator with respect to disciplinary penalties or discharges imposed in violation of Section 1 of Article IV.

(j) Pertain in any way to Article XXII of this Agreement or its interpretation or application.

(k) Pertain in any way to the provisions of any local agreement covering a retraining program under the provisions of Article XXIV hereof, or the interpretation or application thereof.

■ 8. (a) The parties shall refrain from requesting transcripts for those hearings where the submission to arbitration meets the following criteria:

(i) The interpretation of one or more provisions of the collective bargaining agreement is not involved; and

(ii) There is no "procedural" questions such as arbitrability or due process; and

(iii) There is no claim alleging discrimination in violation of Section 3 of Article IV of this Agreement; and

(iv) The only issue in a discharge or discipline case is whether the discharge or discipline was imposed for just cause.

(b) An arbitrator shall give an Award without an Opinion in certain arbitration cases in accordance with the following:

(i) An Award without an Opinion shall consist of a summary statement by an arbitrator of no more than two pages which briefly sets forth the basis of the Award.

(ii) An Award without an Opinion shall be given in all discipline or discharge cases meeting the criteria in Section 8(a), above, under the following procedure:

(1) If the party requesting arbitration believes the grievance meets the criteria, that party would so indicate in its written request for arbitration.

(2) If the party requesting arbitration does not indicate in its written request for arbitration that it believes the case meets the criteria, the other party may indicate that it believes the grievance meets the criteria in its written agreement to arbitrate.

(3) If the party requesting arbitration indicates that it believes the grievance meets the criteria in 8(a), above, in its request for arbitration, or if the other party so indicates in its written agreement to arbitrate, the Association will instruct the designated arbitrator to issue an Award without an Opinion subject to the discretion given the arbitrator in (4) below.

(4) If either party disagrees with the indication of the other party (provided for in (1) and (2), above) that the grievance meets the criteria set forth in 8(a), above, that party may request a written Opinion from the arbitrator so long as such request is made before the hearing is closed. When such a request is made by

either party, the arbitrator shall rule whether a written Opinion is waived under the criteria set forth in 8(a) above.

(5) If evidence is admitted during the hearing at the instance of either party which, in the judgment of the other party, would change the case from one meeting the criteria in 8(a), above, to a case not meeting the criteria, the other party may then demand a written Opinion so long as such demand is made before the oral hearing is closed - notwithstanding prior agreement to waive the Opinion. This provision, however, should not be interpreted in any way to imply that either party would agree to the introduction of evidence at the hearing which would change the nature of the case.

(c.) If either party requests the use of a stenographer, the requesting party will notify the other party of their interest. The party making such request will bear full cost of the stenographer and the transcript.

■ 9. Any arbitration case between the Company and the Union which is limited to a disciplinary penalty other than discharge is covered by the supplemental arbitration procedure set forth below:

(a) The following rules shall apply in cases covered by this section:

(i) The only issue before the arbitrator shall be whether the discipline was imposed for just cause.

(ii) There shall be no transcript of the hearing.

(iii) There shall be no post-hearing briefs or other written arguments by the parties.

(iv) If either party so requests, there shall be a thirty (30) minute recess before any closing oral argument by the parties.

(v) The arbitrator shall render an Award without an Opinion no more than twenty-four (24) hours after the closing of the oral hearing.

(b) The compensation for an arbitrator for hearing a case under this procedure shall be a fee of $750.00 for each case. This fee is subject to revision during the term of this agreement, with the mutual consent of both parties. The arbitrator shall also be entitled to travel expenses in accordance with the regular procedures of the American Arbitration Association.

(c) A special panel of arbitrators shall be established to hear cases under this procedure by mutual agreement of the parties. These panels will consist of more than 2, but not greater than 5 panelists, and will be established in the Upstate New York Area.

(d) Whenever a request for arbitration meets the criteria set forth above, the Association shall designate an arbitrator from the special panel of arbitrators, as provided for herein, to hear the case instead of a regular Contract Arbitrator, as provided for in Section 3 (a) of this Article, as follows:

(i) Assignments will be made by the American Arbitration Association based on the arbitrators' geographical proximity, the availability of the arbitrators, and the number of cases assigned particular arbitrators at given locations. No arbitrator will be assigned to more than 25% of the cases at a given location under this procedure without the mutual consent of the parties.

(ii) A date for a hearing shall be scheduled within sixty (60) days of the appointment of the arbitrator.

## ARTICLE XVI
## Posting

The Company will make bulletin boards available for the use of the Locals for the posting of notices. All notices shall be subject to the Human Resource Manager's, or their designee's, approval**,** who will also arrange for posting.

## ARTICLE XVII
## Notification and Publicity

■ 1. The Company agrees to notify the Local and the National Officers of any matter affecting employees generally and concerning which the Union or the Local is the certified bargaining representative and not covered by this Agreement as soon as the Supervisors are notified.

■ 2. On any grievance or other matter which has been negotiated between the Company and the Union or the Local, the Company will notify the Union or Local of any decision or determination before it notifies the employees affected.

ARTICLE XVIII
Financial Support

The Company shall not give financial aid to or otherwise support any labor organization. This, however, shall not prevent both parties to this contract from cooperating and exchanging such information essential for the furtherance of agreeable relations.

■ 1. *New Employees - Reengaged Employees*

The Company will provide each Local, from information of record, with a monthly list of newly hired and reengaged employees; the information will consist of name, home address, seniority date, occupation, department, Supervisor, and checkoff status.

■ 2. *Laid Off Employees*

The Company will provide each Local, on a monthly basis, with information on employees laid off for lack of work after notification has been given to the employees; the information will consist of the name, home address of record, continuous service date, occupation, department, and Supervisor. The Supervisor will give to the Steward information on extended layoffs, whenever possible one week before the employee is laid off.

■ 3. *Transfers*

The Company will provide each Local with information on transfers which are made through the Human Resources Office.

■ 4. *Master List of Employees*

Semiannually, the Company, from information of record, will provide the Local with a complete list of all employees then in the bargaining unit and showing the name, home address, continuous service date, seniority date, occupation, department, job rate, paid rate, clock card number, and checkoff status of each employee on such list.

ARTICLE XX
Traveling Time and Expenses

■ 1. **Paid time while away from the normal work location in a "travel" status, will be counted as time worked for pay purposes and when determining whether an employee is eligible for overtime payment with the following guidelines:**

1. **Trip is completed in one day and no overnight stay is required: All hours spent traveling count as hours worked and are credited towards overtime.**
2. **Trip is more than one day and overnight stay is required: Only hours spent traveling during the employee's normally scheduled working hours during work days or non-work days count as hours worked and are credited towards overtime.**

■ 2. Reasonable expenses for transportation, meals, and hotels wherever necessary. Where travel is by automobile not owned by the Company, such transportation expense shall be at the approved IRS mileage rate in cents per mile or as negotiated locally, provided use of such automobile has been specifically approved in advance by the Company. This transportation expense rate shall be updated during the term of this agreement as revised by the IRS, and will be made effective if and when implemented across the company.

■ 3. Traveling time and expenses shall be itemized and submitted to Management for approval, as per current BMPC policy.

ARTICLE XXI
Local Understandings

■ 1. The provisions of this Agreement are subject to all present local understandings, and such understandings will remain in effect unless changed in the manner provided in the following section.

■ 2. After the effective date of this Agreement, new local understandings will be recognized and made effective only where set forth in writing and signed by local management and the Local, and approved by the Company and the Union.

■ 3. The existence of, or any alleged violation of, a local understanding shall not be the basis of any arbitration proceeding, unless such understanding is in writing and signed by the Company and Union.

■ 1. *Definitions*

(a) The terms "plant closing" and "to close a plant" mean the announcement and carrying out of a plan to terminate and discontinue either all Company operations at any plant or other facility, or those Company operations which would result in the termination of all employees represented by the Union at that location when those employees do not have displacement rights.

Such terms do not refer to the termination and discontinuance of only part of the Company's operations at any plant or other facility (except as specifically provided in the paragraph above) nor to the termination or discontinuance of all of its former operations coupled with the announced intention to commence there either larger or smaller other operations. Any employees released by such latter changes will be considered as out for lack of work and will be subject to provisions applicable to those on layoff.

Also, such terms do not refer to the transfer or sale of such operations to a successor employer who offers continued employment to Company employees. Company employees who are not offered continued employment by the Company or by the successor employer will be considered as out for lack of work and will be subject to provisions applicable to those on layoff.

(b) The term "plant closing date" means the day when benefits for and terminations of represented employees begin because of a plant closing.

(c) The terms "transfer of work," "to transfer work," and "work transfer" mean the discontinuance of

ongoing work at one location coupled with the assignment of the same work to a different location, including subcontracting the same work to another employer, if such assignment of work would directly cause a decrease in the number of represented employees performing such work at the first location.

(d) The term "robot" means a programmable, multi-function manipulator designed to move materials, parts, tools, or specialized devices through variable programmed motions for the performance of a variety of tasks.

(e) The term "automated manufacturing machine" means a device for doing work which has programmable controllers (PC), numerical controls (NC), computer numerical controls (CNC) or direct numerical controls (DNC).

(f) The term "automated office machine" means a device for doing office work which is computer-based and which includes word processing, data processing, image processing, electronic mail or business and engineering graphics devices.

(g) The term "week's pay" as used in this Article XXII, for a salaried employee shall be the higher of (a) the employee's normal straight-time weekly salary (including any night shift bonus) for the last full week worked by the employee or (b) the employee's normal straight-time weekly salary (including any night shift bonus) in effect during the last full calendar week worked by the employee during the calendar year preceding the year in which the employee's current layoff began. A "week's pay" for an hourly employee on day work shall be calculated by multiplying the higher of (a) the employee's straight-time hourly rate (including any night

shift bonus) which the employee was paid during the last week worked by the employee or (b) the employee's straight-time hourly rate (including any night shift bonus) which the employee was paid during the last full calendar week worked by the employee during the calendar year preceding the year in which the employee's current layoff began, times the number of hours in the employee's normal workweek, up to 40 hours.

(h) The term "Special Early Retirement Option Offset" includes the present value of the difference between the pension benefits the employee would be eligible to receive absent exercise of the Special Early Retirement Option and the benefits to be received under the Special Early Retirement Option, including the present value of any Pension Plan Supplements payable as a result of a permanent job loss event as defined in the BMPC Pension Plan for Employees Represented by IUE. This difference shall be measured from the date of termination for retirement to the date the individual would be otherwise able to receive an unreduced pension. For the purpose of determining present value, the interest rate discount assumption will be that (as of the beginning of the calendar year in which the employee retires) defined by the BMPC Pension Plan for employees in participating bargaining units in determining the present value of immediate annuities for terminating single employer trusted plans.

This Special Early Retirement Option Offset shall also include an amount attributable to health benefits payable as a result of a permanent job loss event as defined in the BMPC Pension Plan for Employees Represented by IUE. This amount will be calculated by multiplying $3,000 times the number of whole years

between the date of termination for retirement and the date when first eligible for Medicare. The resulting number shall be reduced by a factor equivalent to the percent of employee contributions toward the average value of health coverage at the time of the Special Early Retirement Option. The $3,000 figure shall be adjusted annually based on annual increases in the medical component of the Consumer Price Index for all-urban consumers. The annual adjustment will be made at the end of the calendar year based on the year over year increases of the October index figure.

(i) pro-rated - the term "pro-rated repayment" as used in this Article XXII refers to the portion of the lump sum severance or Income Extension Aid (IEA) paid under Section 2(b)(4)(i) and (ii) or Section 4 (a)1 that would be repayable by the rehired or recalled employee to restore full service credits. The formula for determining pro-rated repayment will be to divide the full lump sum severance or IEA by 52 weeks to determine a weekly benefit. Repayment will be based upon the number of weeks between layoff and 26 weeks (plant closure), or layoff and 52 weeks (IEA event). Normal repayment will be made through payroll deductions over a one year period. There will be no repayment required where employees are rehired after 26 weeks (plant closure) or IEA event (52 weeks).

(j) The term "furlough" means that: In the event that (a) government funding for the operation of the Laboratory is interrupted or unavailable due to the lack of budgetary authorization or appropriation, (b) the Government directs the temporary cessation of non-essential operations, and (c) this furlough is applicable to all non-essential employees, the following steps will apply:

1. Employees shall be notified promptly concerning the effective date and time of the commencement of the furlough.
2. The furlough shall be unpaid. Continuity of service will not be broken.
3. Insurance benefits shall be continued to the extent permitted by available funding.
4. When funding is restored and the government permits resumption of work, employees shall be promptly notified of the return to work date and time.
5. Make whole back pay and benefits will be provided to the extent permitted by available government funding authorized for such purpose.
6. The provisions of this agreement concerning plant closing, reduction in force, or layoff/temporary layoff shall not apply. In the event a furlough results in a permanent job loss, the applicable provisions of this agreement shall apply.
7. **In the event of a furlough, the Union Business Agent and President shall remain at work to provide representation for IUE bargaining unit employees deemed critical to the facility. If no IUE represented employees are retained, the Business Agent and President will not be retained.**

■ 2. *Plant Closing*

(a) *General*

(1) Whenever the Company decides to close a

plant, the Company shall give notice of its decision to the Union, the Local or Locals involved, and the employees concerned. Thereafter, as the Company, in the course of such plant closing, no longer has need for the work then being done by an employee, their employment by the Company may be terminated, subject to compliance with the provisions of this Section 2.

(2) Each employee shall be given at least one week's advance notice of the specific date of the employee's termination.

(b) *Severance Pay*

(1) An eligible employee whose employment is terminated because of plant closing shall be entitled to Severance Pay in a lump sum, for which the employee is eligible as described below and the full vacation allowance for which the employee has accrued/earned in calendar year in which the employee's employment is terminated and any other accumulated allowances due the employee, provided that the employee:

(i) After the announcement of the plant closing, continues regularly at work for the Company until the specific date of the employee's termination, or

(ii) Fails to continue regularly at work until the specific date of the employee's termination due to verified personal illness, leave of absence, or layoff, or

(iii) Was laid off within six (6) months prior to the Company announcement of the plant closing decision and continues on layoff, unless recalled, until the employee's termination date for plant closing.

(2) Such employee may request that their date of termination be advanced so that the employee can accept other employment and the local management will

give due regard to this request.

(3) Notwithstanding the provisions of this Section 2, an employee who is affected by plant closing may elect, prior to the specific date of their termination for plant closing, to be placed on lack of work status. In such event, the employee will be paid benefits under Section 4 below, in lieu of any and all of the benefits set forth in this Section 2.

(4) *Computation of Severance Pay*

An employee with two or more years of continuous service will, in accordance with the provisions hereinafter set forth; have available Severance Pay computed on the basis of one (1) week's pay for each of the employee's full years of continuous service with a minimum of two week's pay for employees with two or more years of service, minimum $2400.

(5) *Deferral Election*

An employee who elects to receive Severance Pay in a lump sum may elect to defer payment of half or all of the lump sum until the first month of the year following the employee's termination because of a plant closing. Once made, such election will be irrevocable.

(c) *Employment Assistance Program*

To assist employees terminated because of a plant closing to find new jobs and to learn new skills, local management will establish an Employment Assistance Program following announcement of a decision to close a plant. The Employment Assistance Program will include job placement assistance and education and retraining assistance.

(1) *Job Placement Assistance*

(i) Job Placement Assistance will include job counseling as well as job information services. Examples of such services are counseling in job search and interviewing techniques, identification and assessment of skills, and employment application and resume preparation as well as providing employees information on placement opportunities.

(ii) Local Union involvement will be encouraged in these activities and local management may also use the expertise and resources of public and private agencies in providing these services.

(iii) Two (2) employee representatives designated by the Local (one such representative in a plant of less than 300 represented employees) will each be paid by the Company at their respective rate then prevailing, for approved absences from work up to a total of eight (8) hours per week to work with local management in the establishment and operation of the Employment Assistance Program.

(2) *Education and Retraining Assistance*

(i) An employee with two or more years of continuous service who is terminated as a result of a plant closing will be eligible to receive Education and Retraining Assistance for courses approved by the Company which contribute to or enhance the employee's ability to obtain other employment provided that the employee begins the approved course within **eighteen (18) months** following termination. Approved courses will normally be given at schools which are accredited by recognized regional or state accrediting agencies and may

include:

- Occupational or vocational skill development;
- Fundamental reading or numerical skill improvement;
- High school diploma or equivalency achievement; and
- College level career oriented courses.

(ii) An employee will be reimbursed up to a maximum of **seventy-five hundred dollars ($7,500.00)** for authorized expenses which are incurred within two years following termination provided a passing grade is received in the course. Authorized expenses include verified tuition, registration and other compulsory fees, costs of necessary books, and other required supplies. However, if tuition or other authorized expenses are covered by government benefits, other employers, or scholarships, the Company reimbursement will not apply to that portion covered by such other plan.

(d) The Company will make available to employees affected by layoff the resources to be referred to other organizations in BMPC for consideration for any openings that may develop.

(e) *Optional Local Plant Closing Termination Agreement*

Because the circumstances in a plant closing will vary in terms of employment, location and timing, as well as other local considerations, the Local Union and local management may negotiate a Special Local Agreement covering the plant closing termination procedure for employees represented by the Local. Any such agreement shall be in writing and approved in accordance with Article XXI, Section 2, of this National

Agreement.

■ 3. *Retraining and Readjustment Assistance*

(a) *Rate Guarantee*

An hourly rated or nonexempt salaried employee whose job is directly eliminated by a transfer of work, the discontinuance of a discrete, unreplaced product line, the introduction of a robot, or the introduction of an automated manufacturing or office machine shall be paid on any job to which transferred or recalled in the plant at a rate not less than the regular hourly day-work rate (actual straight time salary rate in the case of nonexempt salaried employees) of the job eliminated for up to **one-hundred and four (104)** weeks immediately following the original transfer or layoff.

(b) *Special Retirement Bonus*

(1) *Election*

An hourly rated or nonexempt salaried employee who is age sixty (60) or older with fifteen (15) or more years of continuous service and is assigned to a job classification which the Company has announced is expected to be directly adversely affected by a transfer of work, the discontinuance of a discrete, unreplaced product line, the introduction of a robot, or the introduction of an automated manufacturing or office machine may elect to be considered for termination with a Special Retirement Bonus. This election shall be made within twenty (20) days following the Company announcement of its decision involving the transfer of work, the discontinuance of a discrete, unreplaced product line, introduction of a robot, or introduction of an automated manufacturing or office machine which is expected to result in the elimination of certain jobs.

(2) *Procedure*

Eligible employees electing this option will be designated by their seniority for a Special Retirement Bonus. A termination under this option will be effective and the Special Retirement Bonus will be paid when a job in the particular job classification to which the eligible employee is assigned is directly eliminated by the previously announced transfer of work, the discontinuance of a discrete, unreplaced product line, introduction of a robot, or introduction of an automated manufacturing or office machine, which directly results in a net reduction in the total number of employees working in that same job classification.

(3) *Special Payment*

This Special Retirement Bonus shall be **$17,000.00**

(c) *Special Placement Procedure*

(1) *Election*

An hourly rated employee whose job is directly eliminated by a transfer of work, the discontinuance of a discrete, unreplaced product line, the introduction of a robot, or the introduction of an automated manufacturing machine may request a Special Placement from the eliminated job in lieu of placement, displacement or layoff under the regular local layoff and rehiring procedure. The Special Placement request must be made within five (5) days following notification to the employee of the regular placement, displacement or layoff.

(2) *Placement*

(i) If a timely request is made, an

eligible employee shall be placed, or displace with seniority, on an available equal or lower rated job classification if the employee has the necessary minimum qualifications for the job; provided the Special Placement would be on a higher rated job than that provided by the regular placement.

(ii) If an eligible employee who has made a timely request is unable to be placed under Section 3(c)(2)(i) above, such employee shall be placed, or displace with seniority, on an equal or lower rated job up to the top of the one month progression schedule without regard to the regular minimum qualifications for the job; provided the Special Placement would be on a higher rated job than that provided by the regular placement.

(iii) An employee placed under this Section 3(c) is required to achieve normal performance within the time period of the regular progression schedule.

(d) *Optional Local Retraining and Placement Agreement*

Whenever the Company announces a transfer of work, the discontinuance of a discrete, unreplaced product line, the introduction of a robot, or the introduction of an automated manufacturing or office machine, the Local Union and local management may negotiate a Local Retraining and Placement Agreement.

■ 4. *Income Extension Aid*

(a) *Computation of Income Extension Aid*

(1) An employee with two or more years of continuous service will, in accordance with the provisions hereinafter set forth, have available Income Extension Aid

computed on the basis of one (1) week's pay for each of the employee's full years of continuous service.

(2) If the amount of Income Extension Aid available to any employee as computed in Subsection (a)(1) has been reduced by payments under any of the options below, then, providing the employee has returned to work from layoff, the total amount available as described in Subsection (a)(1) shall be automatically restored. Employees hired after August 12, 1994 will have their IEA eligibility restored after being employed three (3) months after being recalled from layoff. This Subsection (2) shall not apply where payments have been made under Section 4(b)(1)(ii) or under Plant Closing Section 2 where the employee is rehired within 6 months of termination or under Preferential Hiring Section 2(d), except, that when an employee makes repayment of benefits paid under such Section 4(b)(1)(ii) or Section 2, this Subsection (a)(2) shall apply when the employee returns to work with respect to a subsequent layoff.

(3) *Minimum Benefit*

The amount of the Income Extension Aid benefit as computed under Section 4(a)(1) shall be subject to a minimum benefit equal to two weeks' pay or $2,400.00, whichever is higher.

(b) *Benefits Available at Layoff*

(1) An eligible employee laid off for lack of work may elect from the following:

(i) The employee, laid-off from the Company will receive a lump sum payment of the Income Extension Aid and any vacation or other accumulated allowances payable to the employee, in such amounts and upon such conditions as set forth in this subsection.

Payment will be made as soon as possible upon the commencement of layoff.

(ii) As a special option, an employee may, with the approval of local management, which approval shall not be unreasonably withheld, elect to receive the total amount of Income Extension Aid and any vacation or other accumulated allowances due, and at the time of such payment, terminate employment and thus forego recall rights.

(2) Income Extension payments made under Subsections (b)(1)(i) and (ii), above, shall not affect service credits previously accumulated, continuity of service, and recall rights. It will not be necessary for an employee to repay any Income Extension Aid payable under said Subsections (b)(1)(i) and (ii) above where such impacted employee is not recalled or rehired within one year of layoff.

(3) In the event an employee elects, as provided for in Section 7(a) of Article IX of this Agreement with respect to a scheduled shutdown period, to take the time off without pay as though on a temporary layoff, the employee shall not be eligible for Income Extension Aid for that scheduled shutdown period.

(c) *Special Voluntary Layoff Bonus*

Whenever the Company announces an indefinite reduction in force, a Special Voluntary Layoff Bonus opportunity will exist. To be eligible an employee must be age sixty (60) or older, have fifteen (15) years of continuous service, be in a specific job classification directly adversely affected, and must have filed a request to be considered at least fifteen (15) days in advance of the announcement of the indefinite reduction in force. To

the extent such requests exceed the number of affected jobs in each classification, selection will be on the basis of seniority. Employees selected for a Special Voluntary Layoff Bonus must confirm their acceptance immediately following the Company's offer of the Special Voluntary Layoff Bonus. Employees accepting a Special Voluntary Layoff Bonus will receive a lump sum payment of **Seventeen-Thousand (17,000)** in lieu of any other payment under this Article and will terminate service with the Company.

■ 5. *Notice, Bargaining and Information Requirements*

This Section sets forth the full obligations of the Company with regard to notice bargaining with and information to the Union concerning plant closing, work transfer, subcontracting and the installation of robots or automated manufacturing or office machines.

(a) *Plant Closing*

(1) *Notice*

The Company will give notice of its intent to close a manufacturing plant a minimum of one (1) year in advance of the plant closing date to the Union, the Local involved and to employees concerned. Such notice will include identification of the plant to be closed, the Local involved and the date when terminations of represented employees because of the plant closing are expected to begin. Notice may be less than one (1) year when a plant closing results from a decision by the government to close the facility.

(2) *Bargaining*

If the Local requests decision bargaining within ten (10) working days following a Company notice of intent to close a manufacturing plant, service shop, or

distribution center, the Company will be available to meet with the Local within five (5) working days of such request and the bargaining period shall continue for up to forty-five (45) calendar days from the date of the Company notice of intent to close the plant unless this period is extended by mutual agreement. The Company will make a decision whether or not to close the plant after this bargaining period.

(3) *Information*

If information is requested by the Local for bargaining provided for in Section 5(a)(2) of this Article, the Company will promptly make the following information available to the Local for such bargaining. This information will specifically include the express reason(s) for intending to close the plant and, where employment cost is a significant factor, the related wages, payroll allowances and employee benefits expenses of represented employees at the plant intended to be closed. This information will be treated as confidential by the Local.

(b) *Transfer of Ongoing Production Work*

(1) *Notice*

The Company will give notice of its intent to transfer ongoing production work a minimum of **nine (9)** months in advance of the effective date of the work transfer to the Local involved. Such notice will include identification of the work to be transferred, the expected decrease in the number of represented employees as a direct consequence of the transfer of work and the anticipated date of the transfer of work.

(2) *Bargaining*

If the Local requests decision bargaining within ten (10) working days following a Company notice of intent to transfer ongoing production work, the Company will be available to meet with the Local within five (5) working days of such request and the bargaining period shall continue for up to forty-five (45) calendar days from the date of the Company notice of intent to transfer the work unless the period is extended by mutual agreement. The Company will make a decision whether or not to transfer such work after this bargaining period.

(3) *Information*

If information is requested by the Local for bargaining provided for in Section 5(b)(2) of this Article, the Company will promptly make the following information available to the Local for such bargaining. The information will specifically include the express reason(s) for intending to transfer the work and, where employment cost is a significant factor, comparative related wages, payroll allowances and employee benefits expenses of represented employees for the work intended to be transferred and of their counterparts who would be assigned the work. This information will be treated as confidential by the Local.

(c) *Transfer of Nonproduction Work*

(1) *Notice*

The Company will give notice of its intent to transfer nonproduction work, or subcontract nonproduction non-trades work at the same plant location if such subcontracting of work would directly cause a decrease in the number of represented employees performing such work, a minimum of **ninety (90)**

calendar days in advance of the effective date of the work transfer or subcontracting to the Local involved. Such notice will include identification of the work to be transferred or subcontracted, the expected decrease in the number of represented employees as a direct consequence of the transfer of work or subcontracting and the anticipated date of the transfer of work or subcontracting.

(2) *Bargaining*

If the Local requests decision bargaining within ten (10) working days following a Company notice of intent to subcontract or transfer nonproduction work, the Company will be available to meet with the Local within five (5) working days of such request and the bargaining period shall continue for up to forty-five (45) calendar days from the date of the Company notice of intent to subcontract or transfer the work unless this period is extended by mutual agreement. The Company will make a decision whether or not to subcontract or transfer such work after this bargaining period.

(3) *Information*

If information is requested by the Local for bargaining provided for in Section 5(c)(2) of this Article, the Company will promptly make the following information available to the Local for such bargaining. The information will specifically include the express reason(s) for intending to subcontract or transfer the work and, where employment cost is a significant factor, comparative related wages, payroll allowances and employee benefits expenses of represented employees for the work intended to be subcontracted or transferred and of their counterparts who would be assigned the work. This information will be treated as confidential by the Local.

(d) *Subcontracting of Trades Work at Plant Location*

(1) *Notice*

The Company will give notice to the Local of its intent to subcontract work other than ongoing production work, where the work will be done by a subcontractor at the same plant location or elsewhere, before finalization of the proposed action provided that the work is of a nature that is normally performed by trades workers (maintenance, tool & die, and other similar classifications). Notice will not be required in emergency situations.

(2) *Bargaining*

If the Local requests bargaining concerning such subcontracting, the Company will promptly meet and discuss its plans with the Local. However, in no event will the Company be obligated to withhold the effectuation of the proposed subcontracting for more than twenty (20) working days from the date of the notification to the Local.

(3) *Information*

If information is requested by the Local for bargaining provided for in Section 5(d)(2) of this Article, the Company will promptly make the following information available to the Local for such bargaining. This information will specifically include the express reason(s) for intending to subcontract the work and, where employment cost is a significant factor comparative related wages, payroll allowances and employee benefits expenses of represented employees for the work intended to be subcontracted and of their counterparts who would be assigned the work. This

bargaining information will be treated as confidential by the Local.

(e) *Installation of Robots or Automated Manufacturing or Office Machines*

With respect to the installation of robots or automated manufacturing or office machines, the Company will give a minimum of sixty (60) days' notice to the Local involved before the use of a robot or an automated manufacturing or office machine in a work area. Such notice will include a description of the function of the device, identification of the work involved, the expected decrease in the number of represented employees as a direct consequence of the use of the device and the anticipated date of the use of the device.

■ 6. *Vested Rights Under Pension Plan*

The receipt of Income Extension Aid, Severance Pay, or a rate guarantee will not affect any rights the employee may have under the Vesting Provision of the Pension Plan.

■ 7. *Lump Sum Payments*

Service credits previously accumulated, continuity of service, and recall rights will be lost upon receipt by the employee of an Income Extension Aid payment in lump sum under Section 4(b)(1)(ii), special termination payments under this Article, or payment of Severance Pay under the Plant Closing Section 2. However, an employee eligible for such a payment, who is within one year of reaching optional retirement at age 60 under the BMPC Pension Plan for employees represented by IUE - CWA, shall retain such previously accumulated service credits and continuity of service until such employee reaches optional retirement age notwithstanding the

receipt of such a payment unless the employee retires before electing optional retirement at age 60.

In the event of a subsequent rehire as a "new" employee after one year and within a period of time which does not exceed the length of prior service, the employees' service credits and recall rights previously lost shall be restored. Repayment of IEA will not be required. However, service credits, continuity of service, and recall rights upon receipt of payments under Plant Closing Section 2, shall be restored automatically without repayment in the event of subsequent rehire more than 6 months after such termination.

An employee who having received payments under Income Extension Aid, is rehired 12 months or less after the employee's termination and who has made arrangements satisfactory to the Company (normally not to exceed 12 months) providing for a pro-rated repayment shall, during such time as the employee is not in default of such arrangements, be deemed to possess full service credits, continuity of service, and recall rights.

An employee who having received payments under Plant Closing Section 2, is rehired 6 months or less after the employee's termination and who has made arrangements satisfactory to the Company (normally not to exceed 12 months) providing for a pro-rated repayment shall, during such time as the employee is not in default of such arrangements, be deemed to possess full service credits, continuity of service, and recall rights.

■ 8. *Non-Duplication*

If any part of an employee's continuous service is used as the basis for an actual payment under any of the options of the Income Extension Aid or Severance Pay

arrangement, that part of the employee's continuous service may not be used again for such purpose, either during that period of layoff or any subsequent period of layoff or plant closing, unless repayment has been made as provided in Section 7, above.

Where an indefinite reduction in force triggers eligibility for benefits under this Article, the designation of individuals who may exercise the benefits under this Article will be based on the integrated order of their seniority so that the number of employees electing benefits does not exceed the net number of positions eliminated.

Employees, eligible for a benefit under this Article either by designation or by election, may exercise only one severance or layoff benefit. Employees who have exercised the Special Early Retirement Option under the Pension Plan shall have the Special Early Retirement Option Offset deducted from any severance or layoff benefit otherwise due under this Article.

■ 9. *Other*

The provisions of this article shall not be applicable where the Company decides to close a plant or lay off an employee because of the Company's inability to secure production, or carry on its operations, as a consequence of a strike, slowdown, or other interference with or interruption with work participated in by employees in a Company plant, service shop, or other facility. However, the operation of this section shall not affect the rights or benefits already provided hereunder to an employee laid off for lack of work prior to the commencement of any such strike, interference, or interruption.

■ 10. A grievance arising under this article may be

processed in accordance with the grievance procedure set forth in Article XIII. However, no matter or controversy concerning the provisions of this article or the interpretation or application thereof shall be subject to arbitration under the provisions of Article XV hereof, except by mutual agreement.

ARTICLE XXIII
Military Pay Differential

An employee attending annual encampments of or training duty in the Armed Forces, State or National Guard or U.S. Reserves shall be granted a military pay differential, computed as set forth below, for a period of up **to 20 working days (160 hours**) of such military service, during each calendar year. The employee shall be granted service credits for such 20 working day period or portion thereof during which they are absent. Such military pay differential shall be the amount by which the employee's normal straight time wages or salary, calculated on the basis of a workweek up to a maximum of 40 hours, which the employee has lost by virtue of such absence, exceeds any pay received for such absence from the Federal or State Government Such items as subsistence, rental, and travel allowance shall not be included in determining pay received from the Government.

Military absences of less than thirty (30) days, in preparation for a deployment will be paid the differential but will not count against the **160** hour limit. Employees on active military deployment will be paid the differential for the duration of the deployment.

An employee who does not exhaust the **20** working day period during the calendar year for the employee's annual

encampment or training duty and who is required during the same calendar year to attend a weekend period of training shall be granted a military pay differential provided that the **20** working day period of military service in the same calendar year is not exceeded. Such military pay differential shall be the amount by which the employee's normal straight time pay, calculated on the basis of a non-premium workday, up to a maximum of eight (8) hours, which the employee has lost by virtue of such absence, exceeds any pay received for such day or days of absence from the Federal or State Government.

An employee who is called out by the National Guard or the U.S. Reserves to perform temporary emergency duty (other than duty under an order by the President or Congress activating members or units of the Reserves or National Guard) due to a fire, flood, or domestic civil disturbance, or other such disaster will be paid a military pay differential calculated as described above, for the pay lost by reason of such emergency duty, for a period not to exceed four weeks in any calendar year and shall be granted service credits for such absence up to four weeks.

Employees will be permitted to take PeTO and attend a military encampment at separate times and be granted both a PeTO pay allowance and a military pay differential. However, an employee may not receive a PeTO pay allowance and a military pay differential for the same period. An employee may, however, receive a military pay differential for the period, if any, by which the time spent in such encampment exceeds such PeTO, but not exceeding the maximums specified above.

## ARTICLE XXIV
## Retraining Program

■ 1. Retraining Programs as appropriate for employees represented by each Local are subject to negotiations between the Local and local management. Any written agreements covering such Retraining Programs are subject to approval by the Union and the Company.

■ 2. No matter or controversy concerning the provisions of this article or any local retraining agreement shall be arbitrable except by mutual agreement.

ARTICLE XXV
Administrative Time Off (ATO) (Jury Duty/Other)

■ 1. When an hourly-paid employee is called for service as a juror, they will continue to be paid their straight-time earnings, up to a limit of 8 hours per day (9 hours if scheduled for a nine hour day) and 40 hours per week.

■ 2. When a salaried employee is called for service as a juror, they will continue to be paid their normal straight-time salary during the period of such service.

■ 3. Similar makeup pay as specified in Sections 1 and 2 will be granted to an employee who loses time from work because of their appearance in court pursuant to proper subpoena, except when they are either a plaintiff, defendant, or other party to the court proceeding.

■ 4. In situations where the Company declares an emergency closure of the facility due to weather or other unforeseen emergencies, hourly employees will be paid at their regular rate for up to eight (8) hours (9 hours if scheduled for a nine hour day). This payment will be made as part of "Administrative Time Off". Employees who are informed that their services will be required during this closure will be expected to report to work and will be paid their regular rate for work performed. If these employees fail to report and complete their assignment, they will not be eligible for the above payment.

## ARTICLE XXVI
## Absence for Death in Family (Bereavement)

An hourly paid employee with 30 days or more of service credits who is absent from work solely because of the death and funeral of parents (or persons serving in this capacity), mother/father in law, grand parents, grand parents in law, brothers and sisters of an employee or the employee's spouse, brothers and sisters in law, the employee's spouse or children (natural, step, adopted, and foster if living in the employee's home), step parents, grandchildren, sons and daughters in law will be compensated, on the basis of the employee's average straight-time earnings, for the time lost from the employee's regular schedule by reason of such absence, for three days for each such absence, maximum six (6) days per year and up to eight hours per day (nine hours if scheduled for a nine-hour day).

■ 1. *Use of MTO*

(a) MTO may be used for illness, medical appointments, birth, placement or adoption of a child. MTO may also be used for the medical appointments or illness of an employee or their family member. The definition of family member is consistent with the definition found in Article XXVI.

(b) An employee is expected to notify their Manager in advance of the absence whenever possible, in order that the Manager may have an opportunity to arrange for a replacement or to reschedule the work. Management approval, as provided herein, will not be unreasonably withheld. MTO will be paid only for approved absences.

■ 2. *Accrual and use of MTO*

(a) Effective 1/1/12, new employees will be credited with 40 hours of MTO on their first day of employment. Current employees as of 12/31/11, will be credited with 8 hours of MTO for each full year of service with a minimum of 40 hours, maximum of 120 hours in 2012 only. All employees will then accrue 40 hours of MTO per year, credited on a pro rata basis twice per month.

(b) MTO time may only be used once credited to the employee. MTO time may be used in $1/10^{th}$ hour increments.

(c) Accrued, unused MTO may be carried forward

into the next calendar year, up to a maximum of 120 hours. MTO accounts will not be paid out upon termination.

■ 3. *Rate of Pay*

The rate of pay applicable to absences covered under this article will be current normal straight-time hourly earnings in effect when last at work prior to the absence, including night shift bonus for employees who are regularly scheduled on a night shift.

■ 4. *Maximum Hours*

(a) The maximum MTO hours payable for any one day of approved absence will be the number of hours in the employee's established regular daily schedule in effect when last at work prior to the absence but not in excess of eight (8) hours on a standard schedule, (9 hours if scheduled for nine hours).

(b) The maximum hours of MTO payable to an employee in a calendar year will be the 40 hours of accrued MTO time plus any MTO time rolled over from the previous calendar year.

■ 1. *Standard for filling open jobs and upgrading*

The Company will, to the extent practical, give first consideration for job openings and upgrading to present employees, when employees with the necessary qualifications are available. In upgrading employees to higher rated jobs, the Company will take into consideration as an important factor, the relative length of continuous service of the employees who it finds are qualified for such upgrading; provided, however, that in upgrading employees to job openings with job rates within the one-month progression schedule, as provided for in Article VI, Section 4(a)(4)(a) of this Agreement, the relative seniority of those employees found qualified for such upgrading shall be the controlling factor.

When filling a job opening by upgrading, a request for the open job by an employee in a different, equal rated job classification or a higher rated job classification shall be treated as though it were a request to be considered for a higher rated job classification if the job opening affords the employee with an immediate or future higher earnings opportunity; provided that the employee has not previously so transferred during the same calendar year.

■ 2. *Local Negotiations*

Because the product mix, organization complexity, and other circumstances vary in the plant locations covered by this agreement and to improve the opportunity for upward mobility of all employees represented by the Union and to continue to assure an equal opportunity for such employees to express their interests in and be considered for upgrading to job openings without regard

to race, color, sex, creed, marital status, age, or national origin, local management and the Local Union shall negotiate a written upgrading agreement for each of the locations listed in the Preamble. In order to implement the provisions of Section 1, above, it is the intent of the parties that such agreement would provide for advance notice of job openings which are to be filled by upgrading where practical. Such agreement shall be approved in accordance with Article XXI, Section 2, of this National Agreement and shall not alter any obligation or right not to fill an opening by upgrading nor shall it limit any right an employee or the Union may have under Article XIII, XIV, and XV of this National Agreement to protest a selection.

## ARTICLE XXIX
## Responsibility of the Parties

The parties recognize that, under this Agreement, each of them has responsibilities for the welfare and security of the employees:

(a) The Company recognizes that it is the responsibility of the Union to represent the employees effectively and fairly;

(b) Subject only to any limitations stated in this Agreement, or in any other agreement between the Company and the Union or a Local, the Union and the Local recognizes that the Company retains the exclusive right to manage its business, including (but not limited to) the right to determine the methods and means by which its operations are to be carried on, to direct the work force, and to conduct its operations in a safe and effective manner.

This article does not modify or limit the rights of the parties, or of the employees, under any other provisions of this Agreement or under any other agreement between the Company and the Union or the Local, nor will it operate to deprive employees of any wage or other benefits to which they have been or will become entitled by virtue of an existing or future agreement between the Company and the Union or the Local.

ARTICLE XXX
Issues of General Application

This Agreement, the **2015 - 2019** Settlement Agreement, the **2015 - 2019** Wage Agreement, and the **2015 - 2019** Pension and Welfare Agreement between the parties are intended to be and shall be in full settlement of all issues which were the subject of collective bargaining between the parties in national level collective bargaining negotiations in **2015**. Consequently, it is agreed that none of such issues shall be subject to collective bargaining during the term of this Agreement and there shall be no strike or lockout in connection with any such issue or issues; provided, however, that this provision shall not be construed to limit or modify the rights of the parties hereto under Article VI, Section 1, and Article XIV of this Agreement.

ARTICLE XXXI
Duration of Agreement

This National Agreement shall be effective as of **August 24, 2015** between the Company, the Union, and the IUE - CWA Local now certified as the representative of Company employees, as set forth in the Preamble to this Agreement, and shall continue in full force and effect to and including **August 24, 2019** and from year to year thereafter unless modified or terminated as hereinafter provided.

ARTICLE XXXII
Modification and Termination

(a) Either the Company or the Union may terminate this National Agreement by written notice to the other not more than ninety days and not less than sixty days prior to **August 24, 2019**, or prior to August 24 of any subsequent year. Not more than 15 days following receipt of such notice, collective bargaining negotiations shall commence between the parties for the purpose of considering the terms of a new agreement, and a proposal for a revision of wages which may be submitted by either the Company or the Union.

(b) If either the Company or the Union desires to modify this National Agreement, it shall, not more than ninety days and not less than sixty days prior to **August 24, 2019**, or prior to August 24 of any subsequent year, so notify the other in writing. Not more than 15 days following receipt of such notice, collective bargaining negotiations shall commence between the parties for the purpose of considering changes in this National Agreement, and a proposal for revision of wages which may be submitted by either the Company or the Union.

If settlement is not reached **by August 24, 2019**, or prior to August 24 of any subsequent year, this National Agreement shall continue in full force and effect until the tenth day following written notice given by either the Company or the Union of its intention to terminate such Agreement, during which time there shall be no strike or lockout.

ARTICLE XXXIII
Notices

All notices given under the provisions of this Agreement shall be in writing and shall be sufficient if sent by mail addressed, if to the Union, to the IUE – CWA Conference Board; 20 Prospect Place; Suite 212; Ballston Spa, NY 12020 or to such other address the Union shall furnish the Company in writing; and if to the Company, to BMPC – KAPL, P.O. Box 1072, Schenectady NY 12301, or to such other address the Company shall furnish the Union in writing.

| **IUE - CWA** | **BMPC - KAPL** |
|---|---|
| Robert Santamoor | Anthony J. Nicastro |
| Vincent J. Vines | Randal G. Longley |
| James Ledford | Andrew Gladwin |
| Kenneth Jones | Daniel Miller |
| Mark Sabatino | Caryn Kent |
| Joseph Audino | |
| Eric Panis | |

**2015 - 2019**

Wage Agreement

APPENDIX A
–2015 - 2019 WAGE AGREEMENT

The Company will provide wage and salary increases as follows:

■ 1. *Wages & Lump Sum Payments*

*Effective Date:*

| | | |
|---|---|---|
| **Sept 14, 2015:** | **2.75%** | **General Increase** |
| **Sept 14, 2015:** | **$1,000** | **Ratification Bonus** |
| **Sept 12, 2016:** | **$1,000** | **Lump Sum** |
| **Sept 12, 2016:** | **$600** | **COLA Replacement** |
| **Sept 11, 2017:** | **2.50%** | **General Increase** |
| **Sept 10, 2018** | **$1,750** | **Lump Sum** |

■ 2. The wage and salary increases described in 1 above shall constitute the amount by which each hourly day work rate or weekly salary rate shall be increased on the effective date specified in the amount and manner described.

■ 3. The pay increases herein provided shall be applicable to all employees (both hourly paid and salaried) in the bargaining unit certified to the IUE - CWA (AFL-CIO) or its affiliate IUE - CWA (AFL-CIO) Local as of August 24, 2015, which, as of that date, are listed in the Preamble of the 2015 - 2019 BMPC – KAPL - IUE - CWA National Agreement. Employees in any bargaining unit for whom the IUE - CWA (AFL-CIO) or its Local shall be certified as the collective bargaining representative after the effective date of this Agreement shall receive pay increases provided for by Sections 1,

and 2 of this Wage Agreement but only insofar as such increases shall, by terms of said sections, become effective after the date of such certification.

The Provisions of the Wage Agreement shall continue in full force and effect between the parties hereto, to and including August 24, 2019.

IN WITNESS WHEREOF the parties have caused their names to be subscribed to this Agreement by their duly authorized representatives this **24th Day of August, 2015 in Schenectady, NY**

| **IUE - CWA** | **BMPC - KAPL** |
|---|---|
| Robert Santamoor | Anthony Nicastro |
| Vincent J. Vines | Randal G. Longley |
| James Ledford | Andrew Gladwin |
| Kenneth Jones | Daniel Miller |
| Mark Sabatino | Caryn Kent |
| Joseph Audino | |
| Eric Panis | |

APPENDIX B
MEMORANDUM OF UNDERSTANDING
REGARDING CHECK OFF TO IUE COPE

■ 1. *Contributions to IUE - CWA COPE*

The Company agrees to deduct from the pay of each employee voluntary contributions to IUE - CWA COPE provided that each such employee executes or has executed the following "Authorization for Assignment and Check-Off of Contributions to IUE - CWA COPE" form; provided further, however, that the Company will continue to deduct the voluntary contributions to IUE - CWA COPE from the pay of each employee for whom it has on file an unrevoked "Authorization for Assignment and Check-off of Contributions to IUE - CWA COPE" form.

Deductions shall be made only in accordance with the provisions of and in the amounts designated in said "Authorization for Assignment and Check-Off of Voluntary Contributions to IUE - CWA COPE" form.

A properly executed copy of "Authorization of Assignment and Check-Off of Contributions to IUE - CWA COPE" form for each employee for whom voluntary contributions to IUE - CWA COPE are to be deducted hereunder, shall be delivered to the Company before any such deductions are made, except as to employees whose authorizations have heretofore been delivered. Deductions shall be made hereafter, only under the applicable "Authorization for Assignment and Check-Off of Contributions to IUE - CWA COPE" forms which have been properly executed and are in effect.

Deductions shall be made, pursuant to the forms received by the company, from the employee's weekly

pay received in each and every pay period that the authorization remains in effect.

■ 2. *Termination of Company Obligations*

The Company's obligation to make such deductions shall terminate automatically upon the termination of the employee who signs the authorization, upon written request, or upon their transfer to a Unit not covered by this Agreement.

■ 3. *Remittance to the Union*

a. The Company agrees to remit within thirty (30) days after said deductions, the following:

1. The total amount of COPE contributions deducted;

2. The names, employee social security numbers and amounts from whose wages such deductions have been made

b. The Company shall, at the same time remit to the Union its check for the amount shown under item (1) above, care of the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers IUE - CWA (AFL-CIO).

■ 4. *Authorization Form for Deductions*

AUTHORIZATION FOR ASSIGNMENT AND CHECK-OFF OF CONTRIBUTIONS TO IUE - CWA COPE

To BMPC-KAPL:

I hereby assign to IUE - CWA COPE, from any weekly wages earned or to be earned by me as your employee, the sum of: (check one)

$1.00 $2.50 $5.00 Other $_____

each and every week. I hereby authorize and direct you to deduct such amounts from my pay and to remit same to IUE - CWA COPE at such times and in such manner as may be agreed upon between you and the Union at any time while this authorization is in effect.

This authorization is voluntarily made. I understand that the signing of this authorization and the making of payments to IUE - CWA COPE are not conditions of membership in the Union or of employment with the Company, that I have the right to refuse to sign this authorization and contribute to IUE - CWA COPE without any reprisal, and that IUE - CWA COPE will use the money it receives to make political contributions and expenditures in connection with federal, state and local elections.

Name (print) Date

Address Emplid Number

City State Zip

Signature

**Last, Best and Final Offer to Conclude 2015 Negotiations**
**BMPC-Knolls Atomic Power Laboratory and Kesselring Site**
**To**
**The IUE-CWA Conference Board and Local 301AE**
**August 24, 2015**

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The tentative agreement reached with the Industrial Division of the Communication Workers of America (IUE-CWA) continues a strong pay and benefits package by improving pension benefits and ensuring inclusion with future medical plan updates.

**Wages**

- Sept 14, 2015: 2.75% Base Builder
- Sept 14, 2015: $1,000 Ratification Bonus
- Sept 12, 2016: $1,000 Lump Sum
- Sept 12, 2016: $600 COLA Replacement
- Sept 11, 2017: 2.50% Base Builder
- Sept 10, 2018: $1,750 Lump Sum

**Pension**

- **Regular Supplement** – Increase supplement amount to $20 per month of Pension Benefit Service.
- **Special Supplement** – Renew for this contract at current level of $425 per month.
- **Guaranteed Minimum Pension Table** – Increase all amounts by $2.00.
- **Regular Pension Formula** – Improved breakpoints.
- **SERO and DRO Provisions** – Options continue for life of contract.
- **Disability Pension Calculation** – Remove the current 10% reduction. Employees eligible for a disability pension at age 55 or later will receive the full benefit as calculated for an Early Retirement.

**Health & Welfare**

- The same hearing aid benefit provided in the BC/BS High Deductible plan will be extended to the participants in the CDPHP HMO plan effective 1/1/2016.
- IUE represented employees will be offered BMPC Group Benefits Plan at the Company rates with negotiated rate caps.
- BMPC's wellness program options will be extended to all eligible IUE represented employees.
- Extended Salary Payment schedule which extends benefit eligibility for longer service employees (*upon ratification*).

**Summary of Company's comprehensive offer follows.**

1. **Duration of the Agreement**

   This Agreement shall have a four (4) year term from August 24, 2015 and shall expire on August 23, 2019.

2. **Wages:**
   - Sept 14, 2015: 2.75% Base Builder
   - Sept 14, 2015: $1,000 Ratification Bonus
   - Sept 12, 2016: $1,000 Lump Sum
   - Sept 12, 2016: $600 COLA Replacement
   - Sept 11, 2017: 2.50% Base Builder
   - Sept 10, 2018: $1,750 Lump Sum

3. **Pension**
   - Regular Supplement – increase supplement amount to $20 per month of Pension Benefit Service.
   - Special Supplement – renew for this contract at current level of $425 per month
   - Guaranteed Minimum Pension Table – increase all amounts by $2.00
   - Regular Pension Formula – Establish the following breakpoints for the formula
     - 2016 $61,900
     - 2017 $63,400
     - 2018 $66,600
     - 2019 $68,800

       Years beyond 2019 the breakpoint will be $13,000 less than the Social Security Covered Compensation amount.
   - Pension Adjustment – Employees of record effective 12/1/2015, retiring after 12/31/2015 and during the term of this contract that on 12/31/2014 have 25 years of Pension Qualification Service, or who are age 50 with 20 years PQS by 12/31/2014, will have their pension computed as follows:
     - Employees will receive the greater of: 1.0% Average annual compensation for base period (2012, 2013, and 2014) up to $50,500 times years of Pension Benefit Service, plus 1.4% average annual compensation for the base period over $50,500 times years of PBS.

       Or
     - Accrued Regular Pension
   - SERO and DRO Provisions – options continue for life of contract
   - Disability Pension Calculation – remove the current 10% reduction. Employees eligible for a disability pension at age 55 or later will receive the full benefit as calculated for an Early Retirement.

4. **Language**

- **Title Page –** New Dates - Aug 23, 2019
- **Preamble –** New Dates
- **Article V - Overtime –** Conditional Withdraw
- **Article VII Holiday –** Last Company proposal
- **VIII Continuity of Service –** Tentative Agreement
- **XI - PeTO** - Company proposal to remove outdated language. Tentative Agreement.
- **XII Job Posting - 1 1/2 hours –**Company codified Mgt meetings not charged to this time. Company confirmed position to keep 1 ½ hours per week for Union Steward time.
- **XV Arbitration –** Withdrawn
- **XX - Travel Time –** Tentative Agreement
- **XXII - Jobs and Security –** Tentative Agreement - Company countered with language that agreed and accepted the union's furlough proposal.
- **XXIII - Military –** Tentative Agreement
- **XIV – Strikes and Lockouts –** Conditional Withdraw
- **XXX - General Application –** Tentative Agreement - Updated dates of August 23, 2019
- **Benefits Advocate –** Company is committed to work with a Union appointed benefits advocate in conjunction with corporate benefits personnel for the purpose of promoting employee benefits education.

5. **Benefits**

**Active Employee Health & Welfare Proposal**

Qualified IUE bargaining unit employees are eligible to participate in the Bechtel Marine Propulsion Corporation (BMPC) Group Benefits Plan programs at the cost offered to all employees.

| Health and Welfare Plans | |
|---|---|
| Medical Plan | Group Universal Life Insurance |
| Vision Care | Travel Accident Insurance |
| Health FSA or HSA | Long Term Disability |
| Dependent Care FSA | Dental Insurance |
| Employee Basic Life / AD&D Insurance | Voluntary Accident & Dependent Life Ins. |
| Employee Assistance Program | |

Effective 1/1/2016, Post Medicare Coverage will be discontinued.

Effective 1/1/2016, a consulting service for Medicare retirees will be available at no charge. Plans selected through the Medicare Exchange will not be subsidized by BMPC.

Effective 1/1/2016, the VEBA provision will be eliminated. The Company will make a one-time cash payment equal to the current VEBA schedule directly to employees hired May 15th 2006 or later who terminate employment at age 60 or later with 10 years of continuous service The payment will be made as soon as practical following termination.

Effective 1/1/2016, the opt-out credit will be reduced to $50 per month and is eliminated in 2017.

The same hearing aid benefit provided in the BC/BS High Deductible plan will be extended to the participants in the CDPHP HMO plan effective 1/1/2016.

**Medical Plans**

IUE represented employees will be offered BMPC Group Benefits Plan at the company rates. BMPC's Group Benefits Plan coverage and employee contributions are subject to change annually. Affected employees will be notified of changes as part of the Company's annual open enrollment process. The Company will notify the Union of these changes and explain the reasons for any change.

BMPC's wellness program options will be extended to all eligible IUE represented employees.

**HMO Max Rate Caps (Weekly Contributions)**

| | Tier | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| **Employee Only** | T1 | $24.77 | $29.14 | Note 4 | Note 4 |
| | T2 | $30.03 | $34.89 | Note 4 | Note 4 |
| **Employee +1** | T1 | $49.97 | $58.77 | Note 4 | Note 4 |
| | T2 | $60.57 | $70.36 | Note 4 | Note 4 |
| **Family** | T1 | $77.75 | $91.45 | Note 4 | Note 4 |
| | T2 | $94.24 | $109.48 | Note 4 | Note 4 |

Notes:

1. The 2002 agreement to have the same HMO design as non-represented employees will be continued.
2. Employees will pay no more than the listed amounts for the term of this agreement.
3. Salary Tiers are Effective January 1, 2016. Rates are subject to increase annually.
   Tier 1: ≤ $64,900
   Tier 2: $64,901 - $93,600
4. If available, the HMO is offered at the company rates.

**Medical Plans Continued**

| HDHP Max Rate Caps (Weekly Contributions) | | | | | |
|---|---|---|---|---|---|
| | **Tier** | **2016** | **2017** | **2018** | **2019** |
| **Employee Only** | T1 | $6.97 | $9.91 | $13.30 | $14.56 |
| | T2 | $10.87 | $14.17 | $17.95 | $19.66 |
| **Employee +1** | T1 | $14.63 | $20.80 | $27.93 | $30.58 |
| | T2 | $22.82 | $29.75 | $37.69 | $41.27 |
| **Family** | T1 | $18.32 | $26.06 | $34.98 | $38.30 |
| | T2 | $28.58 | $37.27 | $47.21 | $51.70 |

Notes:

1. The 2002 agreement to have the same HDHP design as non-represented employees will be continued.
2. Employees will pay no more than the listed amounts for the term of this agreement.
3. Salary Tiers are Effective January 1, 2016. Rates are subject to increase annually.
   Tier 1: ≤ $64,900
   Tier 2: $64,901 - $93,600
4. The Company will offer a HDHP with the IRS minimum deductable and out of pocket maximums.

| PPO Max Rate Caps (Weekly Contributions) | | | | | |
|---|---|---|---|---|---|
| | Tier | 2016 | 2017 | 2018 | 2019 |
| **Employee Only** | T1 | $27.99 | $32.65 | Note 4 | Note 4 |
| | T2 | $33.93 | $39.09 | Note 4 | Note 4 |
| **Employee +1** | T1 | $58.74 | $68.51 | Note 4 | Note 4 |
| | T2 | $71.20 | $82.03 | Note 4 | Note 4 |
| **Family** | T1 | $74.00 | $86.32 | Note 4 | Note 4 |
| | T2 | $89.70 | $103.34 | Note 4 | Note 4 |

Notes:

1. The 2002 agreement to have the same PPO design as non-represented employees will be continued.
2. Employees will pay no more than the listed amounts for the term of this agreement.
3. Salary Tiers are Effective January 1, 2016. Rates are subject to increase annually.
   Tier 1: ≤ $64,900
   Tier 2: $64,901 - $93,600
4. The PPO is not anticipated to be offered. However, if available, the PPO will be offered at the company rate.

**Extended Salary Payments**

- Upon Ratification – Salary Payment schedule (below) which extends benefit eligibility for longer service employees.
- Subject to the recommendation by the DCM and concurrence by BMPC, employees are eligible for base salary as identified in the table below. Employees who are hired or rehired on or after January 1, 2012 will be eligible for no more then 9 weeks of full base salary Extended Salary Payments unless they are granted Total Employment Service for any prior work experience . In that case, that individual will be granted eligibility for full base salary Extended Salary Payments according to the table.

| Total Employment Service as of January 1, 2012 | Weeks for IUE represented employees with Original Hire Dates Prior to January 1, 2012 (Frozen at Current Year of Tenure) |
|---|---|
| <1 | 9 |
| 1 | 9 |
| 2 | 9 |
| 3 | 9 |
| 4 | 9 |
| 5 | 9 |
| 6 | 9 |
| 7 | 9 |
| 8 | 9 |
| 9 | 9 |
| 10 | 13 |
| 11 | 13 |
| 12 | 13 |
| 13 | 13 |
| 14 | 13 |
| 15 | 17 |
| 16 | 17 |
| 17 | 17 |
| 18 | 17 |
| 19 | 17 |
| 20 | 21 |
| 21 | 21 |
| 22 | 21 |
| 23 | 21 |
| 24 | 21 |
| 25 or greater | 26 |

IN WITNESS WHEREOF, the parties have executed this Agreement the **24th day of August 2015**.

IUE - CWA BMPC _ KAPL

By:

| **IUE - CWA** | **BMPC - KAPL** |
|---|---|
| Robert Santamoor | Anthony J. Nicastro |
| Vincent J. Vines | Randal G. Longley |
| James Ledford | Andrew Gladwin |
| Kenneth Jones | Daniel Miller |
| Mark Sabatino | Caryn Kent |
| Joseph Audino | |
| Eric Panis | |

Notes

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