

U # 2529

**CONTRACT EXTENSION AGREEMENT  
BETWEEN  
KEYSTONE STEEL & WIRE CO. AND  
INDEPENDENT STEELWORKERS' ALLIANCE**

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This agreement effective July 12, 2001, is between KEYSTONE STEEL & WIRE CO., DIVISION OF KEYSTONE CONSOLIDATED INDUSTRIES, INC. of Peoria, Illinois, and/or its successors herein referred to as the "Company", and the INDEPENDENT STEEL WORKERS' ALLIANCE of Bartonville, Illinois, herein referred to as the "Union", on behalf of the employees in the Collective Bargaining Units at the Company's Peoria, Illinois, plant.

It is hereby mutually agreed as follows:

1. The May 3, 1999, Production and Maintenance Agreement and the May 3, 1999, Salaried Agreement shall remain in full force and effect through December 31, 2001.
2. All provisions of the May 3, 1999, Production and Maintenance Agreement and the May 3, 1999, Salaried Agreement shall remain in full force and effect from January 1, 2002, through May 2, 2006, as well as the changes detailed below with the exception of Item 8 which is effective July 12, 2001.
3. **Health Care Benefit Changes:**

The Keystone Steel & Wire Company Welfare Benefit Plan For Bargaining Unit Employees dated July 1, 1993, (hereinafter referred to as the "Plan") is modified as set forth below:

- **Hospital, Medical, and Surgical Benefits** - The lifetime maximum is increased to \$2,000,000.
- **Physician Care Expenses** - Physician Assistant services are covered when provided at the direction of and billed by a physician.
- **Dental Care** - Dental Care benefits in effect on 12/31/01 are provided as part of the Plan.
- **Health Care Premium** - Health Care premiums are established as follows:
  - Employees only \$55.00/month
  - Employee and family \$115.00/month

These premiums will be by payroll deduction, which will be made in the first four-(4) pay periods of each month.

The Company will establish a Section 125 Premium Only Plan allowing pre-tax deduction of premiums.

- a) Payment, (other than payroll deduction), or Waiver of Premium:
  - > Layoff – premium waived during layoff for the period that benefits are continued under the terms of the Labor Agreement.
  - > Sickness & Accident – premium waived during the period of S&A payments (premium becomes due if absence is later determined to be compensable under workers' compensation).
  - > Workers' Compensation – premiums will be deducted from Temporary Total Disability benefit payments.
  - > Vacation – premiums will be deducted from vacation payments.
- b) Termination of Coverage:
  - > Coverage will not be terminated without Certified Mail notification to the employee and the employee given the opportunity to pay any premiums past due. Said past due premium payment to be made within thirty (30) days of notification.

Other than the changes as set forth above, all other terms of the Plan remain in force and effect.

#### 4. Enrollment:

Enrollment for Health Care benefits will occur as follows:

- a) There will be an annual open enrollment each year during the month of October.
- b) When a new employee becomes eligible for Health Care Benefits.
- c) When changes in family status occur, such as:
  - > Birth
  - > Adoption
  - > Marriage
  - > Divorce
  - > Death
  - > Dependents no longer eligible for coverage



The Company must be notified of the above changes and supplied the appropriate supporting documentation promptly, but no later than within 30 days of the event. The Plan language will apply.

- d) Involuntary loss of alternative coverage such as through a spouse's employer's plan.
- e) Employees may voluntarily drop Keystone coverage at any time. An employee who chooses to do so may not again enroll for Keystone coverage until the October open enrollment or in the event of the occurrence of item d) above.

**5. Memorandum of Understanding: #9 Pensions**

- Medicare reimbursement is increased to \$50.00.

**6. Wage Increase**

There will be a twenty-five cent (\$.25) per hour wage increase on May 3, 2004 and May 3, 2005. When operating profit levels reach \$7,000,000.00 in the preceding fiscal year, there will be an additional twenty-five cent (\$.25) per hour wage increase on May 3, 2004 and May 3, 2005.

**7. Memorandum of Understanding: #22 Production Capacity and Equipment**

The Company agrees to maintain economically viable production capacity and equipment and services within the Bartonville facility during the term of this agreement. However, should the Company determine that any such production capacity, including related equipment and/or services, is no longer economically viable and should be permanently discontinued, the Union will be provided 180 calendar days notice prior to the permanent shutdown of any such capacity, equipment or services. During the 180 day period, the Union or the Company may present arguments and/or proposals, when requested by either party, to insure that a good faith effort is made by the Company and the Union to maintain economically viable capacity at the Bartonville facility.

**8. Memorandum of Understanding: #23 Presidents Meeting**

When necessary, at the request of the ISWA President or the Company President, the Company Officers and Mill Superintendents will meet with the Bargaining Team to discuss items of mutual interest. The party requesting the discussion will submit an agenda at the time of the request.

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This AGREEMENT is between KEYSTONE STEEL & WIRE, DIVISION OF KEYSTONE CONSOLIDATED INDUSTRIES, INC. of Peoria, Illinois and/or its successors herein referred to as the "Company", and INDEPENDENT STEEL WORKERS ALLIANCE of Bartonville, Illinois, herein referred to as the "Union". If during the term of this agreement the Company's name or corporate status or designation as a division of Keystone Consolidated Industries, Inc., changes, it is understood that the newly named or constituted corporation shall be the "Employer" and the "Company" in each agreement between the Company and Union and its name or designation shall be substituted for any corporate name or designation used in any such agreement. Any successor company shall be expressly bound to the terms of this collective bargaining agreement, and shall assume all obligations accruing under the agreement unless otherwise agreed to by the Union. It is hereby mutually agreed as follows:

## Article I PURPOSE AND SCOPE

**1.0 Coverage.** The purpose of the parties is to set forth the basic agreement of the Company and the Union herein, as to wages, hours of work and general conditions of employment, and the procedure for adjustment of grievances so as to provide continuity of employment insofar as economic conditions may permit and to achieve uninterrupted operations in the plant. All provisions of this agreement shall be read together and not restricted to the particular section or sections where printed.

**1.1 Bargaining Unit.** The Company hereby recognizes the Union, by and through its elected and appointed representatives, as the exclusive collective bargaining agent for all of the employees included within the collective bargaining unit. The collective bargaining unit shall include all "employees" covered by this Agreement, or appropriate supplements to it, as described in paragraph 1.2 below.

**1.2 Employee.** The term "employee" as used in this Agreement and Office Supplement applies to all persons employed by Company in or about the Company's Bartonville, Illinois, plants and offices, excluding supervisors, temporary supervisors, permanent foremen, temporary foremen, relief foremen, assistant foremen, guards, and firemen, registered nurses, and any other person or persons in the employ of Company outside the bargaining unit, as provided in the National Labor Relations Act of 1947, as amended, or any other applicable laws.

**1.3** The Company will furnish the Union with a detailed list of the specific positions excluded by this section within ninety (90) days after the date of this Agreement, such list to be amended and made current by Company weekly.

**1.4** The Company will not interfere with the rights of its employees to become members of the Union. There shall be no discrimination, interfer-

ence, restraint or coercion by the Company or any of its agents or employees outside the bargaining unit against any employee because of membership in the Union, or interference by Company or any of its agents or employees outside the bargaining unit with legitimate Union actions or activities.

**1.5** It is the continuing policy of the Company and the Union that the provisions of this Agreement shall be applied to all employees without regard to sex, race, color, religious creed, or national origin.

**1.6** Any supervisor at a plant shall not perform work on a job normally performed by an employee in the bargaining unit at such plant; provided, however, this provision shall not be construed to prohibit supervisors from performing the following types of work:

- a. experimental work
- b. demonstration work performed in the presence of and for the purpose of instructing and training employees
- c. Work required of the supervisors by conditions which if not performed would or reasonably might result in interference with operations, bodily injury, or loss or damage to material or equipment, and
- d. work which, under the circumstances then existing, it would be unreasonable to assign to a bargaining unit employee.

**1.7** It is understood that the Management will notify the appropriate department committee in advance of supervisors performing work under paragraph 1.6a. Such notice shall include expected duration and purpose of experimental work. **Failure to comply with this paragraph will result in mis-schedule being paid to the employee(s) who would have performed the work.**

## **Article II RIGHTS OF COMPANY AND UNION**

**2.0 Rights of Company.** The Company retains the exclusive rights to manage the business and plants and to direct the working forces. The Company in the exercise of its rights shall abide by and comply with the provisions of this Agreement. The right to manage the business and plants and to direct the working forces include the right to hire, suspend, discharge, or transfer for proper cause and the right to relieve employees from duty because of lack of work or for other legitimate reason. This Agreement embodies the entire understanding between the parties except as other written or past practice agreements, or department rules are specifically provided for or referred to herein, and any matters not so covered by such separate written or past practice agreements, or department rules provided for and referred to herein shall remain with the Company for the duration of this Agreement.

**2.1 Rights of Union.** The Union has the exclusive right to bargain collectively and handle grievances for and on behalf of all the employees in the bargaining unit described in paragraph 1.2 hereof. The personnel of Union committees may be changed as often as the Union desires, and the Union shall from time to time, as changes are made in the personnel of such committees, certify to the Company in writing the names of the members of said committees.

**2.2 The established practices regarding the purchase of goods and services will continue in the same manner during the term of this agreement as they have in the past with the good faith understanding between the parties that work presently or customarily performed by employees in the Bargaining Unit will not be subcontracted or assigned to employees outside of the Bargaining Unit without advance notice and prior consultation with the Union, except in such cases of emergency as render advance notice and consultation impossible. There will be two joint committees established, one for the Wire Mill and one for the Steel Mill, consisting of not more than four persons on each committee, half of who shall be members of the Bargaining Unit, and designated by the Union in writing to the Company, and the other half designated in writing to the Union by the Company. These two committees shall attempt to resolve problems in connection with contracting out and may discuss any other current problem with respect to contracting out brought to the attention of the committee. Notice of any proposed contracting out shall be given the Union Contracting Out and affected Department committee members by Company when Company believes it should have significant items of work performed by outside contractors. Such notice shall contain an adequate description of the work to be performed, including the scope, expected duration, and reasons why the work should be contracted out. Notice shall be given at such early date as will allow good faith discussion of whether such work should or should not be contracted out, unless emergency conditions prevent such early notice. Should the Union Contracting Out Committee members believe discussion to be necessary, they shall so request the Company members in writing within five (5) days (excluding Saturdays, Sundays, and holidays) thereafter. Should the Committee resolve the matter, such resolution shall be final and binding. Should a discussion be held and the matter not be resolved or in the event a discussion is not held, then within thirty (30) days from the date of the Company notice, a grievance relating to such matter may, upon request of the Union, be filed directly to Step II of the grievance procedure under Article XVI. The Union members of the Contracting Out Committee may include in the discussion meeting one Union representative from the area affected.**

**2.3 It is recognized that it is impracticable to set forth in this agreement all the past practices which are recognized by the parties as established conditions of employment or to state specifically in this Agreement which of those past practices should be continued, changed, or eliminated. Accordingly, if the Management shall change or eliminate any past practice**

now in effect and not covered by this Agreement, an employee affected by the change may file a grievance with respect thereto, and the grievance shall be handled in accordance with the procedure set forth in Article XVI. In the disposition of the grievance, the burden shall be on the employee to establish the existence of a past practice as having been an established condition of employment, and the burden shall be on the Management to justify its action in making the change. It is not intended that this paragraph shall restrict the Company from taking reasonable steps to improve the efficiency and economy of its operation, nor shall it serve as an authorization of Management to take action which is arbitrary or unreasonable or will work an undue hardship on the employee, or will establish a new department rule in conflict with the provisions of this Agreement. It is understood that no department rule, or past practice shall be knowingly changed or a new department rule established by the Management without first having attempted to justify its action in discussions with the department committee and in the event of their disagreement, with the Officers of the Union in discussion with the Operations Manager, Steel Mill or Operations Manager, Wire Mill and the Director, Industrial Relations or their representatives, before initiating action.

### **Article III UNION SHOP AND CHECKOFF**

**3.0 Union Shop.** The Company hereby agrees that membership in the Union shall be a condition of employment for all employees subject to the terms and conditions of this Agreement. Non-compliance will result in discharge.

**3.1** Persons who are eligible for Union membership, who are employees of the Company on the day on which this agreement is signed and who are not Union members shall make application for Union membership at the Union Hall, 106 Bolivia Street, Bartonville, Illinois 61607, not later than thirty-one (31) days thereafter.

**3.2** New employees shall make application for Union membership at the Union Hall not later than thirty-one (31) days after the date they are hired.

**3.3** This Union Shop provision shall comply in all respects with the requirements of the National Labor Relations Act of 1947, of subsequent Amendments thereto, in regard to the establishment of a Union Shop.

**3.4 Checkoff.** In accordance with the list furnished to it by the Union, each month the Company will deduct from the wage of each employee from whom it has received a written authorization card dues for the month in which the deduction is made as the currently effective dues uniformly required as a condition of acquiring or retaining membership in the Union and levied in accordance with the constitution and bylaws of the Union. At the time of his employment the Company will suggest that each new employee voluntarily execute an authorization for the checkoff of Union dues and initiation fees in the form agreed upon. A copy of such authoriza-

tion card for the checkoff of Union dues shall be forwarded to the Financial Secretary of the Local Union along with the Membership application of such employee. The Company will remit said total deductions to the secretary-treasurer of the Union together with certification that the amount of deductions is equal to the total of such individual authorizations. The said deductions will be made without cost to the Union.

3.5 The Union shall indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability arising out of action taken or not taken by the Company in reliance upon a checkoff authorization furnished to the Company or for the purpose of complying with any other provisions of this Article III. The Union shall not be responsible for any Company certification.

3.6 Monday of each week, the secretary of the Union will receive from the Employment Office a list of employees added to or removed from the work force during the previous week.

#### **Article IV WAGES**

4.0 The standard hourly wage scale of rates for the respective jobs and job classes covering all hourly paid personnel, including labor, maintenance, and employees on classified jobs, but excluding tonnage and pieceworkers whose jobs have not been classified in the job classes set forth in Appendix "A," shall apply for the term of this Agreement, but shall be subject to the provisions hereinafter contained in paragraph 4.5.

4.1 Payroll will be calculated daily as far as possible with all rates figured at the nearest half cent.

4.2 Pay day will regularly be as follows for the following shifts; second shift, after work Thursday; third shift, after work Friday morning; first shift, after work Friday; except in holiday weeks in which the holiday falls on Thursday or Friday, then pay day will be the day preceding a holiday insofar as possible. In any event, all checks shall be available no later than 10:00 p.m. on Thursday of each week.

#### **4.3 Shift Differential**

4.31 Shift Premium pay at the rate of ten (10) cents per hour on all turns regularly scheduled to start between 2:00 p.m. and 5:00 p.m. inclusive (afternoon) will be paid. Shift premium pay at the rate of fifteen (15) cents per hour will be paid on turns regularly scheduled to start between 10:00 p.m. and 1:00 a.m. inclusive (night). Day includes all turns regularly scheduled to start between 6:00 a.m. and 9:00 a.m.

4.32 An employee assigned to the day shift who completes his regular eight-hour shift and continues to work into the afternoon shift shall receive

the extra ten (10) cents per hour premium rate for the hours worked in the afternoon shift. Similarly, an employee assigned to the afternoon shift who completes his eight-hour shift and works in the night shift shall receive the premium rate of fifteen (15) cents per hour for the overtime hours worked into the night shift. When an employee assigned to the night shift works into the day shift, he will receive his fifteen (15) cent premium only for his regular eight-hour shift and his hours in the day shift will be without shift premium pay.

**4.33** Any hours worked by an employee on a regularly scheduled shift which commences at a time not specified in 4.31 above shall be paid as follows:

**4.331** For hours worked which would fall in the prevailing day turn (first shift) of the department, no shift differential shall be paid.

**4.332** For hours worked which would fall in the prevailing afternoon turn (second shift) of the department, the afternoon shift differential shall be paid.

**4.333** For hours worked which would fall in the prevailing night turn (third shift) of the department, the night shift differential shall be paid.

**4.4** An employee starting after the regular shift starting time stated in paragraph 4.31, through no fault of the Company, will receive only the shift premium pay per hour he would have received had he started within the regular starting period of his department.

#### **4.5 Two Tier Wage Agreement.**

**4.51** Employees, working other than "Maintenance Craft" jobs, who were hired on or after May 3, 1984, will be paid 80% of their average straight-time hourly earnings during their first year of continuous service, they will be paid 85% of their average straight-time hourly earnings during their second year of continuous service, they will be paid 90% of their average straight-time hourly earnings during their third year of continuous service and 100% of their average straight-time hourly earnings thereafter.

**4.52** In no event, however, shall an employee's hourly rate be less than:

1. \$10.77 per hour effective May 3, 1999.
2. \$11.27 per hour effective May 3, 2000.
3. \$11.77 per hour effective May 3, 2001

**4.53** The employees involved will receive the indicated increases beginning the next pay period following their anniversary date.

**4.6** Jury and Subpoenaed Witness Pay. An employee who is called for jury duty or subpoenaed as a witness shall be excused from work for the days

on which he is required to be absent from work and he shall receive for each such day which he otherwise would have worked, the difference between eight (8) times his average straight-time hourly earnings (as computed for holiday allowance under the May 3, 1972, Labor Agreement) and the payment he receives for such service. The employee will present proof of his attendance in court and the amount of pay received therefor.

**4.61** Employees who are called to report to the Jury Commission Office for interview during working hours shall contact the Jury Commission Office and ask to change their appointment to an hour that will not interfere with their working schedules. If this cannot be accomplished, the employee shall be excused for a period of time necessary to so report.

**4.62** When an employee serves as a juror or as a subpoenaed witness (whether sitting on a case or not) that day will be counted as a day worked in computing overtime or premium payments for that work week or for holiday pay eligibility.

**4.63** Scheduled days off lost while reporting for or serving on jury duty or as a subpoenaed witness shall count as days worked.

**4.64** At the written request of the employee, Company will pay his check to an authorized representative.

**4.65** Employees called for jury duty or subpoenaed as a witness will be left on their departmental work schedules so that any day they are excused from such service they may report for a full day's work as scheduled.

**4.7 Bereavement Pay.** When death occurs to an employee's legal spouse, mother, father, mother-in-law, father-in-law, brother-in-law, sister-in-law, son, daughter, son-in-law, daughter-in-law, brother or sister, grandparents, spouse's grandparents and grandchildren (including stepfather, stepmother, stepchildren, stepbrother or stepsister when they have lived with the employee in an immediate family relationship), an employee upon request, will be excused for up to five (5) days which includes the day of the funeral (or for such fewer days as the employee may be absent). The employee shall receive \$225 for any such excused absence provided it is established that he attended the funeral. Such excused hours which are part of a scheduled day of work, will be counted as hours worked for purposes of determining overtime or premium pay liability.

## Article V JOB CLASSIFICATION AND INCENTIVE

### 5.0 Classification of Old Jobs

**5.01** In any department where a job or jobs have not been previously classified and where the employees in the department through their Union representative request it, the Company shall, within thirty (30) days, originate



steps with the Union to describe and classify such job or jobs in accordance with the current Manual for Job Classification of Production and Maintenance Jobs (hereinafter referred to as the current Manual) and shall present such description and classification to the Union and shall afford to the Union reasonable opportunity to be heard with respect to such proposed classification.

**5.011** If the Union shall agree in writing to such proposed classification, it shall be established for such jobs.

**5.012** If the Union shall not agree to such proposed classification, they will so notify the Company in writing and classification of such jobs will not become effective.

**5.013** This provision is not intended to be interpreted that the Company may classify any job not previously classified over the objections of the Union.

**5.02** When the jobs are so classified and approved, base rates established in accordance with the job classification in which they fall shall replace the prior hourly rates on hourly paid jobs. If an incentive applies to such jobs, an incentive shall be established by the Company and agreed upon only in writing by the Union before such incentive plan, related to the hourly job class rate, and the hourly job class rates shall replace the prior incentive system.

## **5.1 Reclassification of Classified Jobs**

**5.11** Each job classification now in effect or hereafter established shall remain in effect except as changed in accordance with the provisions of this section.

**5.12** In any department where the jobs have been previously classified, the classification and description for each job in effect as of the date of this Agreement shall continue in effect unless changes to the job requirements of such job accumulate to the extent of one full job class (1.0) or more as determined by application of the current Manual.

**5.13** In the event the Company so changes such a job, the Company shall describe and present such proposed description and reclassification to the Union along with justification in writing and shall afford the Union a reasonable opportunity to be heard with respect to such reclassification.

**5.14** If the Union shall agree to such proposed reclassification, it shall be established for such job.

**5.15** If the Union does not agree with such proposed reclassification, the Company may install such reclassification, and the Union may at any time within sixty (60) days after the date on which the reclassification of such job shall have been put into effect without the agreement of the Union, initiate a grievance regarding such reclassification, in which event such grievance

ance shall be handled in accordance with the provisions set forth in Article XVI herein. If such grievance shall not be so initiated before the expiration of said sixty (60) days, the Union shall be deemed to have agreed that the reclassification shall become established for such job. If such grievance shall be submitted to arbitration as provided in said Article XVI, the arbitrator shall decide such grievance in accordance with the current Manual, and his decision with regard thereto shall be effective as of the date when the reclassification was installed.

**5.16** If any employee shall claim that, after the effective date of classification of an existing job, the requirements of the job shall have been altered to the accumulated extent of 1.0 or more as determined by application of the current Manual, the Union shall put such changes in writing and present them to the Company to determine whether reclassification is warranted. If, following a meeting with the Department Committee, the Company determines reclassification is unwarranted, the Union may initiate a grievance with respect to such job classification, and such grievance shall be handled in accordance with the procedure set forth in Article XVI herein. If such grievance shall be submitted to arbitration, the arbitrator shall decide such grievance in accordance with the current Manual, and his decision shall be effective as of the date of the grievance.

#### **5.17 Maintenance of Job Descriptions and Classifications.**

**5.171** When Management changes a job, but the job content change is less than one full job class, a supplementary record shall be established to maintain the job description and classification on a current basis and to enable subsequent adjustment of the job description and classification for an accumulation of small job content as follows:

1. Management shall prepare, on the form set forth as, Notice of Job Description and Classification Change, a record of the change involved, such record to become a supplement to the job description and classification and be transmitted to the appropriate Union representative. This record shall contain statement of the additions to or deletions from the job description, the factor classifications in effect before the job was changed, the proposed new factor classifications, and the net total change.
2. When and if an accumulation of such fractional job content changes equals one full job class or more, a new job description and classification for the job shall be established in accordance with the Manual.
3. The cap on incentive plans for Wire Mill maintenance crafts will be removed effective 05/03/96.

#### **5.2 Classification of New Jobs**

**5.21** Whenever the Company establishes a new job (e.g., new equipment or new processes), it may describe and classify such job in accordance with the current Manual and this Agreement. In the event that the new job is described and classified, the Company shall submit the proposed description and classification to the Union in writing, and provide the Union with a reasonable opportunity to be heard with respect to such description and classification.

**5.211** For the purpose of this section, a new job shall also be defined to include any job established by the Company which involves any or all of the following factors:

- (a) Work foreign to any work in existence on the date of this agreement.
- (b) A product unrelated to any product produced by the Company on the date of this Agreement.

**5.22** If the Union shall agree to such proposed description and classification, it shall be established for such new job.

**5.23** If the Union does not agree with such new classification, the Company may install such classification, and the Union may, at any time within sixty (60) days after the date on which the classification of such new job shall have been put into effect without the agreement of the Union, initiate a grievance regarding such new classification, in which event such Grievance shall be handled in accordance with the procedure set forth in Article XVI hereof. If such grievance shall not be so initiated before the expiration of said sixty (60) days, the Union shall be deemed to have agreed that the classification shall become established for the new job. If such grievance shall be submitted to arbitration as provided in said Article XVI, the arbitrator shall decide such grievance in accordance with the current Manual, and his decision with regard thereto shall be effective as of the date when the new classification was installed.

**5.24** Such new classification shall continue in effect unless it shall be changed as provided in 5.11 hereof.

### **5.3 New Incentives**

**5.31** Whenever the Company or Union proposes to establish an incentive for a new or existing job, the Company shall develop the new incentive, whenever practicable and the work is measurable, and furnish to the Union in writing such information and explanation in regard to the proposed new incentive as shall reasonably be required to enable it to understand such new incentive.

**5.311** This provision is not intended to be interpreted that the Company may change any existing hourly paid job to an incentive rate over the objections of the Union.

**5.32** If the Union shall agree to such proposed new incentive, it shall be established.

**5.321** Union and Company may modify such new incentive in writing.

**5.33** Any such new incentive may be installed for a ninety (90) day trial period, provided the Company and the Union so agree. At the end of such trial period, the Union may accept the new incentive, in which event the new incentive shall be established, the Company and the Union may agree to another ninety (90) day trial period, or the Company may install a new incentive except for jobs not previously on incentive.

**5.34** At the expiration of any trial period, or if no trial period is agreed upon, the Company may put into effect such new incentive except for jobs not previously on incentive and the Union may at any time but not later than sixty (60) days after the date on which the new incentive shall have been put into effect without the agreement of the Union, initiate a grievance regarding such incentive, in which event such grievance shall be handled in accordance with the provisions set forth in Article XVI herein. If such grievance shall not be so initiated during such period, the Union shall be deemed to have agreed that the incentive shall become established for such job. If such grievance shall be submitted to arbitration as provided in Article XVI, the arbitrator shall decide whether the new incentive provides equitable incentive earnings in the department, and his decision with regard thereto shall be effective as of the date when the incentive rate in question shall have been put into effect.

#### **5.4 Change of Incentive Rate**

**5.41** In any department in the mills where an incentive rate has been applicable to an existing job, the Company shall have the right to establish a changed incentive to replace an existing incentive only when the existing incentive requires change because of new or changed conditions resulting from mechanical improvements made by the Company in the interest of improved methods or products or from changes in equipment, materials, manufacturing processes, or quality of manufacturing standards, provided; however, that in no event shall a changed incentive rate reduce an employee's incentive earnings.

**5.42** A job will be considered changed when, as a result of changes as described in 5.41 accumulated working time on the job changes by more than twenty-one and eight tenths (21.8) minutes for an eight (8) hour shift for each employee involved or production increases in excess of five percent (5%) of normal or previous production on an eight (8) hour shift.

**5.43** The amount of change will be calculated by dividing the change in working time by four hundred thirty-six (436) minutes for each employee involved.

**5.431** The applicable incentive rate shall be changed by the above percentage. Such changed incentive rate will apply to the changed condition.

**5.44** Any changed incentive may be installed for a ninety (90) day trial period, provided the Company and the Union so agree. At the end of such trial period, the Union may accept the changed incentive, in which event the changed incentive shall be established, the Company and the Union may agree to another ninety (90) day trial period, or the Company may install a changed incentive.

**5.45** At the expiration of any trial period or if no trial period is agreed upon, the Company may install such changed incentive, and the Union may, at any time but not more than sixty (60) days following installation of such changed incentive, initiate a grievance regarding such changed incentive, in which event such grievance shall be handled in accordance with the procedure set forth in Article XVI hereof. If such grievance shall not be so initiated during said period, the Union shall be deemed to have agreed that such changed incentive shall become established. If such grievance shall be submitted to arbitration as provided in said Article XVI, the arbitrator shall decide whether the changed incentive has been properly calculated as provided herein, and the decision of the arbitrator with regard thereto shall be effective as of the date when the Company installed such changed incentive.

## **5.5 Extended Incentives**

**5.51** In the event that new sizes, styles, products, materials, etc., are produced on present equipment or on comparable new equipment when only minor mechanical changes, process changes, or changes in methods are involved and where the present incentive rates do not cover these changed conditions, extended incentive rates will be developed following the pattern of the particular rate structure involved.

**5.52** Any extended incentive may be installed for a ninety (90) day trial period, provided the Company and the Union so agree. At the end of such trial period, the Union may accept the extended incentive, in which event the extended incentive shall be established, the Company and the Union may agree to another ninety (90) day trial period, or the Company may install an extended incentive.

**5.53** At the expiration of any trial period or if no trial period is agreed upon, the Company may install such extended incentive, and the Union may, at any time but not more than sixty (60) days following installation of such extended incentive, initiate a grievance regarding such extended incentive, in which event such grievance shall be handled in accordance with the procedure set forth in Article XVI hereof. If such grievance shall not be so initiated during said period, the Union shall be deemed to have agreed that such extended incentive shall become established. If such grievance shall be submitted to arbitration as provided in said article XVI, the arbitrator shall decide whether the extended incentive has been properly calculated as provided herein, and

the decision of the arbitrator with regard thereto shall be effective as of the date when the Company installed such extended incentive.

## **5.6 Interim Period**

**5.61** If the Company or Union desires to have any equipment operated or job performed during an interim period pending development of job duties, equipment operation, a new or changed incentive for the job, or classification or reclassification of the job, the Company shall advise the Union in writing of its intent to establish an interim period, or the Union shall advise the Company in writing of its request for the establishment of an interim period.

**5.62** The interim period shall terminate at the earliest practicable date, but not later than six (6) months after the date of establishment of the interim period, unless such period is extended by mutual agreement of the Company and the Union. During the interim and or trial period meetings will be held between Union and Management as needed.

**5.63** Such job is to be filled during such interim period by regular employees bidding on such job. For other than changed incentives, the successful bidders will receive a special hourly interim allowance equal to the difference between (1) the straight-time average hourly earnings of all regularly assigned employees working on comparable jobs or on equipment of comparable design and construction, whichever in that order is available for comparison during the thirteen (13) normal work weeks immediately preceding the establishment of the interim period and (2) the applicable hourly job class rate or hourly piecework base rate for the job. In the event that (1) a comparable job; or (2) equipment of a comparable design and construction; or (3) a comparable method of operation is not available for comparison in that order, the employee occupying a job under this section shall receive earnings equal to his average for the last full ten (10) weeks preceding such assignment (or average earnings determined to applicable department rules) for the duration of such trial or experimental period. For changed incentives, each employee on the respective job during the interim period shall receive a special hourly interim allowance equal to the difference between (1) the straight-time average hourly earnings of all regularly assigned employees of the job during the three (3) months immediately preceding the proposed change of the incentive plan, and (2) the applicable hourly job class rate or hourly piecework base of the job.

**5.64** Such special hourly interim allowance shall be identified with the job; apply to any employee while on such job; and continue in effect until the Company installs the incentive rate.

## **Article VI HOURS OF WORK**

**6.0** This article defines the normal hours of work and shall not be construed as a guarantee of hours of work per day, or per week, or of days of work per week.

**6.1** Normal Work Day and Work Week. For all employees subject to the provisions of state and federal laws and regulations governing hours worked per day or per week, the following practices will apply:

**6.11** The normal work day shall be eight (8) consecutive hours of work, including such rest or lunch periods as are now prevailing in the plants.

**6.12** A normal work day shall be any twenty-four (24) hour period beginning with the first shift.

**6.13** Forty (40) hours shall constitute a normal work week.

**6.14** The normal work week herein referred to shall begin at the start of the first shift on Monday morning and end with the completion of the third shift on Sunday night.

**6.2** Company shall post all department work schedules on or before Thursday of the week preceding the newly scheduled work week. (This excludes Steel Mills Yard.) Thereafter, bargaining unit employees shall be afforded a reasonable period of time to exercise their seniority in accordance with written or past practice agreements. A schedule or schedules may be changed by the Company after being posted provided, however, that any changes made by Company after 2:00 p.m. Thursday of the preceding week shall be voluntary on the part of each individual except for breakdowns, other matters beyond the control of the Company or changes made to correct weekly scheduling errors. In the event a schedule is changed by Company as provided herein, reasonable time shall be afforded bargaining unit employees to exercise their seniority.

**6.21** In no event shall an employee suffer a loss of earnings by being moved from his scheduled job during a scheduled week. The higher rate being paid.

**6.3** Grouping Days Off. The Company will continue to arrange work schedules so that employees will get their days off grouped together, as far as may be practical to do so, in order that the full benefit of several days of rest and leisure will be available as often as the schedule permits. In order to group together as many days off duty as possible, it may be necessary that some work schedules be arranged which require employees to work six, seven, eight, nine, or ten days in succession in two work weeks as has been the practice in the past without payment of overtime.

## **6.4 Sunday Work**

**6.41** When experience and ability are reasonably equal, seniority shall be the determining factor in who should work on Sunday, except in departments where there are written rules or past practice agreements to the contrary. Actual work on seven (7) days in the work week will be prohibited except where the employee's sole work on one of the days was in compliance with paragraph 8.41.

**6.42** At the Steel Mills, Sunday work will be a voluntary decision on the part of the individual so long as it does not interfere with efficient operations. In the Wire Mills, in the Rod Mill Department, and in the Steel Mills maintenance departments, Sunday will be the sixth day unless for good cause the employee has not worked forty (40) hours earlier during that work week. On account of different operating conditions, in the Wire Mill, Sunday work will be voluntary on the part of each individual.

## **Article VII ABSENTEEISM**

**7.0** In recognition of the difficulties imposed upon the Company and the members of the Union through failure of employees to comply with working schedules, an employee reporting late for, or absenting himself from work without just cause may be subject to discipline in accordance with the provisions of this Agreement.

**7.1** Employees shall, wherever practicable, give **sufficient notice** to the Company whenever they report late or absent themselves from work within the scheduled week.

**7.2** The Company shall not be required to make changes in work assignments of other employees in order to accommodate an employee who returns to work without giving at least six (6) hours notice of his intention to resume work within the scheduled week.

**7.3** Company shall not contact any physicians or other professional persons who rendered services to an employee to attempt to solicit or otherwise solicit confidential information about that employee without having first obtained written consent of said employee, unless the professional examination or appointment was requested by and paid for by the Company.

### **7.4 Absentee Policy**

This policy has been deemed by the parties to be in compliance with Article VII, Paragraph 7.0, which states:

"In recognition of the difficulties imposed upon the Company and the members of the Union through failure of employees to comply with working schedules, an employee reporting late for, or absenting himself from work



without just cause may be subject to discipline in accordance with the provisions of this agreement."

\*An "Absence" is defined as being thirty-one (31) or more minutes late, absent for the day, or leaving work 8 or more minutes early without just cause and/or valid excuse as determined by foremen exercising reasonable judgment. Disciplinary action will be taken when one of the following conditions occur:

- absent 4 times in 3 months or less
- absent 6 times in 6 months or less
- absent 8 times in 9 months or less
- absent 9 times in 12 months or less

When disciplinary action is taken, absences used for this discipline will not be counted towards future disciplinary action.

Discipline will be progressive as follows:

After verbal warning is given (Committeemen to be advised)

- First Offense — written warning
- Second Offense — second written warning
- Third Offense — one week off
- Fourth Offense — discharge (preceded by suspension pending final determination)

\*A "chargeable" absence is defined as being thirty-one (31) or more minutes late, absent for the full shift, or leaving work eight (8) or more minutes early without just cause and/or valid excuse as determined by foremen exercising reasonable judgment. Additionally, in the event of an absence of more than two consecutive days for a single cause is determined to be "chargeable", the following will apply:

- a. Up to and including three (3) continuous days, one occurrence will be charged.
- b. Four (4) continuous days two (2) occurrences will be charged.
- c. Five (5) continuous days three (3) occurrences will be charged.
- d. Six (6) continuous days or more will require investigation of the circumstances to determine the appropriate action to be taken.

When just cause or a valid excuse requires a written document such as a court summons, doctor's certificate, or other applicable evidence to verify absences, the responsibility for providing this information rests with the employee to provide it on a timely basis.

Therefore, in order to maintain a uniform and reasonable application of this policy, any questionable absence must have supporting documents submitted by the employee to his foreman no later than seven (7) days after such absence. As an example: if an employee was absent on Monday, seven (7) days after the absence would be Tuesday of the following week.

Any questionable absence not supported as indicated above, would then be considered "chargeable".

Employees who are absent, in conjunction with scheduled days off or weekend days and similar patterns of absence will be notified (in writing) that their attendance indicates a pattern of absence is developing and that in the event there are two or more additional occurrences within one year, he or she will be subjected to suspension pending final discipline determination.

### **Article VIII OVERTIME, PREMIUM PAY AND ALLOWED TIME**

#### **8.0 Overtime**

**8.01** When an employee's services are needed for overtime work and he notifies his supervisor immediately that he does not wish to accept the overtime work, he will be excused as soon as a qualified replacement can be secured. Company will make an earnest attempt to obtain such replacement as soon as possible. If all qualified employees do not wish to accept the overtime work, the youngest qualified employee(s) in seniority shall be required to do the work.

**8.012** Employees with legitimate temporary medical restrictions regarding their ability to perform work at the Company will not be allowed to perform overtime work (either hours per day or days per week) until said restriction is no longer in effect. The employee will provide proper medical documentation when the work restriction is no longer in effect and upon notification of same supervision will again consider him/her for overtime work. The documentation of the temporary medical restriction will include the full completion and submission to the Company of the "Description/Verification of Temporary Medical Restriction" form. (Permanent restrictions will be addressed in compliance with the ADA.)

**8.02** Conditions under which overtime rates shall be paid are: Regular rate of pay for figuring all overtime shall be average earnings for the week in which overtime is worked. Time and one-half the regular rate of pay shall be paid for all hours worked in excess of eight (8) in a work day, or for hours worked in excess of eight (8) consecutive hours, or for hours worked in excess of forty (40) in a week, subject to the provisions of paragraph 8.03 below, or for hours worked on the sixth work day in a work week during which work was performed on five other work days.

**8.03** Double the regular rate of pay shall be paid for hours worked on the seventh work day in a working week during which work was performed on six other work days.

**8.04** Overtime rates for work performed on a holiday and for work performed in the week in which a holiday or holidays fall shall be governed by the provisions of Article IX (Holidays) below.

### **8.1 Premium Pay**

**8.11** For all time worked on Sundays for which pay on a double time basis is not called for pursuant to paragraph 8.03 above, premium pay at the rate of one and six-tenths (16/10) times an employee's regular rate shall be paid, except in the case of part-time employees. Employees working twenty-four (24) hours or more per work week shall not be considered part-time.

**8.12** Wherever possible, all premium payments will be based on earnings for all hours worked on the premium day and not on the weekly average, unless such payments would be in violation of federal laws or regulations.

### **8.2 Reassignment**

Management will, when work is available, reassign an employee(s) from their scheduled job to another job. Some examples of when this may occur are:

- a) The employee's scheduled job is not worked due to a breakdown to his/her equipment.
- b) There is no product to process on his/her equipment.
- c) His/her position is negatively impacted by other operations inability to operate.
- d) Management determines, within the schedule week, that other production units are a priority to operate. This may not be done for more than two days, on any shift per week, on any one production unit.

In the event of such an occurrence, the following will apply:

- a) The affected employee(s) shall be paid the higher of the rate of the job to which he was reassigned from or the rate of the job to which he was assigned.
- b) Such reassignment will be for a period to enable the employee to receive at least eight (8) hours pay.

- c) The job from which the employee was reassigned will not be filled unless the affected employee is placed back on that job.
- d) The employee must accept reassignment within his home department unless at the discretion of Management he is given the option to decline the reassignment.
- e) The employee may decline to accept reassignment outside his home department.
- f) If the employee declines the reassignment as set forth in items d) and e) above, he will be considered to have declined available work, be released from work, and only paid for the amount of time worked.
- g) It is understood that in the application of items a) through f) above, Management will act in a responsible manner basing the decision on the needs of the business and every effort will be made to honor seniority.

### **8.3 Reporting Allowance and Other Allowed Time**

**8.31** An employee who is improperly scheduled or notified to report and who does report for work shall be assigned to the job for which he was scheduled for the number of hours worked by the other employees on such job on that shift, or the same number of hours on another job in his own department of at least equal pay for which he is qualified, or he shall be released promptly from duty and paid the sum of **thirty dollars (\$30.00)**.

**8.32** If an employee loses a day's work to which he is entitled because of an improper schedule or notice, he shall be paid thirty dollars (\$30.00) in the current payroll week in addition to the payment provided in 8.31.

**8.33** An employee who is scheduled or notified to report and does report for work and finds there is no work for him for any cause which is beyond the control of the Company may be held one (1) hour before being released to go home and will be paid a flat rate of **thirty dollars (\$30.00)** for transportation. However, foremen will be expected to make every effort to give such employees any work that may be available.

**8.34** The provisions of paragraphs 8.31 and 8.33 above shall not apply if the event that the Company gives reasonable notice or notice pursuant to departmental rules which is reasonably acknowledged of an error or change in scheduled reporting time or that an employee need not report.

**8.35** The Company shall not be liable for reporting allowance or other allowed time in cases where the employee has not supplied it with a current telephone number to notify him of changes in work schedules.

**8.36** If in compliance with paragraph 8.41, an employee entitled to be called out for emergency work on a given day loses such work because the Company calls out another employee, the Company shall compensate the employee losing such work for the hours of such work lost by him on such day; provided, however, the Company shall have no such obligation if the Company was unable to contact such employee. The Company's obligation hereunder shall not exceed the amount to which the employee would be entitled if he lost a day's work, as provided in paragraphs 8.31 and 8.32 hereof.

#### **8.4 Emergency Work**

**8.41** Employees, who are called in to work due to a breakdown, or an emergency beyond the control of the Company, shall report for work unless they present a valid reason. Such employees shall be called in accordance with departmental seniority or department rules insofar as reasonably possible.

**8.42** Employees who are called to work in an emergency shall not be required to lose any time off their regular schedule due to time earned by emergency work.

**8.43** Pay for emergency work in Paragraph 8.41 will be at the employee's regular rate of pay plus such overtime or premium payments as may be applicable to the instant case with a minimum payment of **thirty dollars (\$30.00)**.

**8.44** Employees who are called to work for unscheduled overtime or unscheduled premium work with two (2) hours or more advance notice will be expected to bring their meal or use the vending machines in the plant if still on duty at mealtime. Employees who work in line with paragraph 8.41, as well as employees who are held over to work overtime at the end of their regular shift and who work more than three (3) hours in addition to their regular eight-hour shift, will be paid at each mealtime during said assignment \$4.00 for each meal. Said payment to be at each mealtime.

**8.45** Employees, except paragraph 8.46, who are scheduled to work more than eight (8) hours per shift and who are notified two (2) hours or more in advance of the shift that they will be required to work overtime will be expected to furnish their own lunches.

**8.46** Employees who work more than four (4) hours in addition to their regular eight (8) hour shift will be paid \$4.00 at each mealtime after the first eight (8) hours.

**8.5 Nonduplication.** Payment of overtime and premium rates shall not be duplicated for the same hours worked, but the higher of the applicable rates shall be used. Hours compensated for at overtime or premium rates shall not be counted further for any purpose in determining overtime or premium pay liability under the same or any other provisions, provided, however, that a paid holiday, whether worked or not by a non-probationary employee, shall

be counted for the purpose of computing overtime liability for hours worked on the sixth or seventh work day in a work week during which work was performed on five other work days, one of which work days followed the holiday and for hours worked in excess of eight hours in a work day. It is understood, however, that any employee who works more than twenty-four (24) hours consecutively shall receive appropriate overtime and premium pay for all such consecutive hours worked after the first eight (8).

## **Article IX HOLIDAYS**

**9.0 Holidays.** The following nine (9) days will be considered "holidays" for the term of this agreement: January 1, Memorial Day (by special agreement another day may be chosen, provided such agreement is reached prior to April 1, of each year), July Fourth, Labor Day, Thanksgiving Day, the Friday after Thanksgiving, Christmas Eve, Christmas Day, and December 31.

**9.01** The Holiday shall be the twenty-four (24) hour period commencing with the first shift in the morning of the day on which the Holiday is celebrated.

**9.011** Work on Christmas Eve, Christmas Day, New Year's Eve and New Year's Day shall be voluntary except for work necessary in the event of plant breakdown (refer to Memorandum of Understanding #2).

**9.012** With respect to any of the above Holidays which fall on Friday, Saturday, Sunday, or Monday, employees shall list on the annual individual vacation request form such of those holidays as they wish not to be scheduled for work and shall be granted such time off on a departmental seniority basis insofar as possible without disrupting operations of the department or mill.

**9.02** If the calendar holiday is on Sunday, for the purpose of this Agreement the holiday shall be the following Monday.

**9.03 Holidays Worked.** Pay for holidays worked will be as follows:

- A. **Paid Holidays:** Pay at the rate of **three (3)** times the regular rate of pay shall be paid for all hours worked by a non-probationary employee. Probationary employees will receive **two (2)** times the regular rate of pay for such hours.

**9.04** If an eligible employee performs work on a paid holiday but works less than eight (8) hours, he shall be entitled to **three (3)** times the regular rate for the hours worked by him and straight time for the hours not worked out of the eight (8), provided that failure to complete the scheduled hours was caused by sickness or death in the immediate family — mother, father (including in-laws), children, son-in-law, daughter-in-law, brother, sister (including in-laws), husband, wife, grandparents, spouse's grandparents, stepfather, stepmother, stepchildren, stepbrother or stepsister when they

have lived with the employee in an immediate family relationship — or similar good cause, or with the foreman's permission. If such good cause or permission is not the reason for employee's failure to complete his scheduled time, the lost time will not be subject to holiday benefits.

**9.05** During weeks in which one paid holiday or holidays occur and such holidays fall on a scheduled day off for an employee who works a job with a fixed pattern weekly schedule, if work is available no substitution or deletion shall be made by the Company in the remainder of the employee's regular scheduled work week.

**9.06** During weeks in which a paid holiday occurs, overtime at the rate of double the regular rate of pay shall be paid for hours worked on the seventh work day in a payroll week during which work was performed on six other days excluding the paid holiday, except in those weeks where two (2) or more paid holidays occur, and in such event this provision shall apply when the employee works each work day in such week which is not a paid holiday.

**9.07** The following examples show hours worked and hours paid for under various schedules (the letters HNW represent paid holidays not worked; HW, paid holidays worked):

	Mon	Tue	Wed	Thur	Fri	Sat	Sun	Hours Worked	Hours Paid
	HNW	8	8	8	8	0	0	32	40
	HW8	8	8	8	8	0	0	40	56
	8	8	8	8	8	HNW	0	40	48
	HNW	8	8	8	8	8	0	40	52
	8	8	8	8	8	HW8	0	48	64
	HW8	8	8	8	8	8	0	48	68
	HNW	8	8	8	8	8	8	48	68
	HNW	HNW	8	8	8	8	8	40	68
	HNW	HNW	HNW	0	0	0	0	0	24
	HNW	HNW	HNW	8	8	8	8	32	68

Paid holidays occurring any other day during the week would be figured the same as on Monday.

**9.08** Except as provided in paragraph 9.011, the Company will restrict holiday work to essential jobs; that is, jobs necessary to meet customers' demands, equipment requirements, or plant emergencies.

**9.09 Paid Holidays Not Worked.** An eligible employee who does not work on a paid holiday listed in paragraph 9.0 shall be paid eight times his average straight time hourly rate of earnings (including applicable incentive earnings but excluding shift differentials and overtime premiums) during the payroll period in which the paid holiday occurs, provided, however, that if an eligible employee who is scheduled to work on any such holiday fails to report or perform his scheduled or assigned work, he shall become inel-

eligible to receive pay for the unworked paid holiday unless he has failed to report or perform such work because of sickness or because of death in the immediate family mother, father, including inlaws, children, son-in-law, daughter-in-law, brother, sister, including inlaws, husband, wife, grandparents, spouse's grandparents, stepfather, stepmother, stepchildren, stepbrother, or stepsister when they have lived with the employee in an immediate family relationship or because of similar good cause.

**9.10** When a paid holiday occurs during an eligible employee's scheduled paid vacation, he shall be paid for the unworked paid holiday in addition to his vacation pay, provided he works as scheduled or assigned on his last scheduled work day prior to the start of his vacation in the event of employee's illness on the last scheduled work day, it will be accepted as an excuse only if supported by a doctor's certificate.

**9.11** When an employee's scheduled vacation coincides with the pay period in which a paid holiday occurs, or if an employee is not scheduled to work during Christmas week paid holiday pay for all qualified hourly paid employees on vacation, or not scheduled to work during Christmas week will be based on the employee's annual vacation pay rate.

**9.12 Eligibility.** An eligible employee under paragraph 9.09 is a non-probationary employee who meets the requirements of paragraphs 9.121 and 9.122 below.

**9.121** Is on vacation or performs work in the payroll period in which the paid holiday or holidays occur or in the payroll period preceding or following the one in which the holiday or holidays occur, unless he failed to so work because of sickness or injury for which he is receiving weekly benefits under the Keystone Insurance Plan. If an employee's illness commences during a paid holiday week and he is scheduled for only three days work in such week; but because of the three-day waiting requirement for eligibility, he does not qualify for weekly sickness and accident benefits during such week, he shall qualify for paid holiday pay.

**9.122** Works as scheduled or assigned both on his last scheduled workday prior to and on his first scheduled workday following the paid holiday unless he has failed to so work because of sickness or because of death in his immediate family or because of similar good cause.

**9.123** In a department shutdown during any week having two or more paid holidays, employees who have worked during the payroll period preceding and following the paid holiday week will be recognized as having worked during the payroll period of this paid holiday week.

**9.13** If the plant is shut down for vacations or inventory in a week in which a paid holiday occurs and due to irregular schedules and special assignments by the foreman a non-probationary employee was not scheduled to work, he will be entitled to paid holiday pay provided he works as sched-



uled or assigned on his last scheduled workday prior to and his first scheduled workday following the vacation or inventory period, unless he fails to do so because of sickness, injury, or because of death in his immediate family or similar good cause.

**9.14** Employees may be absent on all or part of the last scheduled day prior or the first scheduled day after a paid holiday for reasons other than sickness or injury if the Company is notified before the absence has occurred and permission to be absent is granted by the Company. All such requests shall be made to the employee's foreman and permission to be absent, if granted, shall be in writing.

**9.15** If an employee is absent on any part of either his last scheduled day before the paid holiday or first scheduled day after the paid holiday, or if he is absent on any part of a shift when scheduled to work on the paid holiday, he will have to submit a doctor's certificate or an affidavit signed by him setting forth good cause for his absence and approved by his departmental foreman to the Payroll Department before he can receive any paid holiday pay.

**9.16** The paid holidays enumerated in paragraph 9.0 not worked will be counted as days worked in the distribution of hours of work per week.

## **Article X SENIORITY**

**10.0** The following provisions constitute the seniority agreement except where modified. Seniority will be the primary and controlling factor in all cases, plant, mills and department, where applicable under other provisions of this Agreement subject to current written department rules and past practice agreements and where a job is involved, subject to reasonable considerations of the experience and ability of the individual employee for the particular job involved.

### **10.1 General**

**10.11** No partiality is to be shown to anyone.

**10.12** In promotions within a department, the employee with the greatest seniority as calculated under paragraph 10.2, taking into consideration his experience and ability, will be given priority before advancing another employee or hiring from the outside. (This provision does not apply to the selection or advancement of foremen or supervisors.) In demotions (except for cause) the converse shall be applied.

**10.13** In promotions and interdepartment, mills and plant transfers, the following rules will be observed.

**10.131** Steel Mills employees will be given priority for permanent openings in Steel Mills departments, subject to paragraphs 11.0 and 11.1.

**10.132** Wire Mills employees will be given priority for permanent openings in Wire Mills departments, subject to paragraphs 11.0 and 11.1.

**10.133** The following chart is intended to illustrate the application of the provisions of this Agreement and is subject to the provisions of paragraph 10.0 above and other appropriate provisions:

	<b>Various Jobs In Department</b>	<b>New Jobs in Department</b>	<b>New Department</b>	<b>Apprentices</b>
Department Employees	Priority	Priority	—	—
Mill Employees	Second Priority	Second Priority	Priority	—
Plant Employees	Third Priority	Third Priority	Second Priority	Priority

**10.14** In compliance with paragraph 10.0, seniority shall apply in all new or changed jobs.

**10.15** New departments shall not be set up by the Company without advance notice to, and consultation with the Union. Work presently performed ~~will not be~~ transferred from existing departments to new or current department(s) without notice and consultation with the Union in good faith effort to resolve any issues involved.

**10.2 Calculation of Seniority.** Plant seniority is an employee's continuous service with the Company since the date of his last hire, calculated in years, months, and days. Steel Mills seniority is the date upon which an employee began work at the Steel Mills, and Wire Mills seniority is the date upon which an employee began work at the Wire Mills (except men on involuntary transfer at all mills).

**10.3 Probationary Employees.** Newly hired employees shall be considered as probationary employees and shall not begin to build seniority until they have worked 60 actual working days. At the conclusion of the probationary period, probationary employees will be given a plant seniority date corresponding with the date upon which they entered the plant for work. Probationary employees newly hired into the Wire Mills shall not begin to build department seniority until completion of the probationary period. At the conclusion of the probationary period, probationary employees will be given a plant, mill, and departmental seniority date corresponding the date upon which they entered the plant, mill, or department for work. In the event a probationary employee in the Wire Mills is involuntarily transferred from his original, or home, department during his probationary period, he shall, nevertheless, build department seniority in his original department which shall become effective at the end of his probationary period and date

back to his date of beginning in this department. In the event a probationary employee working out of his home department on involuntary transfer refused to return to his home department when called, time to begin to accumulate his seniority in his current department will start as of the date he refused to return to his home or first department he worked in, but his seniority in his current department will not be established until he has been in the department ninety (90) days.

**10.4** All such probationary employees will receive weekly progress reports by their foremen for the first four (4) weeks of hire, and semimonthly reports for the remaining term of the probationary period. If during said probationary period, said employee is unsuitable to Management, his employment may be terminated, but he shall be eligible for Union representation if he so desires. The Secretary of the Union and department committee will be furnished copies of reports reflecting unsatisfactory progress.

**10.5** Probationary employees will be displaced in case of slack work or lay-off periods by older employees in plant seniority subject to paragraph 15.02.

**10.6** Seniority and the employment relationship shall be terminated by a voluntary quit, a discharge for proper cause or a layoff in excess of five (5) years subject to paragraph 10.9. An employee who has been employed after his termination of employment and seniority for any of the foregoing reasons shall be considered as a new employee.

**10.7** Each Steel Mills employee's seniority (except probationary periods as previously defined, and Wire Mills employees on involuntary transfer, and employees governed by paragraph 12.3) in the department shall begin after performing work for sixty (60) days of which thirty (30) shall be consecutive working days after he enters such department for work. At the end of the sixty-day period, such employees will be given a departmental seniority date as of the date of their beginning to work such thirty (30) consecutive working days in that department. The last employee coming into a department is the youngest employee in that department, irrespective of how much Steel Mills seniority he may have, unless the job termination provisions referred to in paragraph 11.6 (for Steel Mills employees) apply or unless the comparison is between permanent versus temporary or probationary employees. No employee is considered coming from a department unless he has established seniority in that department. Unless an employee has established seniority as so described, he will not be considered as having come from a department for future job openings in that department. Exception: This does not apply to jobs that require break-in periods, crane, caster, and engine crew, plus any new starting jobs that require break-in. In such cases, employees who break in on such jobs will be called to fill the job provided seniority is established during a one-year period from the date of break-in.

**10.8** An employee on involuntary transfer in a mill other than the mill in which he has seniority may apply for voluntary transfer to the job then held by the involuntary transferee and he will be granted such transfer effective

immediately and will thereby terminate seniority in the previous department and mill.

**10.9** If an employee shall be absent because of layoff, mental or physical disability, he shall continue to accumulate continuous service during such absence up to a maximum of five (5) years, if the employee had accrued two (2) years of continuous service at the time of the previously referred to event(s). An employee with less than two (2) years of continuous service at the time of the event(s) will continue to accumulate continuous service during such absence up to a maximum of two (2) years. In order to avoid a break in service within the above periods, an employee must report for work promptly upon termination of the mental or physical disability; in the case of layoff, the employee must promptly respond to a recall notice, sent by Certified Mail, to the most recent address furnished by him to the Company. Within thirty days of an employee ceasing to accumulate continuous service under this provision, the Company will notify the employee by certified mail of his termination date.

**10.91** Effective May 3, 1984, the provisions of paragraph 10.9 shall not apply to an employee during the period he or she is absent due to being injured, on or after May 3, 1984, while on duty and such employee shall accumulate seniority and continuous service credit until the employee is no longer eligible to receive T.T.D. benefits under the Illinois Workmen's Compensation Act. A break in continuous service and seniority will occur when such employee fails to report as available for work within thirty (30) days after the date he or she is no longer eligible to receive payment of T.T.D. benefits or after approval of agreement for lump sum settlement.

**10.10** When two or more employees start working in a department on the same day, their respective seniority will be determined as follows:

**10.101** If the employees have worked in any department at Keystone, their continuous plant service will be the controlling factor, subject to paragraph 10.13 above.

**10.102** If the employees have not previously worked for Keystone, their department supervisor will, within one (1) week after they start working in any department, determine who should be placed on the seniority list first, using the employee's birthdate to make this determination. In making this determination, no consideration will be given to the particular shifts the employees worked on their first working day in the department.

## Article XI TRANSFERS FROM REGULAR DEPARTMENT

**11.0** Voluntary transfers will be granted for no less than a thirty (30) day tryout period only when approved by the department head where the employee holds seniority and the appropriate operations manager/superin-

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tendent, whose decision will be governed by the general operating conditions and further prospects for the particular employees who are making such requests. Laborers and employees on starting jobs (except apprentices) in Steel Mills departments will be granted transfers as soon as practical when they are available. If, in the middle of the week, the transfer can't be granted, then the following week the man will be granted the transfer and his date will be granted when the opening occurred. No transfer request for good cause will be arbitrarily denied. **Probationary employees will not be allowed to voluntarily transfer until after the completion of their probationary period.**

**11.01** Company will make a good faith effort to release employees requesting transfers. Any employee whose transfer is delayed because of qualifications shall upon release be granted transfer to the new department or mill immediately and shall be granted the seniority date of the original opening.

**11.1** All jobs in new departments will be posted. Employees interested in working other than their present promotional lines shall make written application at the Personnel Office. All applications for transfer will expire March 31 of each year. Employees will be granted no more than two transfers excluding posted craft jobs, during the transfer year. Union will be sent copy of all applications for transfer. In the event the posted craft job is not filled within 90 days after close of posted job. Company will repost the opening. Craft jobs will be posted before hiring from outside the plant.

**11.2** No employee promoted to a job outside the bargaining unit shall continue to accumulate seniority when outside of the bargaining unit longer than an aggregate of 90 days.

**11.3** In the event an employee retains a job outside of the bargaining unit, longer than an aggregate of 90 days, he shall be credited only with the plant seniority he had at the beginning of said period.

**11.4** In the Wire Mills, employees working out of their regular departments on voluntary transfer who remain in the new department for more than **ninety (90)** calendar days and actually perform work at least **forty-five (45)** days in the new department, will forfeit their department seniority in their former department and will be granted a departmental seniority date in the new department as of the day they entered such department for work. An employee will continue to hold seniority in his regular department during the time he is out of such department on voluntary transfer, subject to the above time limits. **It is understood that by mutual agreement the parties may lengthen these time periods.**

**11.5** Any Wire Mills employee temporarily transferred involuntarily because of slack operations or lack of work, by the Company to another Wire Mills department, shall have the right to return to his former job or department seniority status as soon as the conditions responsible for his transfer will permit such return. In neither of said events, however, sh "

such right of return to a former job continue if the employee fails to accept the first such offer made. In the event the employee is a non-probationary employee and he elects to remain in the department to which he had been involuntarily transferred, his seniority in the new department will date back to the day he was involuntarily transferred to it. If the employee is a probationary employee, his seniority will be established at the end of the probationary period as of the date he started work in the department.

**11.51** Wire Mill employees bumped out of their department and working on involuntary transfers shall have the right to use their plant seniority in the first week, provided employee has preference sheet on file to bump younger employees working out of their department or involuntary transfers in other Wire Mill departments. Such seniority may be used within the department for job and for shift preference in the first week.

**11.6** In the Steel Mills only, if an employee has been transferred to another department and the job he is on terminates, he shall be eligible, beginning with the next scheduled week, to return to any former job on which he has established seniority, providing there is no employee on layoff with more plant and department seniority. In the event that a job terminates after 7:00 a.m. Sunday and an employee is bumped out of his department and has seniority in another department to which he would be eligible to return except for this paragraph, he will be eligible to return to the Steel Mills Yard in line with his Steel Mills seniority and will be paid a minimum of the average earnings per hour for up to forty (40) hours on the starting job in the department he has left.

**11.7** When the qualifications of two or more employees are relatively equal and either of their employment records are incomplete as to transfers, layoffs, etc., recommendations by duly appointed Union committees will be given special consideration in determining the seniority standing of the affected employees.

**11.8** When posted records of the Company have been the basis for benefits or privileges of employees, the seniority dates appearing thereon shall be considered as correct if they have been in effect for five years or more after the date of such posting. This provision does not relieve the employee of the responsibility of reporting errors in posted seniority dates to the Company or to his Union representatives.

**11.9** Employees who voluntarily transfer from the Wire Mill to the Steel Mill or from the Steel Mill to the Wire Mill and who remain in the mill voluntarily transferred to for more than ninety (90) calendar days will forfeit their mill and department seniority in their former mill. In the event the employee stays less than ninety (90) calendar days on the voluntary transfer, he will not acquire mill or any department seniority.

**11.91** The following sets forth the understanding between the Union and the Company with regard to transfers between the two (2) mills and the correct interpretation of Plant Seniority as it applies to the transfers.

A Management employee, when returning to the Bargaining Unit, will have his/her Plant Seniority adjusted as prescribed in the agreement applicable at the time the employee left the Bargaining Unit. This Adjusted Plant Seniority date will be considered his/her plant seniority date wherever "Plant Seniority" is referred to in the Agreement regarding transfers.

Employees transferring from the Steel Works to the Wire Mill or from the Wire Mill to the Steel Works, will be transferred by using their Plant Seniority Date. Plant Seniority for transfer purposes is construed as the date of their last hire or their "Adjusted" Plant Seniority Date as defined above.

## **Article XII PROMOTIONS AND DEMOTIONS**

**12.0** Refusal or inability to take promotion, or a new job when offered, will not subject an employee to disciplinary action, bar him from future promotions or right to hold seniority in a department or in any other way affect his present job subject to the following:

**12.01** In departments where the establishment of a line of promotion is not feasible, Company will give special consideration to recommendations made by the Union or any Union committee authorized by the employees in the department as to what may constitute a promotion, such as more pay or better working conditions.

**12.02** If an employee of a Steel Mills department only has been promoted in his regular department and the job he is on terminates, he shall be eligible to return to any job in his regular department held by an employee with less seniority in his regular department, taking into consideration his experience and ability.

**12.03** In Steel Mills departments, except where the bid system is in effect, or where department rules or past practices are to the contrary, an employee who refuses or is unable to take promotion will remain below the employee who accepts such promotion until such time as both employees are again working in the same job. Example: Employee A is senior to employee B; B takes move-up and A stays where he is. B is around A until A takes move-up and gets even or B comes down to A's level. A is back around B.

**12.1** The present practice of employment for the Steel Mills Yard for all Steel Mills departmental starting jobs, and the promotion of such employees into other Steel Mills departments will be continued subject to paragraphs 11.0 and 11.1 Steel Mills employees who wish jobs at the Wire Mills may apply for such work. All employees who have been promoted through established lines of promotion, into other departments, shall be eli-

gible to return to the job previously held by them for which they have established seniority in case, and when, their promotion might terminate. For all employees on departmental starting jobs (except those requiring break-in), seniority shall prevail in promotions and layoff and in rehiring.

12.2 Applications for transfers filed in accordance with Paragraphs 11.0 and 11.1 will be processed before hiring directly into Wire Mill departments where vacancies occur.

12.3 Employees assigned (on seniority basis) from Steel Mills Yard to Steel Mills maintenance departments as helpers will not build seniority in maintenance departments.

### **Article XIII VOLUNTARY LAYOFF**

13.0 Voluntary Layoff will be granted under the following provisions and conditions:

1. When an incentive worker cannot hold an incentive job.
2. When a less senior employee in the department with the same qualifications (as determined by the Company) is being laid off or is on layoff.

Employees must make request for voluntary layoff by 9:00 a.m. Wednesday of the preceding work week. Employees wishing to return to work voluntarily must notify Company by 9:00 a.m. Wednesday prior to the posting of the next work week schedule.

When additional manpower is needed in the department and/or mills, where the Company would otherwise be in a hiring situation, employees on voluntary layoff or subject to voluntary layoff will be called back by reverse seniority (least senior first), subject to qualifications (which will be determined by the Company).

13.1 If an employee is granted voluntary layoff and then forced back to work, he shall return to his home department whenever practicable. In the application of Article XIII, 13.1 of the Labor Agreement, the Company will make a good faith effort to return the employee to his home department, including displacing a junior employee in his home department, up to and including Friday of the scheduling week.

### **Article XIV DISTRIBUTION OF WORK**

14.0 Normally, forty (40) hours per week, with a minimum of thirty-two (32) hours per week, will constitute a work week.



**14.1** When it is necessary to work a sixth day, or pay overtime rates any time in a work week, such overtime will be offered to the employee or employees with the most department seniority when experience and ability are reasonably equal except in emergency situations covered by 8.41 and where written rules or past practice agreements to the contrary are in effect. The assignment of Sunday work is not a provision of this paragraph, but is covered in paragraph 6.41.

**14.2** In the event that 40 hours per week is not available for all employees in any department, work will be distributed as follows:

**14.21** Senior employees in the various departments will receive forty (40) hours per week insofar as qualifications of the employees involved and efficient operations will permit.

**14.22** Normally, forty (40) hours per week, with a minimum of thirty-two (32) hours per week, will constitute a work week for scheduling purposes.

**14.3** In case members of a department are laid off in order to provide forty (40) hours or less to senior members of the department, such laid-off members will be called back to work as soon as thirty-two (32) hours per week are available for them, without disturbing forty (40) hours of work per week for senior members of the department.

**14.31** Employees will not be added in any department until after all employees in that department are receiving forty (40) hours per week. However, if due to an emergency or to meet special shipping orders, or to complete emergency work, all extra time will first be offered to regular employees of that department who are working less than forty (40) hours of work per week for senior members of the department.

**14.4** Steel Mills employees having five or more years of department seniority who are scheduled to work thirty-two (32) hours or less in any work week, exclusive of holiday weeks, in their regular department will be eligible to bump into the Steel Mills Yard only in accordance with Steel Mills seniority for at least one additional day of work in that work week.

**14.5** To distribute available employment in the Steel Mills equitably, transfer of employees through regularly established lines of promotion will be made to fill vacancies, insofar as possible.

#### **Article XV DECREASE IN FORCE AND REHIRING**

**15.0** When it is necessary to lay off employees, the following provisions shall apply:

**15.01** Employees having less than one year of plant seniority in Wire Mills or Steel Mills regardless of layoff status in other plant shall be laid off first

provided senior employees are available and qualified to do the work. No transfers between the Wire Mills and Steel Mills will be made of employees of less than one year of plant seniority, in case of layoff or reduction in force, except when hiring in one plant and laying off in another.

**15.02** The above rules do not apply to the Mechanical, Electrical, Wire Mill Testing, Die Department, or maintenance departments, except that common labor jobs in such departments be governed by subparagraph 15.01.

**15.1** When an employee absents himself due to illness or injury and said injury is noncompensable, if a reduction in plant or department operations occurs which would have resulted in his layoff in the normal course, pursuant to subsection 15.0 above, such layoff shall apply to him effective as of the date it would have been put into effect had he been working. If said injury is compensable at the time the Company doctor certifies the injured employee fit for duty and a reduction in plant operations is in effect to which employee would have been subjected on the basis of his seniority, such layoff shall apply on the date the Company doctor certifies the injured employee fit for duty.

**15.2** When employees are called back to work, the following provisions shall apply:

**15.21** For recall purposes in the Steel Mill the week following a Company scheduled vacation shutdown, employees that are working in their department prior to the shutdown will be called back to their department first before going to 15.22 of the Contract.

**15.22** Employees having more than one year of plant seniority with the Company shall be called back to work first, regardless of department, in order to offer steadier work for senior employees, assuming they are capable to do the work.

**15.221** Steel Works employees will be laid off by Department Seniority Dates, provided they have a minimum of one (1) year plant seniority.

Steel Works Yard employees will be laid off by Plant Seniority Dates.

Recall to the Steel Works will be by Plant Seniority or Adjusted Plant Seniority Dates regardless of Department Seniority Date. Employees working in the Steel Works Yard will be treated in the same manner as a laid-off employee when departments are recalling employees; provided, however, that employees recalled from the yard to Steel Works departments should be called by department seniority.

Employees who use Job Termination to another department, (S.W. Yard excluded) will not be allowed to return to any previous department if a senior plant employee(s), with seniority in the department recalling employees, is laid off.

If the employee who used job termination has his/her job terminated, that person would be allowed to exercise normal job termination before recalling a senior plant employee who has less department seniority.

**15.23** When all Wire Mills employees having more than one year of service with the Company are recalled to work and are receiving forty (40) hours or more of work per week, laid off Steel Mill employees having more than one (1) year of service with the Company will be called to fill vacancies at the Wire Mills, assuming they are physically able to do the work, before recalling Wire Mills employees who have less than one (1) year of service with the Company.

**15.24** In case Steel Mills employees are working at the Wire Mills under the provisions of subparagraph 15.23 above, and a change in working schedules results in some Wire Mills employees receiving less than forty (40) hours of work per week, such Wire Mills employees will not be allowed to displace Steel Mill employees on classified jobs.

**15.25** When all Steel Mills employees having more than one (1) year of service with the Company are recalled to work and are receiving forty (40) hours per week or more, laid off Wire Mills employees having more than one (1) year of service with the Company will be called to fill vacancies at the Steel Mills, assuming they are physically able to do the work before recalling Steel Mills employees who have less than one (1) year of service.

**15.26** In case Wire Mills employees are working at the Steel Mills under the provisions of subparagraph 15.25 above, and a change in working schedules results in some Steel Mills employees receiving less than forty (40) hours of work per week, such Steel Mills employees will not be allowed to displace Wire Mills employees on classified jobs.

**15.27** When all employees having more than one (1) year of service with the Company have been recalled to work and are receiving forty (40) hours or more of work per week, and more help is needed, employees with less than one (1) year of service will be recalled to work, according to seniority, assuming they are capable to do the work.

**15.3** Employees who are laid off due to lack of work in the Wire Mills departments who have never previously worked at the Steel Mills Yard shall be given the opportunity to be transferred to and used in the Steel Mills Yard when work is available, subject to general seniority plant and department rules.

**15.4** Employees who are laid off due to lack of work in the Steel Mills Yard who have never previously worked at the Wire Mills departments will be given the opportunity to be transferred to and used to fill any available vacant job at the Wire Mills departments, subject to general seniority plant and department rules.

15.5 Seven (7) days advance notice of layoff will be given to employees by Company insofar as possible.

**Article XVI**  
**ADJUSTMENT OF GRIEVANCES**

16.0 Should any difference arise between the Company and the Union or its members employed by the Company as to the meaning or application of any provision of this Agreement, or should any difference or local trouble of any kind arise in any part of the plant, an earnest effort shall be made by both parties to settle such difference immediately.

16.1 Discussion of a Grievance: A grievance, for the purposes of this subsection, shall be defined as a claim by the Union that the Company has violated this agreement. Any employee who believes that he has a grievance shall discuss the request with his foreman at a mutually agreeable time, with or without the presence of the Union department committeemen, as the employee may elect, in an attempt to settle same; provided, however, that any individual settlement between a bargaining unit member and his foreman shall not be binding at any other time, unless authorized by the Union officers or committeemen in writing.

16.2 In order for a grievance to be considered any further in the grievance procedure, the request to discuss the matter must have been made within ten (10) days after the employee or a member of his Union department committee has knowledge or could reasonably be expected to have knowledge of the event complained of, except as otherwise provided for in this Agreement.

16.21 Any authorized Union representative who loses time from his work while presenting grievances to authorized representatives of the Company at a mutually agreeable time will be paid his average rate of pay for the time so lost from his job. Such lost time must be punched in and out where practical on a special timecard to be furnished by the Company. Said timecard will be signed by the Company representative who attended the meeting.

16.3 **Grievance Procedure.** A grievance which has not been settled within two (2) days after being brought (as a result of the discussion required by paragraphs 16.0 and 16.1), at grievant's election, to be considered further, may thereafter be filed in writing by the grieving employee or his Union representatives within ten (10) days after the discussion referred to in section 16.1. Such grievance will be filed with the employee's Operations Manager/Superintendent.

16.4 Grievances initially filed in the first step of the grievance procedure shall be in writing on grievance forms furnished by the Union and shall be dated and signed by the employee and/or a Union representative and shall refer to discussion required in section 16.1.

**16.41** Grievances which are not filed initially in the proper step shall be referred to the proper step for discussion and answer by the Company and Union representatives designated to handle grievances in such step. If the Company receives a grievance at Step I of the grievance procedure that can be reasonably assumed to involve the same issue or issues of a grievance already heard and answered in the grievance procedure, the Company may send the Union a letter citing such grievance along with a copy of Company's last answer to such grievance. Such letter will be considered a denial of the grievance and the Union may appeal the grievance to Step II as if the grievance had been heard and answered at Step I of the grievance procedure. Further, such grievance that is cited by the Company under this provision will be confined to a former grievance filed by the department involved.

**16.5** Grievances which are not satisfactorily adjusted between the complaining employee and the foreman shall be handled and adjusted in accordance with the following procedure, to-wit;

**16.51** Step I — Operations Manager/Superintendent and Department Committee with Two Union Officers Optional: Grievances thus presented shall be discussed in an attempt of settlement at a meeting scheduled by the Company which must be held within a period of not less than three (3) days or not more than ten (10) days (or at a time otherwise agreed upon by Company and Union), between the department committee and two officers of the Union, or their representatives, if desired, and the operations manager/superintendent or his representative. A labor relations representative may attend when requested by either party. In addition to the Union Officers, at the Union's option, two members of the Wage and Rules Committee or Grievance Committee may attend; also, the grievant has the option to attend. This response to the grievance by the operations manager/superintendent shall be reduced to writing with one copy presented to the department committee and one copy to the Union Secretary and one copy to the Grievance Committee Chairman and one copy to the Wage and Rules Committee Chairman within ten (10) days after the discussion, unless by mutual agreement a different date for disposition is agreed upon. If this time limit or extended time limit is not met, the grievance shall be sustained as presented in Step I without establishing a precedent as to the validity of the grievance.

**16.52** Step II — For Wire Mill Grievances: Officers, Wage and Rules Committee Chairman (or his designated representative) or Grievance Committee Chairman (or his designated representative), three (3) Wire Mill members of the Wage and Rules Committee or three (3) Wire Mill members of the Grievance Committee; or For Steel Mill Grievances: Officers, Wage and Rules Committee Chairman (or his designated representative) or Grievance Committee Chairman (or his designated representative), three (3) Steel Mill members of the Wage and Rules Committee or three (3) Steel Mill members of the Grievance Committee, with the Director of Labor Relations or his representative.

**16.521** Grievances — not satisfactorily resolved in Step I may be presented to the Director, Labor Relations or his representatives for discussion in an attempt to reach a mutually satisfactory settlement with the representatives of the Union. Nothing in Step I or Step II shall preclude additional meetings if there is mutual recognition of such need in accordance with the intent of this section.

**16.522** It is understood that the Wage and Rules or Grievance Committee must approve or deny such grievance for Step II hearing within 45 days of the denial of the Step I grievance unless additional time is requested not to exceed 90 days or unless additional time is mutually agreed to between the parties. Committee approval shall not be necessary for grievances that are to be heard directly in Step II. If this time limit is exceeded, the grievance will be considered "Resolved without Prejudice" to either parties position. In the event the grievance is granted by the Company, no further action is required by the Union and such answer will become final and binding on the parties. In the event the Union accepts a denial of the grievance, the Union will so notify the Company in writing within 10 days of such denial and the Company answer will become final and binding on the parties.

**16.523** Discussion of the grievance thus presented further shall take place at a mutually convenient time no later than ten (10) days following receipt of the notice of approval for further presentation, unless by mutual agreement a different date is set.

If, due to changed conditions the Union deems it unnecessary to hear a grievance at Step II, such grievance may be withdrawn at any time prior to the hearing and will be considered "Resolved without Prejudice" to either parties' position.

**16.524** Grievances discussed in such Step II meetings shall be answered in writing not later than ten (10) days after the date of such meeting unless by mutual agreement a different date for disposition is agreed upon.

**16.525** The Union members set forth in paragraph 16.52 above will be the Union representatives in all Step II meetings. They may call in as witnesses other employees having direct interest in the grievances, but not more than twelve (12) employees will be present to represent or testify for the Union.

**16.526** Minutes of all Step II meetings shall be recorded by a competent court reporter jointly designated by the parties at joint expense. The parties shall receive a transcript of the meeting not later than seven (7) days following the date on which the meeting was held, or as soon thereafter as practical making a reasonable allowance for the reporter to complete the transcript. In the event a representative of either party shall disagree with the accuracy of the transcript as prepared by the reporter, he shall set forth and sign his reasons for such disagreement. Except for such disagreement, the remainder of the transcript shall be regarded as agreed to.

**16.53** Whenever final answer in any of the first two steps cannot be released within the specified time herein before set forth, unless the Company has given an interim reply explaining its delay (the Company shall be limited to one such interim reply beyond an interim reply(s) pending receipt of the Step II transcript, unless by mutual agreement a different date for disposition is agreed upon), the grievance shall be sustained without establishing a precedent as to the validity of the grievance.

**16.531** In order to avoid filing multiple grievances on the same issue, a form will be submitted by the Union referencing the first issue and a description of the subsequent issue(s).

#### **16.54 Step III — Arbitration**

**16.541** A grievance not satisfactorily settled in Step II may be presented to arbitration. Written notice of presentation shall be served prior to expiration of forty-five (45) days following delivery to the Union written Step II response.

**16.542** Whenever any decision made in Step II of the grievance procedure is not appealed from within the time and in the manner herein before provided, the same shall become final and binding upon both parties, unless the Union has given an interim reply requesting reasonable time to reach a final conclusion. In computing the time herein before limited for the taking of any action or appeal in the grievance procedure, Saturdays, Sundays, and Holidays shall always be excluded.

**16.543** Within ten (10) days after the Company has been notified by the Union of its desire to arbitrate the grievance, representatives of the Company and Union shall meet to select an arbitrator. The parties shall select the arbitrator from the appropriate panel of seven (7) names. In this regard, the parties have agreed to twenty-one (21) acceptable arbitrators. These twenty-one (21) arbitrators shall be divided into three (3) panels of seven (7) by drawing the names from a bowl, as panels A, B, & C and utilized in order of selection which arbitrators shall be designated. Once each of the three (3) panels has been used, the parties will again follow the same procedure and pick three (3) new panels utilizing the same arbitrators. However, each year each party shall be free to remove up to two (2) arbitrators from the approved list. This shall be done on an agreed upon date in May of each year. In addition, if arbitrators become unwilling or unable to serve, they shall be replaced as soon as possible after the parties have been so notified. If for any reason an arbitrator is being replaced, the parties will attempt to agree on a replacement. If the parties fail to agree within thirty (30) days after the need to replace becomes known, the parties shall request the Federal Mediation and Conciliation Services ("FMCS") to name a panel of seven (7) arbitrators. Either party may request a new panel of arbitrators within five (5) days of receipt of the panel. Within seven (7) days after receipt of such panel, the parties' designated representatives shall meet for the purpose of selecting the replacement arbitrator. The parties shall

alternatively strike names from the list until one (1) arbitrator remains. The parties will take turns making the first strike each time a replacement arbitrator is selected.

**16.544** The arbitrator shall conduct a hearing and shall afford to the Company and the Union a reasonable opportunity to present evidence and to be heard in support of their respective positions. The arbitrator may consider and decide only the particular issue presented to him in writing by the Company and the Union at the time of the hearing.

**16.545** The arbitrator shall have no authority to amend, take away, add to, or change any of the provisions of this Agreement, and general wage adjustments shall not be the subject of arbitration.

**16.546** No offers of settlement may be admissible in the arbitration hearing.

**16.547** The decision of the arbitrator shall be final and binding upon the Company, the Union, and any employee or employees involved; provided, however, his award, if any, (excepting an award relating to a clerical error) shall not be made retroactive beyond the date on which the grievance was first presented in written form, except as provided in Article V.

**16.548** The expenses of the arbitrator, including his fee, shall be divided equally between the Company and the Union; however, the cost of a transcript, if any is ordered, shall be paid by the party or parties (as the case may be) ordering the same.

**16.549** Information and data pertaining to any grievance filed shall be retained by Company while such grievance remains active in this procedure. Upon request the Company will supply the Union with information or documents pertaining to a particular grievance.

**16.6** At mutually convenient times at least quarter-annually, the President of the Company or the Director, Labor Relations or both shall meet with the officers of the Union for the purpose of providing each other with information of mutual interest and discussing Union/Company relations. It is understood that either Company or Union shall be privileged at its option to have other representatives present at such meetings in addition to such officers, but neither Company nor Union shall have more than a total of seven (7) persons at any such meeting, including such officers, without prior mutual consent.

**16.7** The Union and the Company agree that grievances, other than discharge and/or Article 5 and/or Article 2.3 grievances, where they are alleged as the primary article being violated may at the union's or management's request be processed through the expedited arbitration procedure described below. It is further agreed that either party will be limited to a total of three (3) such grievances per calendar year unless mutually agreed otherwise.



1. **The expedited arbitration procedure shall be implemented with due regard to the following:**
  - a) **Company and Union will agree upon a panel of three (3) arbitrators to be selected from a panel of twenty (20) submitted by the Federal Mediation and Conciliation Service. Their expenses and fees shall be borne equally by the Company and the ISWA.**
  - b) **The panel of three (3) arbitrators will arbitrate in a rotation system.**
  - c) **As soon as the Union appeals a grievance under this procedure, they shall notify the designated arbitrator of the panel who may be entitled to hear the case or cases in turn by the rotation system.**
  - d) **Such designated arbitrator upon notification shall hear the case or cases not more than ten (10) days thereafter. If the designated arbitrator is not available to conduct a hearing within ten (10) days, the next panel member in rotation shall be notified until an available arbitrator is obtained.**
2. **The hearing shall be conducted in accordance with the following:**
  - a) **The hearing shall be informal.**
  - b) **No briefs shall be filed. A copy of the Step II minutes will be presented to the arbitrator seven (7) days prior to the hearing.**
  - c) **There shall be no formal evidence rules.**
  - d) **Each party's case or cases shall be presented by a previously designated representative, a member of the ISWA and a member of the management.**
  - e) **The arbitrator shall ensure that all necessary facts and considerations are brought before him by the representatives of the parties. In all respects, he shall assure that the hearing is a fair one.**
  - f) **A written decision shall be rendered within seven (7) days.**
3. **The authority of the arbitrator shall be the same as that under Article XVI of the agreement, paragraph 16.545.**
4. **Decisions of the arbitrator will become final and binding for the particular grievance(s) at issue.**

5. Decisions will not be cited a precedent in any other grievance at any step of the grievance or regular arbitration procedure.

#### Article XVII

#### ACTIVITIES OF UNION REPRESENTATIVES

**17.0 Permission to Leave Job.** Any Union officer or committeeman who finds it necessary to leave his job to present grievances or do necessary Union work will ask his foreman for permission to leave his job. Such permission will be granted. Jobs left vacant in such situations may be filled by any available employee according to department rules. Whenever a Union committeeman or officer deem it necessary to travel outside or inside of his own department or to any other portion of Company's premises to do Union work, his or their foreman will provide the appropriate pass or passes.

**17.1 Bulletin Boards.** It is agreed that the Union may post notices of Union meetings, notices and results of Union elections and notices of Union social affairs or any other Union business on bulletin board provided at designated places for these purposes without cost to the Union.

**17.2 Leave of Absence.** Any employee or employees who shall be appointed or elected to an office in the Union and needs time off to fill business requirements of the Union, upon the written request of the Union, shall be granted a leave of absence for a period of such service. Such employee's length of service record shall be computed as though he were continuously employed by the Company during such leave of absence.

#### Article XVIII

#### SUSPENSION AND DISCHARGE

**18.0 Infractions.** In order to reward those employees who, after receiving discipline, have a clean record under the same section of the General Plant Conduct Rules and Regulations or collective bargaining agreement provision for a certain period of time, the following understanding will be implemented.

In the case of Section I infractions, they will be kept in an employee's file for a period of one (1) year, unless additional Section I violations occur during that time frame or a suspension was received with the infraction. If another Section I offense is committed within the one (1) year period, the infractions will remain in the employee's file until one (1) year elapses with no further Section I infractions being committed. If a suspension is imposed (resulting in time-off), the infraction will remain in the employee's file for five (5) years.

Section II (see also Paragraph 18.4 of Agreement) infractions shall remain in an employee's file for a period of six (6) months unless an additional Section II infraction is committed during that time frame or a suspension was received with the infraction. If another Section II infraction is commit-

ted within the six (6) month period, the infractions will remain in the employee's file until six (6) months elapse with no further Section II infractions being committed. If a suspension is issued (resulting in time off), the infraction will remain in the employee's file for three (3) years.

All Section III infractions shall remain in an employee's file for a period of five (5) years, unless another Section III offense is committed within that time period, in which case the infractions will remain in the employee's file until five (5) years elapse with no further Section III offenses being committed.

Section IV safety infractions and Section V absentee policy infractions shall, for these purposes, be treated the same as Section I offenses.

The above approach is responsive to infractions being kept in employee files forever, regardless of whether an employee does everything possible to avoid any future infractions, but at the same time protects the Company's interests with respect to the integrity of its disciplinary policy. Copy of all infractions are to be mailed to the secretary of the Union.

**18.1 Union Notice of Discharge.** It is agreed that when an employee receives notice that his next infraction of rule will result in his discharge, a copy of said notice will be mailed to the secretary of the Union at 106 Bolivia Street, Bartonville, Illinois 61607. It is further agreed that when an employee is suspended pending discharge or discharged, a notice of said action will be delivered or mailed to the secretary of the Union at 106 Bolivia Street, Bartonville, Illinois 61607, and the reasons therefore, within twenty-four (24) hours (excluding Saturdays, Sundays, and holidays) of such action.

**18.2 Grievance Arising from Discharge.** Cases of grievance arising from the discharge of an employee must be filed in Step II of the grievance procedure within ten (10) days excluding Saturdays, Sundays and holidays, after due notice of such discharge has been given to said discharged employee and Union.

**18.3 Discharge for Cause.** Employees who are discharged or suspended from the service of the Company for cause will be notified in writing of the reason for their suspension or discharge at the time such action is taken, except whenever practicable a hearing will be held before suspensions.

**18.4 Unsatisfactory Workmanship or Work Methods.** After a reasonable learning period employees other than probationary employees will be warned in writing if their workmanship or work method are unsatisfactory. After being warned they will be given a reasonable length of time to correct the condition. If such condition is not corrected within six (6) months, after they have been given a second written warning they will be subject to discharge.

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**18.5** The right of the Company to discipline an employee for a violation of this Agreement shall be limited to the failure of such employee to discharge his responsibilities as an employee and may not in any way be based upon the failure of such employee to discharge his responsibilities as a representative or Officer of the Union. The Union has the exclusive right to discipline its Officers and representatives. The Company has the exclusive right to discipline its Officers, representatives, and employees.

**Article XIX  
GOVERNMENT REGULATIONS**

**19.0** Both parties hereto agree that during the term of this contract and all extensions thereof, they and each of them will comply with all provisions of all applicable laws, both State and Federal, and with all rules and regulations adopted by authorized agencies pursuant thereto.

**Article XX  
SAFETY, HEALTH & WORKING CONDITIONS**

**20.0** The Company will continue to make every reasonable effort to provide safe and healthful conditions of work for employees and to provide employees with any necessary protective equipment, particularly safety glasses, for wear in areas in which they are necessary in the Company's plant. The Union agrees to cooperate with the Company in encouraging employees to work in a safe manner. However, it is agreed that the Joint Central Safety Committee shall be empowered to revise or replace this procedure. In addition, Company will receive and give consideration to any and all recommendations of the Union and any and all village, city, state, and federal officials.

1. One safety committeeman and an alternate will be elected by department employees from a list of nominations, following the same protocol as electing department union committeemen and as defined in Article IV of the Constitution and By-Laws of the Independent Steel Workers' Alliance (ISWA).
2. Safety Committeemen will be elected for a three (3) year term during union election held in April. Terms of office commencing June 1st. Mandatory educational training may be provided by the company.
3. In departments of 10 or less employees: employees may elect to consolidate with another department(s) for committee representation. Consolidation will be directed by the Central Safety Committee when no one will accept the nomination from a department.

**20.01** The parties mutually agree to the following:

1. Union Safety Chairman or his designate will be notified immediately of all serious accidents and be allowed time to visit the scene where injuries have occurred.
2. Union Safety Chairman or his designate will be notified prior to all accident/incident investigations and will designate a member to be present if he deems it necessary.
3. All accident investigation reports will be examined at the Joint Central Safety Meetings.
4. The parties agree to form a new Joint Union Management Committee to review all injuries and occupational disease resulting in workmen's compensation claims being filed by any employee.
5. Union Safety Chairman or his designate may request, and will be granted, a meeting to discuss (and participate in the investigation of) any accident, near miss, or serious incident.

**20.1** The Company will pay all lost wages to authorized Union Safety Committeemen while attending Company-sponsored safety meetings.

**20.2** The Central Safety Committee will continue to function in the customary manner for the term of this agreement.

#### **Article XXI LEAVE OF ABSENCE**

**21.0** In the interest of giving steady employment to employees with seniority, a leave of absence may be granted employees under the following conditions and circumstances:

**21.1** Leave of absence may be granted when requested. However, no request for leave of absence for good cause will be arbitrarily denied.

**21.2** If an employee has been granted a leave of absence, such leave of absence shall extend for ninety (90) days unless terminated earlier by the employee or the Company. If additional leave is requested, it may be granted upon a new request. An employee shall retain his seniority while on leave of absence.

**21.3** An employee granted a leave of absence may retain his group insurance at his own expense at group rates while he is on such leave of absence. (See Insurance Booklet).

**21.4** An employee shall be granted sick leave for illness or injury. An employee who is absent from work because of illness or injury must notify the Company of the reason for his or her absence as soon as it is reasonably possible for him or her to do so. The Company may require satisfactory

proof of the illness or accident during the period of the employee's absence and, if his absence will continue for a period longer than forty-five (45) days, his sick leave shall be extended at the employee's request for specific periods, not to exceed ninety (90) days at a time, upon a showing of the continued need for the leave. (See Insurance Booklet)

**21.5** An employee shall be reimbursed by Company for all expenses incurred, including expense of travel, and when applicable, car mileage allowance of I.R.S. rates per mile in complying with any and all of Company's request while employee is being treated or examined for plant-incurred injury.

**21.6** Any employee having five years or more continuous service who is elected or appointed to a temporary national governmental position or who is elected to a State office or is appointed to a temporary position in the Department of Labor or Industrial Commission of this State or the Department of Labor of the United States shall upon written request be granted a leave of absence for the period of such service. Leaves of absence shall be for a period not in excess of one year and may be renewed for a further period of one year. Such employee's length of service record shall be computed as though he were continuously employed by the Company during such leave of absence. Such employee may retain his group insurance at his own expense at group rates while he was on such leave of absence.

**21.7** Blue collar equality, any Union member who finds it necessary to be absent from or late for work in order to attend an official meeting pertaining to any public office in a town, municipality, township, village, county, or comparable governmental body, that he/she is elected or appointed to shall be granted such time off, provided there is no cost to the Company, without being charged an occurrence under the absentee policy.

## Article XXII VACATIONS

**22.0** During the term of this agreement, the Vacation program in effect for eligible employees shall be as follows:

Years of Service	Weeks of Vacation
1-2	1
3-9	2
10-16	3
17-19	4
20-24	5
25	6

**22.1** In the case where an employee becomes entitled to the first or subsequent weeks of vacation because of completing the appropriate years of continuous service, the employee will be eligible to take that week after passing his anniversary date. If the employee quits, dies, or is dis-

**charged prior to working through such anniversary date he shall not receive such week(s) of vacation pay.**

**22.2** Hours of vacation pay for each vacation week shall be the average hours per week worked by the employee in the prior calendar year. (Union business paid for by the Company, or for the Bargaining Committee, Union business paid for by the Company or the Union will be considered as hours worked for the purpose of this article of the Labor Agreement.) Employees granted vacations will be paid at their average hour earnings. In computing average hourly pay, the actual amount of earnings (exclusive of vacation pay, profit sharing, awards, and allowances) in the preceding calendar year will be divided by the actual number of hours worked during the same period. Average hourly earnings as computed here will be adjusted to reflect general wage changes that have become effective during the preceding calendar year.

**22.3** Employees who take a leave of absence during the year and are eligible for paid vacations will have their vacation pay reduced proportionately, or 1/52, for each week of absence. Employees taking a leave of absence during the year must be actively employed with this Company a minimum of thirty (30) days after returning from their leave before they will receive their proportionate share of vacation pay.

**22.4** Vacations will be granted at times most desired by employees (longer department service employees being given preference as to choice), but the final right to allot vacation periods and to change such allotments is exclusively reserved to the Company in order to insure the orderly operation of the plant.

**22.5** Employees who have completed one (1) or more years of service must have a minimum of **520 hours worked** in the preceding calendar year to be entitled to vacation with pay. Any period of absence of an employee due to a compensable disability in the year in which he incurred such disability, while in military service in the year of his reinstatement to employment, Company paid illness or injury, union business paid for by the Company, or for the Bargaining Team union business paid for by the Company or the Union shall be included in determining the number of hours worked in the preceding year. This article will not apply to employees returning to work who were absent the entire preceding year due to a compensable injury.

**22.6** Each week of vacation shall consist of seven (7) consecutive days beginning on Monday unless a special arrangement is made with the foreman and the ISWA departmental committee.

**22.7** Employees who are eligible for four (4) weeks of vacation may elect to take one (1) week of vacation as a day at a time vacation. The employee will indicate his/her desire to do so on their individual vacation request form. The day(s) of vacation must be requested at least one

week prior to the posting of the weekly schedule and will be granted to longer department service employees. The final right to allot day at a time vacation is exclusively reserved to the Company in order to insure the orderly operation of the plant. Day at a time vacation will not count toward the calculation of overtime, but it will count in the distribution of hours of work per week.

22.71 For an eligible employee, a day of vacation may also be an unexpected excusable absence designated retroactively by the employee immediately upon his return to work. This will not relieve the absent employee from responsibility from normal reporting procedures. Notice to the Payroll Department must be submitted on the proper form by Monday of the following week to ensure pay in the current week's payroll. Forms will be provided by the Payroll Department upon request by the Supervisors. The employee declaring such first emergency absence as a day of vacation elects one week's vacation as day at a time vacation.

22.8 Employees must take their vacations between January 1 and December 31 of the current year. Individual vacation requests must be submitted by December 1 of the preceding year and the Company will post the vacation schedules on or before January 1 of the current year.

22.81 Vacation Scheduling Formula: The minimum weekly vacation scheduling allotment will be the total number of eligible vacation weeks per department divided by 52.

22.9 When the first and/or last day of a year are less than a calendar week, an employee's vacation week may be applied in either year, preference being given to the employee completing his vacation.

22.10 Any changes in individual vacation schedules after January 15 will be voluntary on the part of the affected employees.

22.11 Any employee starting vacation during January will be given a cash advance in lieu of actual vacation check for weeks of vacation being taken at that time.

22.12 Employees starting vacation in February and thereafter will receive pay for the weeks of vacation being taken at that time (provided ten days advance notice is furnished the Paymaster) in the last paycheck before the employee starts his vacation.

22.13 Day at a time vacation will be paid in the payroll week in which it is taken at the rate of one-fifth of the equivalent of the employee's vacation rate of pay.

22.14 In submitting vacation requests, employee will include time off desired for any holiday which occurs during his scheduled vacation. Such



additional day or days may be requested to precede or follow the employee's scheduled vacation, with the granting of such requests reserved to the Company in order to insure the orderly operation of the plant.

**22.15** Vacation pay and pay in lieu of vacation will be optional, either at the time an employee takes his vacation or in June of each year.

**22.16** It is understood that the Company will not designate more than two (2) weeks per year as vacation shutdown weeks for the purpose of scheduling vacations. Such weeks are not subject to the provisions of Article 22.15 above and must be taken as vacation time off.

### **Article XXIII AGREEMENTS**

**23.0** The Company agrees that the following agreements will remain in effect during the term of this agreement all as heretofore agreed upon and as revised:

- Pension
- Insurance and Health Care
- "Thrift Plan"
- Apprentice
- Incentive Study (11470)
- Profit Sharing (5-3-96)
- Drug & Alcohol Policy (5-3-99)

(The language of such agreements is separate from and not a part of this agreement.)

### **Article XXIV RESPONSIBILITIES OF THE PARTIES**

**24.0** The Union agrees that during the term of this Agreement there shall be no strike, and for the same period the Company agrees that there shall be no lock out.

### **Article XXV TERM OF AGREEMENT**

**25.0 Term.** This Agreement shall be in full force and effect until 12:01 a.m. May 3, 2002, and thereafter, from year to year unless sixty (60) days prior to the date of expiration either party notifies the other, in writing, of a desire to change the Agreement or any provision thereof.

**25.1 Conclusion of Bargaining.** This Agreement, together with its appendices and any other agreement or supplement hereto or any other matter incorporated herein by reference, concludes all collective bargaining between the parties for the duration of the Agreement, except as may otherwise be expressly provided for in this Agreement or any supplement

hereto, or except as to such matters or amendments which may mutually be agreed to in writing by the parties.

IN WITNESS WHEREOF, the parties hereto have set their hands this 3rd day of May, 1999.

**KEYSTONE STEEL & WIRE**  
Division of Keystone Consolidated Industries, Inc.

Thomas J. Kline  
President

Daniel L. Cook  
Vice President, Manufacturing

Robert J. Beedam  
General Supt., Wire Mill

M. S. [Signature]  
Controller

[Signature]  
Director, Human Resources

[Signature]  
Director, Labor Relations

[Signature]  
Manager, Industrial Engineering

**INDEPENDENT STEEL WORKERS' ALLIANCE**

John [Signature]  
President

Harold Bonetto  
Vice President

Melanie Slater  
Secretary-Treasurer

**WAGE & RULES COMMITTEE**

Mary W. Hanson  
Chairman

Stephen R. Flier

[Signature]

Gary [Signature]

Fred G. [Signature]

Randy [Signature]

**GRIEVANCE COMMITTEE**

Randy [Signature]  
Chairman

Luther H. Trammell

Luther [Signature]

Ed Riley

Tom Kusan

Teri C. McLooney

**Memorandum of Understanding #1**

1. The Company will consider the written recommendations of the Union's jurisdictional and seniority committees. If the Union's recommendations are turned down, the Company will hold a meeting with the appropriate committees to discuss their action.
2. In meetings in Step I of the grievance procedure, and in higher steps, authorized Union representatives coming from home to attend meet-

ings with representatives of the Company and who are going to work after the meeting will be allowed thirty (30) minutes to change clothes before reporting for work. Likewise, men coming from the job to meet with the Company representatives and who will not return to the job that shift will be allowed reasonable washup time, not to exceed thirty (30) minutes, before time for the meeting to begin.

## **Memorandum of Understanding #2**

### **Vacation Scheduling**

#### **For calendar years 2000, 2001 and 2002**

Where the Company designates more than one week of vacation shutdown during the month of December, employees may elect to submit a request for an "extra week" vacation form and such "extra week" will be scheduled during one of the designated December vacation shutdown weeks. If an employee elects this "extra week" of vacation without pay, he or she must submit the completed form at the time they submit their regular vacation request.

Where the Company designates a vacation shutdown during the period June 15 through August 15 during any calendar year, the provisions of Article 9.011 regarding voluntary holiday work will not apply to the following New Year's Eve and New Year's Day holidays.

## **Memorandum of Understanding: #3**

### **Contracting Out**

It is understood that maintenance, construction, and repair work customarily performed by employees in the bargaining unit will not be contracted out for performance inside or outside the plant unless employees having seniority in the specific crafts affected are offered six days' work during the period the work is being performed.

## **Memorandum of Understanding: #4**

### **Testing**

(Not applicable to apprenticeship testing standards.) The Company and the Union agree that where TESTS are used by the Company as an aid in making determinations of the qualifications of an individual for transfer to a craft or promotion within the crafts, such tests must in any event be job-related. A job-related test, whether oral, written and/or in the form of an actual work demonstration, is one which measures whether an individual can satisfactorily meet the specific requirements of that job including the ability to absorb any training which may necessarily be provided in connection with that job.

**1. All tests shall be:**

- a. job-related
  - b. fair in their make-up and in their administration
  - c. free of cultural, racial, gender or ethnic bias
  - d. given to any bidding employee upon request
2. Testing procedure shall in all cases include notification to an employee of his deficiencies and an offer to counsel him as to how he may overcome such deficiencies, upon the individual's request.
3. The provisions which shall apply in determining qualifications for entrance into apprenticeship programs are set forth in the apprentice agreement.
4. The Company may provide methods for advancement to craft status other than through the apprenticeship training program.
5. After completing study or a course to remedy a deficiency, an individual, upon his request, will be given a retest after one hundred and eighty (180) calendar days. Such retest results shall be considered when filling vacancies existing at the time such retesting was done.

**Memorandum of Understanding: #5**

**Superintendents and Standing Committees**

From time to time at mutual convenience (at least monthly), the Wire Mill and Steel Mill operations manager and/or respective maintenance superintendents, upon request, will meet with the standing committee from the respective mills to discuss problems and share information.

**Memorandum of Understanding: #6**

**"Rate Retention"**

The Company will provide the following "rate retention" program for an employee who is assigned to a job other than the employee's regular job because of a job related disability:

- (a) Such employee will receive his straight time average hourly earnings\* for the prior thirteen (13) weeks immediately preceding such assignment.

\*(As calculated under Paragraph 5.63 of the Labor Agreement.)

- (b) Such rate retention shall terminate on the earlier of the following dates: (i) the date the employee refuses a promotion to a job which he can perform despite his disability and which has higher hourly

earnings potential than that of the job from which the employee was transferred due to his job related disability; (ii) the date the employee fails to exercise his seniority to obtain a job which he can perform despite his disability and which has a higher hourly earnings potential than that of the job from which the employee was transferred due to his job related disability; (iii) the date the employee returns to the regular job in line with seniority and/or bid from which the employee was transferred due to his job related disability; or (iv) two (2) years from the date the employee first works on the job to which he is assigned due to his job related disability.

(c) Company will make a good faith effort to provide work in the employees home department and regular shift.

### **Memorandum of Understanding: #7**

#### **Profit Sharing**

This profit sharing plan is based upon fiscal year operating profit. Operating profit is defined for the purposes of the profit sharing plan as:

#### **Gross Sales**

Less: Discounts, Returns and Allowances

Less: Cost of Goods Sold (including depreciation and amortization)

Less: Selling Expenses

Less: Bartonville Administrative Expense

The above will be calculated using generally accepted accounting principles applied on a consistent basis at the end of each of the Company's subsequent fiscal years.

The above will also be determined in such manner as is consistent with the calculation for the Keystone Steel & Wire Company, Bartonville, Illinois, for the fiscal year ended December 31, 1995. The basis will be determined as prior to such profit sharing, bonus, incentive, or other such compensation above normal, agreed upon wages, salaries, and other remunerations of any or all employees, representatives, or agents of the Company. The basis will also be adjusted for the effects of S.F.A.S. 106 by adding back the S.F.A.S. 106 expenses and deducting actual cash payments on a pay as you go method for medical and life insurance.

It is contemplated that the determinants of operating income will not deviate substantially from the fiscal year ended December 31, 1995, proportional relationship to Net Sales.

Fiscal year operating profit basis will be prorated proportionally if the Company changes its fiscal year.

The profit sharing schedule is as follows:

\$5,000,000 trigger then:

0 — \$9,999,999	6.4%
\$10,000,000 — \$14,999,999	10.0%
\$15,000,000 and above	12.0%

## MONITORING

The Company will provide to the Union such internal records and documents as is deemed necessary to monitor and evaluate the levels of the basis for the profit sharing plan. Such documents will be provided in original or photo copy form at least quarterly. Further, the Union will discuss with the Company any questions or suggestions resulting from the monitoring of the plan on a timely basis. Such records are contemplated to include but are not limited to:

1. Income Statement
2. Balance Sheet
3. Cash Flow
4. Detail Inventory Statement

The above listed documentation is to be provided on a quarterly and year-to-date basis not more than 60 calendar days from the close of each fiscal quarter.

## ELIGIBILITY, PRO-RATIONING, AND MIS.

Eligible employees for the profit sharing are all Bargaining Unit employees of the Company in the employ of the Company as of the close of each fiscal year, and who, as of that date will have been in the Company's employ during the fiscal year, shall be eligible to participate in the profits of the Company for such fiscal year.

Each eligible employee shall receive an equal share in the profits directly proportionate to the number of weeks worked during the fiscal year. Any eligible employee who works 24 hours or more during a work week shall be deemed to have completed a week's work for profit sharing purposes.

Forty-five (45) weeks shall constitute a full profit sharing year and payments will be made pro-rata upon this basis.

Calculations and payment will be made within ninety (90) days from the close of each fiscal year.

Weeks in military service will be counted as weeks worked provided the employee involved is otherwise eligible and shall have actually worked for

the Company as scheduled during a period of thirty (30) days in the fiscal year for which profit sharing is paid.

An employee, otherwise eligible, who has been laid off during the fiscal year, or is laid off as of the end of the fiscal year, will share in the profit sharing plan pro-rata for the time the employee was actively employed. Time spent on leave will not be counted for profit sharing purposes.

An employee, otherwise eligible, who has been on leave of absence or on additional vacation leave during the fiscal year, or who is on leave as of the close of the fiscal year, will share in the profit plan pro-rata if the employee has been actively employed for a minimum of thirty-one (31) weeks during the fiscal year.

An otherwise eligible female employee who leaves due to pregnancy shall share in the profit sharing plan on a pro-rata basis in accordance to the number of weeks of active employment.

An employee who retires during the fiscal year shall be eligible to share in the profit sharing plan pro-rata in accordance with the number of weeks of active employment.

The death during the fiscal year of any otherwise eligible employee will result in that employee's pro-rata profit sharing participation to be paid to the beneficiary or beneficiaries as named in the employee's Group Life Insurance certificate.

An employee who is discharged for just cause or terminates employment voluntarily during the fiscal year shall forfeit eligibility for participation in this plan. Such former employee's pro-rated profit sharing shall be applied to increase the amount available for distribution to remaining eligible employees. If a discharged employee is awarded back by an arbitrator, Company shall be obligated to pay pro-rated profit sharing.

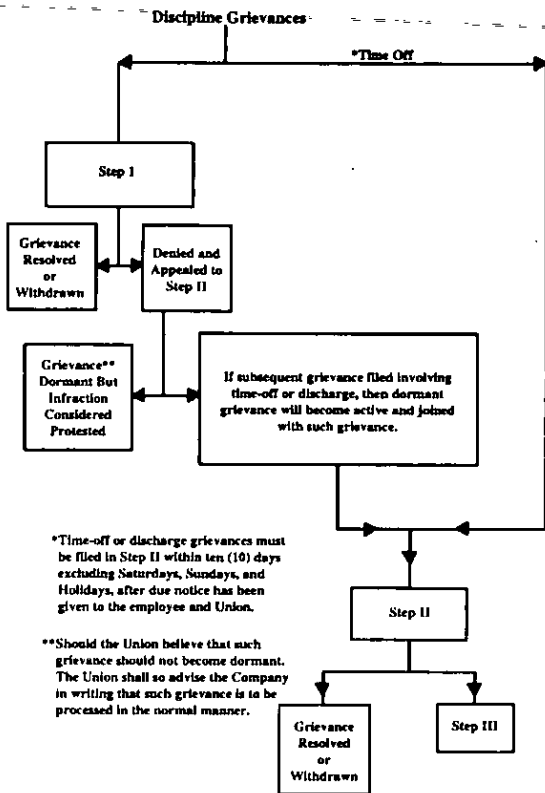
An otherwise eligible employee who is absent during the fiscal year due to sickness or injury shall participate in the profit sharing pro-rata in accordance to the number of weeks of active employment.

Deductions shall be made from the amount due each participant in employment.

Deductions shall be made from the amount due each participant in accordance with the provisions of the Thrift Plan.

#### **Memorandum of Understanding: #8**

The parties agree that discipline grievances under the new grievance procedure will be processed in accord with the following chart:



**Memorandum of Understanding: #9**

**Pensions**

The provision for increases for "people who are already retired" set forth in Appendix "A" of the January 30, 1981, Contract Extension Agreement will be reinstated for the term of this agreement and is stated as follows:



### **"People Who are Already Retired"**

People who are already retired including surviving spouse receive a benefit increase. The amount of the increase will depend on the person's retirement date.

Anyone retired prior to 1965 shall receive 30.00 per month increase.

Retire 1/1/65 thru 12/31/67 shall receive 25.00 per month increase.

Retired 1/1/68 thru 12/31/70 shall receive 20.00 per month increase.

Retired 1/1/71 thru 12/31/73 shall receive 15.00 per month increase.

Retired 1/1/74 thru 12/31/76 shall receive 10.00 per month increase.

Retired 1/1/77 thru 7/31/80 shall receive 5.00 per month increase.

These increases will only be paid during the life of the contract. Payment will be made by the Company, not from the Pension Fund.

New hires on or after May 3, 1982, will not be eligible for "30 and Out" nor will they be eligible for 70/80 or Rule-of-65.

- **Effective 5/3/2001, the minimum pension annual accrual changes to \$42.00 per year of service from the current \$18.00. Employees who retire under the terms of the 1999 Labor Agreement will receive the higher rate at the 5/3/2001 date.**
- **Effective 5/3/2001, employees with 20 years service, age 55, may retire with an actuarially reduced pension.**
- **Pensioners will be allowed to designate a beneficiary other than their spouse (effective when language is developed and agreed upon).**
- **Medicare reimbursement is increased to \$45.50 for retirees from the current \$40.00.**
- **Effective 5/3/2000, employees who retire on or after 5/3/1999 will not be charged for REA pre-retirement spousal coverage and any past charges will be credited to the employees pension accruals.**
- **Effective 5/3/2000, employees who retire on or after 5/3/1999 will be provided with the surviving spouse benefit under the plan with no reduction for social security.**

## **Memorandum of Understanding: #10**

### **Hospital, Medical, Surgical, Major Medical and Dental**

The parties agree to the following changes for the term of this agreement.

- OutPatient, 2nd Surgical, PAT (PreAdmission Testing), Utilization Review — (Voluntary).
- Convert "floating" deductible (3 month carryover).
- Subrogation.
- Retiree Working Elsewhere — KSW Secondary.
- Hospice, Generic Drug, HMO (Health Maintenance Organizations), PPO (Preferred Provider Organizations) are a part of the plan but are voluntary.
- Those employees who retire on or after May 3, 1993, will be entitled to receive the same benefits on the same basis as active employees.
- **Employees, retirees, and dependents will be provided with an option for dental insurance effective 7/1/99 for a weekly charge of \$2.00 per week.**
- Mammograms company will provide annually, (similar program as provided in the fall of 1992. The full cost will be paid by the Company).
- Newly married spouse coverage is effective the date of marriage. Unless not reported in 30 days; otherwise, coverage is effective at beginning of the month following actual reporting of marriage.
- Detail of the above provisions will be included in the "Health Care" booklet.
- Sickness and Accident weekly benefits to be **\$325.00** per week. (See Memorandum of Understanding #17 regarding changed eligibility effective May 3, 1993.)
- Option to purchase an additional life insurance \$25,00000 (twenty-five thousand) dollars, payroll deducted: Actives — \$0.56 per \$1,000 per month; Retirees — \$2.34 per \$1,000 per month.
- Life insurance benefits for prospective retirees during the term of this agreement will be increased to **\$15,000** from the current \$11,500 for life.

- **Life Insurance benefits for active employees during the term of this agreement will be increased to \$25,000 from the current \$11,500 for life.**

#### **Memorandum of Understanding: #11**

Where the Union believes that a discussion with the President of the Company regarding matters of significant importance is in order, the Officers of the Union may request a review of the particular problem with the Director of Labor Relations to determine whether such problem can otherwise be resolved or whether a discussion with the President of the Company is necessary.

Such discussion, if deemed necessary, will be scheduled at a mutually agreeable time.

It is understood that this provision does not alter either parties existing rights under the Labor Agreement.

#### **Memorandum of Understanding: #12**

The following letter dated April 15, 1975, from John P. Houston to Jack Slater regarding the "Trade and Craft" incentive calculation will be in effect for the term of this agreement.

John Houston, P.E.  
Director, Industrial Relations

Date: April 15, 1975  
(Date ENA is Signed)

Mr. Jack Slater, President  
Independent Steel Workers' Alliance  
Bartonville, Illinois 61607

This letter will confirm our understanding concerning application of the "Trade and Craft" incentive calculation:

When classified Trade and Craft journeymen jobs are covered by incentive plans, as developed under the Incentive Award, the incentive earnings shall be increased by an amount equal to:

The "incentive pay performance (%) multiplied times the difference between base rate for calculating incentives of the journeyman job as listed in Section 4.15 and the base rate for calculating incentives of a job which is two classes less than that listed journeyman job. This amount will be referred to as the T&C incentive adjustment.

This T&C incentive adjustment shall be paid to each man for hours worked under the applicable plan during a calculation period.

In the event an employee works on a recognized Leader (Head) job to a Trade and Craft journeyman job, the T&C incentive adjustment will be cal-

culated in a similar manner as the basic craft using the BRCI (Base Rate for Calculating Incentives), for the respective Leader job class as the base from which the job class differential will be determined.

This T&C adjustment shall not be used to adjust:

1. The interim rate of any trade and craft job covered by an interim rate of the effective date of this adjustment.
2. Or any bonus payments derived from monthly or weekly bonuses which are not based on an incentive pay performance (%) calculation.

The effective date of this T&C incentive adjustment will be August 1, 1975.

Yours very truly,  
John P. Houston

### **Memorandum of Understanding: #13**

#### **Maintenance and Steam Plant Employees**

The parties agree that the maintenance incentive plans currently on trial will be adjusted to provide overall incentive earnings equal to the base period (1991) earnings. Current trial incentive plans that have an overall incentive earnings greater than the base period earnings will not be adjusted.

Further, minimum earnings under each wire mill maintenance incentive plan will be the "old buyout" incentive percent. For incentive purposes, Nail Repair is considered a part of wire mill maintenance. Minimum earnings for the steel works maintenance gang will be the prior existing incentive "CAP".

The current trial incentive plan for the Steam Plant will remain unchanged.

### **Memorandum of Understanding: #14**

In a department where there is a problem with forced overtime, the Seniority Committee, Department Committee, and Management will work out a workable solution for that department. However, if a solution cannot be made, they will follow paragraph 8.01 of the Contract.

### **Memorandum of Understanding #15**

#### **Special 4 Day/10 Hour and 12 Hour Scheduling Agreement**

- A. Individual departments shall have the right to vote on and accept or reject certain scheduling agreements that would allow the scheduling of 4 straight 10 hour days without the payment of overtime. It is understood that the individual department, Wage & Rule, Grievance,

or General Committee shall also have the right to terminate any such agreement with 30 days written notice, conditions under which overtime rates shall be paid during this special 4 day-10 hour scheduling agreement shall be as follows:

- B. Time and one-half the regular rate of pay shall be paid for all hours worked in excess of 10 consecutive hours or for hours worked in excess of 40 hours in a work week.
- C. During the 1996 negotiations, the parties agreed that 12 hour shifts could be developed in the same manner as provided under Paragraph A above. Should the Company desire to schedule any employees on 12 hour shifts, the structure of such 12 hour schedule and overtime arrangements will be agreed with the Union prior to implementation.
- D. For all time worked on Sundays for which pay on a double time basis is not called for pursuant to Paragraph 8.03, premium pay at the rate of one and six-tenths (1-6/10) times an employees' regular rate shall be paid.

#### **Memorandum of Understanding: #16**

Without altering the existing rights of the parties regarding department rules, the parties agree, in the interest of consistent application of the provisions of the contract from department to department, that after May 3, 1984, any new or changed department rules that are signed by a Department Committee must also bear the signature of the chairman (or his designate) a member of the Wage & Rules Committee to be considered valid by the parties.

#### **Memorandum of Understanding: #17, Regarding Miscellaneous Matters**

##### **Regarding Miscellaneous Matters**

- S&A Eligibility Restored Following Layoff — Eligibility for benefits will be restored beginning the first day an employee returns to work or where he or she would have been recalled from layoff and would have returned except for illness or disability covered under this Plan.

#### **Memorandum of Understanding #18**

##### **MEMORANDUM OF UNDERSTANDING CONCERNING COMMITMENT TO CHANGE INCENTIVE PLAN SYSTEM TO MEET THE NEEDS OF THE COMPANY WHILE PROTECTING THE EARNINGS OPPORTUNITIES OF THE EMPLOYEES**

The parties hereto agree that it may be in the best interests of the Company, Union and the Employees to modernize the incentive system currently in use by providing for ways to reward factors in addition to production,

including but not limited to quality, cost reduction, yield and safety, without reducing the earnings opportunities of the Employees.

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In order to accomplish the above, the Company or the Union may propose new or changed incentives to cover a particular job or jobs that do not comply with the current language of Article 5 of the Agreement because of the manner and means of calculation, including the factors that are taken into account. However, it is understood that the Article V rights of either party are not diminished by this agreement.

If the Company agrees to a trial period as proposed by the Union for such an incentive plan, Employees shall be guaranteed the applicable interim rate for the trial period on a weekly or otherwise agreed to basis, but shall be entitled to receive the greater of what that interim rate produces or the earnings produced by the plan on trial. However, if an Employee or Employees produce less than the minimum standard for the covered job due to lack of effort, the Employee or Employees involved shall receive only what was actually earned under the new or changed incentive plan.

If the Company decides to put such new or changed incentive on trial, with or without the agreement of the Union, the same terms and conditions and guarantees shall apply with respect to the earnings opportunities of the Employees.

If such new or changed incentive is permanently installed by the Company, the Union may grieve and arbitrate the issue of whether the incentive is equitable. The same timetables now in effect for grieving and arbitrating such disputes, as well as the current procedures, shall apply. A new or changed incentive will be considered equitable if it provides earnings opportunities equal to or greater than those provided for under the incentive plan it replaced.

If the arbitrator should determine the new or changed plan is not equitable, the arbitrator may provide a make whole remedy for lost earnings but shall not have the authority to order the parties to adopt any particular incentive plan.

If an incentive plan is found by an arbitrator not to be equitable, the plan it replaced shall be placed back into effect unless and until a new or changed plan, pursuant to this Memorandum, is put on trial. If such new or changed plan is put into effect on a permanent basis, the Union may grieve and arbitrate the matter on the same basis and for the same reason as set forth above.

Once such a new or changed incentive is permanently put into effect in accord with this Memorandum and is either not challenged by the Union or is found to be equitable by an arbitrator, such permanently installed incentive may be changed or modified by the Company but the earnings opportunities provided may not be diminished as a result of the change or modification. The Union may grieve any such change or modification on the basis of its

belief that earnings opportunities have not been maintained and the arbitrator shall have the same authority to provide a remedy as set forth above.

#### **Memorandum of Understanding #19**

### **MEMORANDUM OF UNDERSTANDING CONCERNING JOB SECURITY**

The parties mutually agree that during the term of this agreement, employees who have five (5) or more years of service with the Company, or who attain five (5) years of service during the term of this agreement, will be provided job security as follows:

1. Such employees will be guaranteed 46 weeks of work and/or compensation on an annual basis inclusive of any paid time away from work and/or any unpaid absences for any reason other than involuntary layoff.
2. Any employee whose employment is maintained under #1 above when he/she would otherwise be subject to involuntary layoff may, at the Company's discretion, be assigned to any job or task within the Bartonville facility. An employee so assigned will be paid at the applicable rate for the job he/she is assigned.
3. Exceptions to this agreement are allowed for acts of God or other catastrophic incidents which significantly affect the Company's ability to maintain operations.

#### **Memorandum of Understanding #20**

### **MEMORANDUM OF UNDERSTANDING CONCERNING CHANGE OF OWNERSHIP**

The parties mutually agree that during the term of this agreement should a change, in part or in total, of ownership of the Company, or a significant part of the Company be considered, the following will occur:

- The Union and the Company, upon request by either party, will within thirty (30) days meet and negotiate any matters of concern related to such a change in ownership.
- It is further understood that neither party will have any obligation to alter in any way any provisions of this agreement.

## Memorandum of Understanding #21

### Consecutive Hours

During the 1999 Contract negotiations, the parties discussed the issue of employees working in excess of 16 consecutive hours. It was mutually agreed that the interest of the employees and of the Company are best served when, to the extent possible, employees are not required to work in excess of 16 consecutive hours either by forced or voluntary overtime. The parties further agree that during the term of this agreement they will make a good faith effort to accomplish this goal in conjunction with the terms of this agreement.

### APPENDIX "A"

- I. The hourly additive for Classified Incentive Jobs.
- II. The hourly rate for Non-Incentive Job Class Rates.
- III. The hourly wage rates for Unclassified Non-Incentive Jobs.
- IV. The hourly additive for Piecework Jobs.
- V. The hourly base rates for other Incentive Jobs.
- VI. Office Custodian Employees.
  1. The above described rates will be increased \$.50 per hour effective May 3, 1999.
  2. They will be increased an additional \$.50 per hour effective May 3, 2000.
  3. They will be increased an additional \$.50 per hour effective May 3, 2001.
  4. The hourly additive for piecework jobs will therefore become:
    - \$12.546 effective May 3, 1999
    - \$13.046 effective May 3, 2000
    - \$13.546 effective May 3, 2001



# I. Hourly Rates for Classified Incentive Jobs

Job Class	Base Rate For Calculating Incentive	Additive Hourly Rate Effective 05/03/99	Additive Hourly Rate Effective 05/03/2000	Additive Hourly Rate Effective 05/03/2001
0, 1, 2	\$4.243	\$7.935	\$8.435	\$8.935
3	\$4.325	\$7.958	\$8.458	\$8.958
4	\$4.407	\$7.981	\$8.481	\$8.981
5	\$4.486	\$8.004	\$8.504	\$9.004
6	\$4.568	\$8.027	\$8.527	\$9.027
7	\$4.650	\$8.055	\$8.555	\$9.055
8	\$4.732	\$8.083	\$8.583	\$9.083
9	\$4.814	\$8.111	\$8.611	\$9.111
10	\$4.896	\$8.134	\$8.634	\$9.134
11	\$4.978	\$8.157	\$8.657	\$9.157
12	\$5.060	\$8.180	\$8.680	\$9.180
13	\$5.142	\$8.203	\$8.703	\$9.203
14	\$5.224	\$8.226	\$8.726	\$9.226
15	\$5.306	\$8.255	\$8.755	\$9.255
16	\$5.396	\$8.282	\$8.782	\$9.282
17	\$5.485	\$8.310	\$8.810	\$9.310
18	\$5.574	\$8.338	\$8.838	\$9.338
19	\$5.663	\$8.366	\$8.866	\$9.366
20	\$5.752	\$8.394	\$8.894	\$9.394
21	\$5.841	\$8.422	\$8.922	\$9.422
22	\$5.930	\$8.450	\$8.950	\$9.450
23	\$6.019	\$8.478	\$8.978	\$9.478
24	\$6.108	\$8.506	\$9.006	\$9.506
25	\$6.197	\$8.534	\$9.034	\$9.534
26	\$6.286	\$8.562	\$9.062	\$9.562
27	\$6.375	\$8.590	\$9.090	\$9.590
28	\$6.464	\$8.618	\$9.118	\$9.618
29	\$6.553	\$8.646	\$9.146	\$9.646
30	\$6.642	\$8.674	\$9.174	\$9.674

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## II. Non-Incentive Job Class Rates

Job Class	Hourly Rate Effective 05/03/99	Hourly Rate Effective 05/03/2000	Hourly Rate Effective 05/03/2001
0, 1, 2	\$12.065	\$12.565	\$13.065
3	\$12.182	\$12.682	\$13.182
4	\$12.300	\$12.800	\$13.300
5	\$12.416	\$12.916	\$13.416
6	\$12.595	\$13.095	\$13.595
7	\$12.705	\$13.205	\$13.705
8	\$12.815	\$13.315	\$13.815
9	\$12.925	\$13.425	\$13.925
10	\$13.030	\$13.530	\$14.030
11	\$13.135	\$13.635	\$14.135
12	\$13.240	\$13.740	\$14.240
13	\$13.345	\$13.845	\$14.345
14	\$13.450	\$13.950	\$14.450
15	\$13.561	\$14.061	\$14.561
16	\$13.678	\$14.178	\$14.678
17	\$13.795	\$14.295	\$14.795
18	\$13.912	\$14.412	\$14.912
19	\$14.029	\$14.529	\$15.029
20	\$14.146	\$14.646	\$15.146
21	\$14.263	\$14.763	\$15.263
22	\$14.380	\$14.880	\$15.380
23	\$14.497	\$14.997	\$15.497
24	\$14.614	\$15.114	\$15.614
25	\$14.731	\$15.231	\$15.731
26	\$14.848	\$15.348	\$15.848
27	\$14.965	\$15.465	\$15.965
28	\$15.082	\$15.582	\$16.082
29	\$15.199	\$15.699	\$16.199
30	\$15.316	\$15.816	\$16.316

### III. Hourly Wage Rates for Unclassified Non-Incentive Jobs

Hourly Rates Effective 05/03/99	Hourly Rates Effective 05/03/2000	Hourly Rates Effective 05/03/2001
\$12.065 - \$12.130	\$12.565 - \$12.630	\$13.065 - \$13.130
\$12.172 - \$12.247	\$12.672 - \$12.747	\$13.172 - \$13.247
\$12.289 - \$12.364	\$12.789 - \$12.864	\$13.289 - \$13.364
\$12.406 - \$12.543	\$12.906 - \$13.043	\$13.406 - \$13.543
\$12.585 - \$12.653	\$13.085 - \$13.153	\$13.585 - \$13.653
\$12.695 - \$12.763	\$13.195 - \$13.263	\$13.695 - \$13.763
\$12.805 - \$12.873	\$13.305 - \$13.373	\$13.805 - \$13.873
\$12.915 - \$12.984	\$13.415 - \$13.484	\$13.915 - \$13.984
\$13.026 - \$13.178	\$13.526 - \$13.678	\$14.026 - \$14.178
\$13.130 - \$13.193	\$13.630 - \$13.693	\$14.130 - \$14.193
\$13.235 - \$13.298	\$13.735 - \$13.798	\$14.235 - \$14.298
\$13.340 - \$13.403	\$13.840 - \$13.903	\$14.340 - \$14.403
\$13.445 - \$13.508	\$13.945 - \$14.008	\$14.445 - \$14.508
\$13.550 - \$13.626	\$14.050 - \$14.126	\$14.550 - \$14.626
\$13.668 - \$13.743	\$14.168 - \$14.243	\$14.668 - \$14.743
\$13.785 - \$13.860	\$14.285 - \$14.360	\$14.785 - \$14.860
\$13.902 - \$13.977	\$14.402 - \$14.477	\$14.902 - \$14.977
\$14.019 - \$14.094	\$14.519 - \$14.594	\$15.019 - \$15.094
\$14.136 - \$14.211	\$14.636 - \$14.711	\$15.136 - \$15.211
\$14.253 - \$14.328	\$14.753 - \$14.828	\$15.253 - \$15.328
\$14.370 - \$14.445	\$14.870 - \$14.945	\$15.370 - \$15.445
\$14.487 - \$14.562	\$14.987 - \$15.062	\$15.487 - \$15.562
\$14.604 - \$14.679	\$15.104 - \$15.179	\$15.604 - \$15.679
\$14.721 - \$14.796	\$15.221 - \$15.296	\$15.721 - \$15.796
\$14.838 - \$14.913	\$15.338 - \$15.413	\$15.838 - \$15.913
\$14.955 - \$15.030	\$15.455 - \$15.530	\$15.955 - \$16.030
\$15.072 - \$15.147	\$15.572 - \$15.647	\$16.072 - \$16.147
\$15.189 - \$15.264	\$15.689 - \$15.764	\$16.189 - \$16.264
\$15.306 - \$15.381	\$15.806 - \$15.881	\$16.306 - \$16.381

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**IV. Office Custodian Employees**

<b>Position</b>	<b>Hourly Rate Effective 05/03/99</b>	<b>Hourly Rate Effective 05/03/2000</b>	<b>Hourly Rate Effective 05/03/2001</b>
Less than 6 months	\$11.605	\$12.105	\$12.605
6 months to 12 months	\$11.675	\$12.175	\$12.675
12 months to 18 months	\$11.745	\$12.245	\$12.745
18 months to 2 years	\$11.815	\$12.315	\$12.815
After 2 years	\$11.915	\$12.415	\$12.915
Leader	\$11.980	\$12.480	\$12.980

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