Agreement

Between



INTERNATIONAL ASSOCIATION OF MACHINISTS and AEROSPACE WORKERS, AFL-CIO LOCAL LODGE 2552

DISTRICT 74

AND

LJT ASSOCIATES INC.

Tower Operations Unit

10/1/06 THROUGH 9/30/09

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Agreement

The Agreement made this 8th day of June, 2006, by and between LJT Associates, Inc. (hereinafter referred to as the "Company"), and the International Association of Machinists and Aerospace Workers, District Lodge 74, Local Lodge 2552, (hereinafter referred to as the "Union"), covering certain employees of the Company employed at the National Aeronautics and Space Administration, Wallops Flight Facility, Wallops Island, Virginia, and previously assigned under NASA Contract No. NAS 5-00026 and its successor contracts as successor contracts are defined under the McNamara-O'Hara Service Contract Act.

Article I Recognition and Certification

- A. It is hereby agreed that the parties hereto desire to enter into an agreement for their mutual interest to promote harmony, efficiency and mutual understanding and to establish wages, hours, and working conditions, and to provide for the peaceful settlement of disputes and grievances that may arise affecting the employees covered hereby.
- B. The Company agrees to recognize the Union certified by the National Labor Relations Board on June 14, 1974, (Case No. 5-RC-9061) as the exclusive collective bargaining agent for all of its employees as stipulated in the Board's Certification of Representation (and employed at the Wallops Island Flight Facility, Wallops Island, Virginia under NASA Contract NAS 5-00026 and its successor contracts as successor contracts is defined under the McNamara-O'Hara Service Contract Act), as follows: "All Maintenance and service employees including plant clerical employees employed by the Employer at Wallops Island, Virginia, excluding all office clerical employees, professional employees, guards and supervisors as defined in the Act.

ARTICLE II UNION ACTIVITY AND DISCRIMINATION

- A. The Company and the Union mutually agree that there shall not be any discrimination, interference, restraint or coercion by either party against any employee because of his or her membership or non-membership in the Union.
- B. There shall be no discrimination by the Company or the Union against any employee because of race, sex, creed, color, national origin, age, handicap, veteran status, protected by applicable federal, state, local law, and regulations. There shall be no harassment or discrimination against any employee.
- C. Each employee shall adhere to the provisions and intent of Section B of this Article, in his/her dealings with fellow employees, suppliers and customers of the Company

under its contract No. NAS 5-00026 and its successor contracts as defined under the Service Contract Act.

ARTICLE III UNION REPRESENTATION

- A. The Company will recognize one (1) Steward, who shall be selected from the group of full time employees within the Bargaining Unit who have satisfactorily completed their probationary period; the Union will specify the selected Steward in writing to the Company.
- B. In exercising their responsibilities to the Bargaining Unit employee, the Steward shall guard against the use of excessive or unnecessary work time and will not unduly interfere with the operations of the Company, and not unduly interfere with the performance of the Company's contract with NASA.
- C. The Steward shall, prior to leaving their work stations, receive permission from the Program Manager or his designated supervisor(s) to do so, and shall report back to said Program Manager or Supervisor(s) upon return to his work station.
- D. Upon prior notice to the Program Manager, authorized agents of the Union shall have access to the Company's establishment during working hours for the purpose of adjusting disputes, and to ascertain if the Agreement is being adhered to. It is expressly understood and agreed that in the event the authorized agent of the Union wishes to see an employee or employees in the Bargaining Unit, the Union shall first advise the Program Manager of the name(s), and the Program Manager shall determine if such employee(s) can be released from their respective stations without undue interference in the performance of the Company's responsibilities under its contract with NASA, and shall advise the Union of such employee(s) availability.
- E. Steward shall be granted preferential seniority and will be retained without regard to seniority, as long as the Company has work that they are qualified to perform. In the event the Stewards are laid off or terminated (for lack of work he/she is qualified to perform) they shall be the first recalled when work they are qualified to perform becomes available.

ARTICLE IV MANAGEMENT RIGHTS

A. Except as otherwise provided in this Agreement, the Company shall have the full and exclusive right of management of its business, including preexisting rights it has by law.

ARTICLE V UNION DUES

- A. The Company agrees to deduct Union Dues or service fees levied by the International Association of Machinists and Aerospace Workers from the pay of each employee who is or who makes application to become a member of the Union, or elects to pay a service fee, within the scope of the Bargaining Unit as covered by the Agreement, utilizing the IAM Membership and Dues Check-off Form MR 01 as amended from time to time and provided by the Union, authorizing the Company to do so.
- B. All employees may make application for membership or to pay applicable service fees after the first 1st day of employment.

ARTICLE VI SAVINGS CLAUSE

- A. Should any part of provision of this Agreement be rendered invalid by final judgment of a court of competent jurisdiction by reason of any existing or subsequently enacted legislation, such invalidation of any part or provision hereof shall not serve to invalidate the remaining provisions and they shall remain in full force and effect for the term of this Agreement.
- B. Upon such invalidation the parties agree immediately to meet and negotiate substitute provisions for such parts or provisions rendered or declared illegal or an unfair labor practice. In the event the parties are unable to agree upon such substitute provisions the dispute may at the request of either party be referred to arbitration for settlement but the power of the arbitrator shall be restricted and limited to determining substitute provisions to provide for the same specific objective and purpose of the provisions rendered or declared illegal.

ARTICLE VII INITIAL REVIEW PERIOD

A. An employee who has never accrued seniority under this agreement or predecessor agreements between the Company and the Union, or an employee rehired after termination of seniority shall be in initial review status until completion of 6 months employeen. An employee in initial review status shall be entitled to all benefits. An employee in initial review status shall be covered by the terms and conditions of this Agreement with exception to the following. The discipline or discharge for cause as determined solely by the Company, of an employee who is in initial review status shall not be subject to the grievance and arbitration provisions of this Agreement.

ARTICLE VIII STRIKES AND LOCKOUTS

- A. The Company agrees that during the term of this Agreement it will not engage in a lockout of its employees. The Union agrees that during the term of this Agreement there shall not be any strikes, sympathy strikes, sit-downs, slow-downs, work stoppages, boycotts, picketing, or any other refusal to work or any other interference with the operations of the Company, directly or indirectly, by any employee or group of employees, and that no officer, agent, representative, steward or member of the local Union or the Union shall ever authorize, call, participate in, instigate, aid, condone or acquiesce in any such actions and that no employee covered by this Agreement shall participate in any of such actions. In the event the Company fails to abide by an arbitrators decision or fails to acknowledge the outcome of an Unfair Labor Practice or Department of Labor ruling the Union will retain the right to strike.
- B. Any employee who engages in any form of activity prohibited by this Article may be subject to appropriate disciplinary action, including termination.

ARTICLE IX EMPLOYEE RESPONSIBILITIES

- A. Employees within the Bargaining Unit shall be assigned to and answerable to the Program Manager, or in lieu thereof a supervisor or supervisors who shall be designated in writing and who shall be responsible for assigning work, approving absences, and initiating and taking disciplinary actions. Additionally the site or area leaders, as designate by the Program Manager, shall be responsible for the assigning of work and scheduling absences. No employee shall be subject to discipline for refusing to carry out the instructions of other than said designated leads.
- B. Failure to comply with the requirements for a clearance or denial or withdrawal of such clearance by such governmental agency shall be just cause for discharge of any employee without further recourse by the Union under the terms and conditions of the Agreement.

ARTICLE X SAFETY AND HEALTH

A. Employees covered hereby shall be required to comply with all safety rules and regulations established by the Company, and to wear such protective clothing or use safety equipment as may be required and provided by the Company. The employee will be responsible for reasonable care of customer and/or Company furnished equipment and will use his best efforts to notify the Company of any sabotage or willful damage to Company, customer or employee property or materials. Protective clothing and safety equipment furnished by the Company remains the property of the Company and each employee shall be responsible for proper use and care thereof.

- B. Those employees required by the Company to wear safety shoes in the performance of their job will reimbursed for the purchase of such shoes. To a maximum of \$100.00 on an as required basis as determined by the Company.
- **C.** Those employees required by the Company to wear prescription safety glasses shall be reimbursed for up to two pair of safety glasses. Damaged or unusable glasses will be replaced as necessary.
- **D.** When an employee is injured so seriously as to require that he/she be excused from work by an authorized representative of management, he/she shall be paid for the balance of the regular scheduled shift on which the injury occurred.
- E. Should the Company have reason to believe an employee covered hereby is physically or mentally unable to satisfactorily perform the duties of his/her job classification, such employee shall be required to take such medical examinations as may be directed by the Company. The Company shall pay for each such examination.
- F. Should an employee fail to pass the Company's medical examination and, as a result thereof, is determined by the Company to be unable to perform the duties of his/her job classification, the Company agrees to meet with the Union for the purpose of endeavoring to agree on reassignment of the employee to available work for which he/she is qualified and which he/she is able to perform. Qualifications of the employee to perform other work shall be determined by the Company.
- G. If the Company and the Union are unable to reach agreement, the Company may then reassign the employee to available work for which he/she is qualified or be released from the service of the Company. Disputes arising from the provisions of this paragraph shall be subject to the Grievance procedure.
- H. A Steward shall be a member of any Company Safety Committee designated to investigate personnel accidents, injuries and/or unsafe conditions. If any employee is injured on the job, the Company will notify a Union Steward as soon as possible.
- I. The Company and the Union encourage employees to submit to the Company written suggestions for improvement of conditions relating to job safety.
- J. Should a walk around safety inspection of the Company's assigned work locations be conducted pursuant to the provisions of OSHA, one (1) representative, designated by the Union, shall have the right to accompany the inspection team during regular duty hours without loss of pay.

ARTICLE XI GRIEVANCE AND ARBITRATION

- A. It is the intent of this Article to establish a means for prompt adjustment of working problems and personal grievances at the job level by a conference between the Program Manager and the employee involved, provided a Union representative has been given an opportunity to be present. A working problem or personal grievance is defined to be a controversy between any employee, or group of employees, and the Company involving the interpretation or application of provisions of this Agreement or supplements thereto, only. If not resolved in this informal level, a formal grievance shall be filed and processed in accordance with the steps and time limits and mutually agreed upon extensions specified below. For purposes of this Article a formal grievance under this Agreement is defined as a written statement by the Union, an individual employee, or group of employees (herein after called "Grievant") claiming a violation by the Company of the terms of this written Agreement.
- B. Except for payroll adjustments, no grievance shall be filed or processed based on facts or events or omissions within the employee's knowledge, which have occurred more than ten (10) working days before such grievance is filed.
- C. Both parties agree to exert an earnest effort to settle such grievances through the following steps:
 - **Step 1.** Any matters of contention between an employee(s) of the Union, and the Company, shall be initially discussed between the employee(s) involved, if any, his/her Steward if the employee so desires, and the appropriate Company Supervisor. If such matter is not resolved at this informal step, the aggrieved party(s) shall move to step 2.
 - **Step 2.** The Steward shall reduce the grievance in writing to the Program Manager within five (5) working days, from the date that Step 1 was completed. When the grievance is presented to the Program Manager, he will have five (5) working days to respond in writing to the Steward. The Steward shall indicate his acceptance or rejection of the decision.
- D. In the event the grievance is not satisfactorily disposed of by recourse in Step 2 of this Article, then the Union may, within thirty (30) calendar days after receipt of the Company's response request the Federal Mediation and Conciliation Service (FMCS) to submit a list of seven (7) impartial arbitrators from which the Union and the Company shall choose one to hear the grievance. Upon receipt of the said list of seven (7) arbitrators the Company shall first strike two names from the list followed by the Union striking two names and then the Company strikes one name and then the Union strikes one name. The remaining un-struck name shall be the name of the Arbitrator who shall hear the grievance.
- E. The arbitrator shall not have the authority to alter, amend, add to, modify or change the terms and provisions of this Agreement and his/her decision shall be limited to the particular grievance in question. The arbitrator's decision shall be final and binding

upon the parties.

- F. The Union and the Company shall equally share the expenses and fees of the neutral arbitrator, including any mutually agreed upon services relating to the arbitration proceedings. Each party shall make all arrangements, including pay and/or expenses of any witnesses called or other representatives or persons requested to attend any arbitration hearing. The number of employee witnesses summoned at any one time shall not be greater than the number which can be spared without interference with the operation of the Company's work.
- G. All time limits prescribed herein may be extended by mutual written agreement of the parties. Failure of the Company to respond to a grievance within the time limits set forth herein shall constitute a basis for the Union to escalate the grievance to the next step. Failure of the Union or the employee to process the grievance to the next step shall render the subject grievance, and any associated claims, void, and any further action on the subject grievance or the said associated claims shall be barred.
- H. In any case involving discharge or discipline imposed by the Company, back wages, if any are awarded, shall be limited to the amount of wages that the Grievant would otherwise have earned less any unemployment compensation, substitute earnings or other compensation whatsoever the Grievant earned during the period of discharge or suspension. The Company shall have the right to require the Grievant to produce any records, which shall evidence such compensation.
- 1. Nothing in this Agreement shall be construed to prevent an employee from discussing any problem with his supervisor(s), the Program Manager, or any other official of the Company, but there shall be no formal grievance until it has been reduced to writing. The Union agrees that neither a Steward nor other Union officials shall solicit grievances.

ARTICLE XII SENIORITY

- A. Job classification seniority shall be defined as the length of continuous service, whether employed by the Company or its predecessor, from the employer's latest date of classification into his current job classification, and shall be recognized on an individual job classification basis.
- B. Bargaining Unit seniority shall be defined as the length of continuous service, whether employed by the Company or its predecessor, from the employee's latest date of hire, and shall be recognized on a Bargaining Unit wide basis.
- C. The Company shall furnish the Union, upon request, but in no event more than once each six (6) months, with an accurate seniority list of all employees in the Bargaining Unit by job classification. Such list is to include the name, classification, latest date of hire, and wage rate of each employee. The Union shall be given written notification of all new hires within ten (10) days of the new hires start date.

- D. In administering this Agreement, seniority shall be defined first as job classification seniority (Engineering Tech, Site Lead, Senior, Journeyman, Junior and Helper) and then Bargaining Unit seniority, in that order. Bargaining Unit seniority within a job classification shall be the determining factor in effecting layoffs, recalls, promotions, demotions, and in respect to other working conditions where specifically stated in this Agreement. An employee replacing another employee as the result of a bump must be able to perform the job with normal orientation but without training.
- E. Seniority shall be canceled and terminated upon the happening of any one of the following events:
 - 1. Employee quits.
 - 2. An employee is discharged.
 - 3. An employee fails to return to work within ten (10) working days of a notice of recall given by the Company by registered or certified mail, and sent to the last known address of the employee.
 - 4. An employee is absent without previously notifying the Company, except in cases of extenuating circumstances.
 - 5. An Employee overstays a leave of absence without notifying the Company, except in cases of extenuating circumstances.
 - 6. An employee engages in other employment during an unpaid leave of absence without obtaining the prior written permission of the Company.
 - 7. An employee gives false reason for obtaining or extending a leave of absence.
 - 8. Settlement has been made for total disability.
 - 9. An employee has retired.
 - 10. An employee has been in layoff status for twelve (12) months or is absent because of sickness or injury, or similar cause, for more than twelve months.
 - 11. An employee is promoted or assigned to jobs outside of the Bargaining Unit covered by this Agreement.
- F. In making assignments to a permanent job vacancy or a new job, the Company shall consider the desires of the employees. A notice of any such vacancy or new job shall be posted by the Company. Any employee interested in such position shall, within seven (7) days of posting (during which time another employee may be placed in the vacant position) submit a bid notice to the Program Manager indicating his qualifications and position related work experience for such position. The Company shall consider those employees who have submitted a bid notice for such position. If the Company determines that one of the said employees is qualified, or more qualified than another employee(s), it shall assign that employee to such position. In

the event the Company determines that more than one employee is equally qualified for such position, as defined herein, the employee with the most seniority, as defined herein, shall be assigned such position. The Company shall notify in writing within seven (7) days of the closing of the posting, each employee bidding on a vacancy of the Company's decision concerning that vacancy. In the event non employee signs a bid notice for such position, or if the Company determines that no bidding employee is qualified for such position, then an employee shall be hired/transferred to fill the position. The Company's determination of "qualifications" shall be subject to the grievance procedure.

- G. Any employee who is awarded a job opening shall undergo a ninety (90) workday trial period in the new position to which he/she is assigned. If, during the trial period, the Company determines that the employee cannot satisfactorily perform the requirements of the new job, he/she shall be returned to their position or it equivalent, and shall receive the applicable rate for such position. Employees who are accepted on any bid job and are returned to their former job for failing to meet job requirements shall not be permitted to bid on any job for a period of one (1) year. Any disputes under this paragraph (G) shall be subject to the grievance and arbitration procedures.
- H. When a reduction of working forces becomes necessary, employees shall be retained by the Company in accordance with the definition of seniority set forth in this Article, and according to the number of employees the Company determines is necessary within each job classification for the reduced operations contemplated by the Company. Recall of employees shall be accomplished by the same procedure in reverse. Notification of openings for recall shall be given by the Company by registered mail to the last mailing address furnished by the employee. An employee recalled from layoff shall respond within three (3) workdays of receipt of the recall notice as to his/her to return to work. A copy of such notice shall also be sent to the Union. If no response is received by the Company within seven (7) days from the date the notice is mailed, the next employee on the seniority list may be recalled and the notified employee will be terminated. If no qualified employee remains on the seniority list, a new employee may be hired or assigned to the open position. Failure of the employee to keep the Company advised in writing of his/her current correct address shall relieve the Company of all obligations indicated in this paragraph (H).
- I. Any employee within a particular job classification who is affected by a layoff within his job classification may bump, based first upon bargaining unit seniority, any less senior employee in any like or lower rated job classification where the employee seeking to bump a less senior employee is qualified for the position in the like or lower rated job classification. When increasing the work force, those employees who were reclassified at the time of layoff will be returned to their former classifications in line with their seniority as openings occur.

ARTICLE XIII HOURS OF WORK

- A. The work week shall consist of seven (7) days beginning 12:01 am. On Monday and ending at 12:00 midnight the following Sunday.
- B. The workday shall be defined as a period of twenty four (24) consecutive hours beginning immediately after midnight of one day and ending at midnight on the following day.
- C. Rotating shift employees shall be assigned to shift work, on a rotating basis. The regular work shift on any given day within a shift schedule shall consist of the number of hours set forth on the shift schedule for that day.
- D. The pay week will begin at 12:01 on Saturday and end at 12:00 midnight on the following Friday.
- E. Pursuant to the operational needs of the Company, the Company reserves the right to schedule employees outside of the regularly scheduled work shift, and the right to implement different shifts than those set forth herein, or to change the time periods within which shifts will commence, and where possible shall give the affected employee(s) twenty-four (24) hours notice, of any such change.
- F. In the event that the work shift schedule or any other working schedule is changed, modified or amended by NASA, then the working hours for the employees so affected shall be changed to conform with NASA directives.
- G. The Company shall have the right to institute nonstandard schedules to meet workload requirements, but will not change work hours arbitrarily. Where possible, employees will be given twenty-four (24) hour advance notice of changes in the regular work schedule.
- H. An employee, in the absence of notice not to report to work, who reports for work on his regularly scheduled shift and for whom the Program Manager determines there is no work available shall, except when such lack of work is due to an act of God, sabotage, national emergency, or picketing directed against the Company, NASA or other Contractor of NASA, or other circumstances beyond the control of the Company, receive a minimum of four (4) hours pay at this straight time base rate. Under this paragraph only the hours which are worked shall be considered as time worked for purposes of computing overtime.

ARTICLE XIV ABSENCE FROM WORK

- A. Except for illness, injury or other reasons beyond their control, employees are expected to report for work as scheduled unless the absence is authorized by the Program Manager or the designated lead(s). Unauthorized absences shall subject employees to appropriate disciplinary action.
- B. It is the duty of every employee who, for any reason is unable to report for work as scheduled, or who expects to report to work late, to notify the Program Manager and/or his designated lead(s) of the reasons there of, indicating when he/she expects to report to work. Employees absent will make every reasonable effort to notify the Program Manager and/or his designated lead(s) within one (1) hour before their scheduled starting time.
- C. Employees may be granted time off with pay to a maximum of two (2) hours to vote in national, state, local and primary elections, provided that such employees are unable to vote either before coming to work or after leaving work.

ARTICLE XV SICK/PERSONAL LEAVE

- A. An employee who suffers an injury or illness which prevents the employee from working and with respect to which the employee is not entitled to compensation under any worker's compensation statute shall be entitled to accrue sick/personal leave, up to a maximum of eighty (80) hours per contract year. The Company reserves the right to require proof of illness for any period of sick/personal leave exceeding three (3) days.
- B. Eligible employees will accrue sick/personal leave to a maximum of eighty (80) hours per contract year, accrued at the rate of 1.54 hours for each complete week actually worked by the employee during the contract year.
- C. An employee may request up to three (3) days sick/personal leave provided he/she receives the prior approval of the Program Manager and/or his designated lead(s), and further provided the employee has sufficient sick/personal leave hours accrued pursuant to the provisions of this Article, and further provided that said time off does not unduly interfere with the operations of the Company. Said sick/personal leave may be extended provided the employee has sufficient hours accrued pursuant to this Article, and further provided the employee receives sick/personal leave.
- D. Any unused sick/personal leave shall be carried forward to the subsequent contract year(s).

ARTICLE XVI LEAVE OF ABSENCE

- A. Leave of Absence To the extent permitted by workload commitments, an employee covered by this Agreement will be granted a leave of absence, without pay, for a period not to exceed twelve (12) months. When circumstances permit, applications in writing for such leave of absence, stating the reasons therefore, must be submitted to the Program Manager no less than two (2) calendar weeks prior to the first work day of such requested leave. At the discretion of the Company, extended leaves of absence may be granted for good and sufficient cause, when circumstances permit.
- B. **Military Leave** The Company agrees to observe all provisions of present law or laws hereafter enacted relating to its obligations to those of its employees who may leave the service of the Company to enter the Armed Services of the United States.
- C. **Military Reserve Duty** Annual military leave will be granted employees not to exceed thirty (30) days and the Company will pay the difference between military reserve duty pay and the employee's regular base pay up to fifteen (15) days per year provided the employee has completed twelve (12) months of employment. Employees must present to the Program Manager a copy of military orders or other certification stipulating the period of service and submit certification as to military pay and allowances received.
- D. Funeral Leave In case of the death of a member of the immediate family of an employee, the employee shall be granted a maximum of five (5) scheduled shifts or workdays off with straight time pay to attend the funeral and tend to administrative details. Members of the immediate family shall be the spouse, children, stepchildren, parents, stepparents, brother, sister, grandparents, grandchildren, spouse's parents, half brothers and half sisters. In the event other members of the family should die, the employee will be granted a maximum of two (2) scheduled shifts or workdays off with straight time pay to attend the funeral and tend to administrative details. Other members of the employee's family shall be brothers-in-law, sisters-in-law, sons-in-law, daughters-in-law, aunts and uncles, and spouse's grandparents. Pay for all such time shall be at the employee's base straight time rate. The Company may require proof of death under this Article.
- E. **Jury Service** When an employee is necessarily absent from his regular work shift by reason of required jury service, or to report to a court in person in response to a jury duty summons, or to report for jury examination, he/she shall be granted pay for those hours during which he/she is necessarily absent from his regular work shift, less any fee or other compensation paid to him/her by the court for such service.
 - 1. Pay for such lost time shall be computed at the employee's straight time base rate of pay. IN no event shall payment be made for jury duty performed on the employee's regular scheduled days off, holidays defined herein, or for any hours in excess of eight (8) in any regular work day or hours in excess of forty (40) in any work week.

- 2. Pay for such time lost shall not, for any employee, exceed a total of hours equal to thirty (30) regular eight (8) hour workdays in any one (1) calendar year, less any fee or other compensation paid to him/her by the court for such service.
- 3. To be eligible for payment of jury service pay, an employee must notify his Program Manager no later than the completion of his regular work shift following receipt by him/her of such notice or summons. Further, he/she shall be ineligible to receive jury service pay until such time as he/she presents to the Company a statement from an official of the court attesting to the date or dates and time of such jury service, and the fee or compensation paid to him/her by the court for such jury duty and provided the hours of jury duty occur during the individual's regularly scheduled shift or as otherwise provided herein.
 - a. If a first shift, sometimes known as day shift, employee is released by the Court by 11:00 am, he shall be required to report to work after release from jury duty. If a day shift employee is released by the Court after 11:00 am, he shall be required to work his next scheduled workday.
 - b. If a second or afternoon shift employee is released by the Court by 12:00 pm, he shall be required to work his scheduled shift. If a second or afternoon shift employee is released by the Court after 12:00 pm, he shall not be required to work his scheduled shift on that day.
 - c. A third shift employee shall not be required to work his scheduled shift immediately prior to his first morning of jury duty. If a third shift employee is released by the Court by 4:30 pm, and not scheduled for jury duty the following day, he shall be required to work his scheduled shift that night. If a third shift employee is released by the Court after 4:30 pm, he shall not be required to work his scheduled shift that night.
- F. Union Business Leave Upon furnishing the Company reasonable advance notice, wherever possible two (2) weeks, employees will be granted leave of absence without pay for the purpose of Union business. Such leave is limited to thirty (30) calendar days but the Company will give consideration for an extension, if required, upon written request to the Company. Such leaves will be limited to one (1) employee at any given time and further limited to one (1) leave per month. During leaves of thirty (30) days or less, employees shall retain, and continue to accrue seniority. However, if two (2) delegates are elected to attend the Virginia State Council of IAM&AW, they shall be allowed, work load permitting, to attend the council.
- G. **Maternity Leave** Maternity leave shall be treated as any other disability and will be covered under the applicable disability plan.
- H. **Administrative Leave** Employees shall be given paid time off for all periods of time which are declared as administrative leave periods by NASA Wallops Flight Facility for contractor personnel. It is to be noted, however, that critical functions will be manned as required by Company personnel. Employees working on such

administrative leave days will be paid at two (2) times their regular straight time rate for all hours covered by the administrative leave period. For extended periods, such as consecutive days, all intervening hours shall be considered as administrative hours for computing pay.

- I. Seniority Rights Employees on approved leaves of absence of two (2) calendar weeks or less in duration shall not suffer any loss of seniority or any seniority right under this Agreement. Employees on approved FMLA leave shall not suffer any loss of seniority, or any right covered under this Agreement for the duration of his/her approved FMLA leave. Employees on approved leaves of absence of more than two (2) calendar weeks shall maintain levels of seniority existing at the commencement of said leave. Employees returning from a leave of absence of more than two (2) calendar weeks shall be restored to their former job, or its equivalent, providing such job exist. In the event no such job exists, the returning employee shall have the right to displace another employee with less seniority in the job for which the returning employee is qualified, as determined by the Company in its sole discretion.
- J. **Temporary Employees** Employees hired to replace employees on approved leaves of absence shall be hired in a temporary status. Employees returning from leave of absence shall have the right to displace such temporary employees. Employees hired on a temporary basis shall be so advised by the Company at the time they are hired. Temporary employees will be treated as initial review employees (re: Article VIII) except they will receive no benefits.
- K. The Company shall adhere to the provisions of the Family Medical Leave Act, as enacted and/or modified by statute or interpretation by a court of competent jurisdiction.

ARTICLE XVII HOLIDAYS

A. The following are designated as holidays:

New Year's Day

Labor Day

Martin Luther King's Birthday Columbus Day

Presidents Day Veteran's Day

Memorial Day Thanksgiving Day

Independence Day Christmas Day

In addition, any other day set by Presidential Proclamation, administrative order or legislative action as time off, whereby NASA, Wallops Station, may be closed or when the workforce is limited to essential personnel due to administrative or weather shutdowns.

- B. Should any of the above holidays fall on Saturday or Sunday, the Company will observe as the holiday the day determined by NASA Wallops Flight Facility.
- C. Employees are eligible for holiday pay, provided that they work, or are on authorized paid leave during their full shift on the last scheduled workday preceding the day the holiday is observed, and the first scheduled workday following the day the holiday is observed.
- D. An eligible employee who is not required to work on the day observed as a holiday shall receive eight (8) hours pay, exclusive of all premiums, at his straight time base rate of pay.
- E. An eligible employee who is required to work on the day observed as a holiday or on an administrative closure day or weather closure day shall receive two (2) times his straight time hourly base rate of pay for all hours actually worked on that day, in addition to eight (8) hours pay at his regular straight time base rate of pay. An employee who is required to work on the day observed as a holiday and who does not report to work shall be subject to disciplinary action and shall be ineligible for benefits under this Article for that holiday, unless the failure to report to work was beyond the reasonable control of the employee.

ARTICLE XVIII VACATIONS

A. Each regular full time employee who has completed his initial review period shall earn vacation for each complete calendar week paid. The amount of vacation which an employee will earn for each calendar week shall be determined by the number of years of continuous service completed by the employee from his most recent date of hire, as defined by the provisions of the Service Contract Act, in accordance with the following chart:

Weekly Accrual Rate	Annual Allotment	Years of Service
1.54 hours	80 hours	1st through 4th years
2.31 hours	120 hours	5 th through 10 th years
3.08 hours	160 hours'	11 th & succeeding years

B. The Company shall retain the final right to approve, deny, Schedule and cancel all vacations. If two (2) or more employees request the same vacation date(s) and the Company determines to approve some but not all such vacation request for such date(s), the request of the senior employee(s) shall be honored. Request for vacation will be returned either approved or disapproved within five (5) workdays from receipt. Once an employee's vacation request is approved it will not be overridden by

- a request from a more senior employee of the same time frame. The Company shall reimburse the employee for unrecoverable funds due to a direct cancellation of approved leave by he Program Manager.
- C. An employee, whose designated job classification is listed in Appendix A of this Agreement, shall be compensated for vacation at the straight time base rate of pay for the designated job classification at the time the vacation is taken.
- D. Paid holidays falling within an employee's authorized and previously scheduled vacation period, shall not be charged to that employee's vacation account.
- E. Eligible employees shall accrue and vest vacation by pay period in accordance with the accrual schedule set forth above. Prior to the end of each pay period, the employee shall have the option of; selling back to the Company vacation leave (in minimum of forty (40) hour increments), using the vacation leave at a time mutually convenient to the employee and the Company, or carrying the vacation leave forward up to a maximum of three (3) times the employee's yearly accrual rate.
- F. An employee who leaves the employ of the Company will be paid for vacation credits at this straight time hourly rate.
- G. Vacation leave time may not exceed three times the employee's annual accrual rate at any time. Any vacation leave accrued in excess of three times the employee's annual rate shall be paid to the employee.
- H. If, due to work load requirements and operational needs of the Company, an employee is unable to schedule his/her vacation, and the said inability to schedule the vacation results in an employee having accrued more than three times the employee's accrual rate of vacation hours it is agreed that the employee(s) so affected shall have an additional sixty (60) calendar days to reduce his vacation accrual to the maximum.
- I. Employees may, due to humanitarian reasons, donate vested vacation leave to other Bargaining Unit employees who have insufficient leave. This donated leave will be converted in a manner so that the Company will incur no additional financial cost.

ARTICLE XIX WAGE RULES

- A. The rates set forth in Appendix A attached hereto and made a part of this Agreement shall prevail on and after the effective date indicated thereon.
- B. When a new job classification, in addition to those listed in Appendix A, is created, the wage rate therefore, shall be determined by negotiation between the Company and the Business Representative of the Union.
- C. Pay increases or decreases shall become effective on the date if implementation of a new classification.

- D. Payday is to be Friday by 4:30 pm for the two weeks period ending in the previous calendar week. If Friday is a holiday, Thursday is to be payday. A payroll checks delivery delay caused by the U. S. Mail or other carrier shall be deemed an act beyond the control of the Company.
- E. Employees who are called back to work after completing their normal work day, or called in on a day on which they are not normally scheduled to work, shall receive a minimum of one (1) hour of overtime work, and 3 hours of pay based on the employees regular straight time hourly rate.
- F. It is agreed that LJT may exercise its Company Peer Recognition and/or other Management Rewards Programs at its discretion. The IAM&AW further agrees that such Company Rewards shall not be subject to the grievance and arbitration process.
- G. An employee required to call-in for work schedule information shall receive one (1) hour of pay at their regular hourly rate of pay. This Call-In Premium shall be paid in addition to any hours worked and shall be paid regardless of hours worked or not.

ARTICLE XX OVERTIME

- A. The provisions of this Article are intended only to provide the basis for calculation and payment of overtime and shall not be construed as guarantee of any specific overtime hours for any employee, either per day, per week, or per year.
- B. It is recognized and agreed that from time to time overtime work may be necessary, and provided reasonable advance notice is given (except in emergency situations, not later than Friday when the overtime involves Saturday and Sunday work, or not later than the end of the regular shift on the day preceding the day on which overtime is to be worked when the overtime involves the extension of a shift), the Company may assign employees to work overtime. Such assignments will be made in a fair and equitable manner, based on the employee's classification.
- C. Nothing in the Agreement shall be construed as requiring the Company to call in employees for overtime work when qualified employees are on the Company premises.
- D. An employee not excused by the Company from performing assigned overtime, who refuses to report for such overtime will be subject to appropriate disciplinary action.
- E. All employees shall be paid their regular* straight time hourly rate plus fifty percent (50%) of his regular* straight time hourly rate for all those hours worked in excess of eight (8) hours on any work shift, all hours worked consecutively in excess of eight (8) hours in a twenty four (24) hour period, all hours worked in excess of forty (40) hours in a work week.
- F. No overtime shall be worked except by the direction of the Program Manager and/or

- the designated Company Supervisor(s), unless said overtime is part of an employee's regular work shift and/or schedule.
- G. There shall be no pyramiding of overtime and/or any other premium payments.
- H. When an employee works overtime, his regular hours of employment for the week in which said overtime occurs shall not be reduced *because* of said overtime. Paid time off shall be considered as hours worked for purposes of computing overtime.

ARTICLE XXI HEALTH, WELFARE AND PENSION

- A. The parties have mutually provided for an Insurance Program, and no matter respecting the provisions of the Insurance Program shall be subject to the grievance procedure established in this Agreement. Should the cost of H/M/S benefits increase in the future, above the current level, all such cost increases shall be shared equally by the Company and the employees. Should the insurance benefit cost increase, the Company will:
 - 1. Notify the Union as soon as the Company becomes aware of such increase. The Company will make every effort to provide no less than thirty (30) days advance notice of such increase and provide the Union with the reasons, given by the Carrier justifying the need for an increase or changes in the levels of coverage.
 - 2. If increased employee contributions become necessary such increased deductions will become effective the first pay period following the increase.
 - 3. The Company and the Union will work together to minimize the impact of any cost increases or changes in benefit levels of coverage. In addition, once a year, employees may elect to discontinue any of the elements of the insurance program except for the medical coverage (i.e. Dental, Life, AD&D, etc.)
- B. Employee's current level of Health Insurance contributions will increase to \$205.00 per month as of June 9, 2006 through March 31, 2007. Employee contributions will increase to \$218.88 per month as of April 1, 2007. Employee contributions will further increase to \$229.82 per month as of April 1, 2008 and to \$252.80 per month as of April 1, 2009. Employee contribution for Dental Insurance is \$16.26 per month.
- C. **Pension Plan** LJT Associates Inc. shall contribute to the I.A.M. National Pension Fund, National Pension Plan for each hour or portion thereof for which employees in all job classifications covered by this Agreement are entitled to receive pay under this Agreement as follows:

^{*}Regular straight time hourly rate as defined by the Department of Labor.

- \$3.00 per hour effective January 1st, 2007 up to a maximum of forty (40) hours per week.
- \$3.00 per hour effective January 1st, 2008 up to a maximum of forty (40) hours per week.
- \$3.00 per hour effective January 1st, 2009 up to a maximum of forty (40) hours per week.

The Employer shall continue contributions based on a forty (40) hour work week while an employee is off work due to paid vacations or paid holidays. The Employer shall also make contributions whenever an employee receives severance pay, vacation pay at termination, or vacation pay in lieu of time off.

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

The I.A.M. Lodge and Employer adopt and agree to be bound by, and hereby assent to, the Trust Agreement, dated May 1, 1960, as amended, creating the I.A.M. National Pension Fund and the Plan rules adopted by the Trustees of the I.A.M. National Pension Fund in establishing and administering the foregoing Plan pursuant to the said Trust Agreement, as currently in effect and as the Trust and Plan may be amended from time to time.

The parties acknowledge that the Trustees of the I.A.M. National Pension Fund may terminate the participation of the employees and the Employer in the Plan if the successor collective bargaining agreement fails to renew the provisions of this pension Article or reduces the Contribution Rate. The parties may increase the Contribution Rate and/or add job classifications or categories of hours for which contributions are payable.

The Company may evaluate, at its option and cost, the annual 5500 report of the National Pension Fund and the most recent actuarial statement that shows the plan's unfounded vested liability of the year.

If at any point during the five (5) year "Free Look" period (January 1, 2004 through January 1, 2009), the Plan has any unfounded vested liability, the Company can, at its option, exercise the right to withdraw under the provisions of the "Free Look" clause. If such option is exercised, the Company will be responsible to assure that year to date contributions are current and no other withdrawal liability payments will be required as determined under Title IV Subtitle E or ERISA.

This Article contains the entire agreement between the parties regarding pensions and retirement under this Plan and any contrary provisions in this Agreement shall be void. No oral or written modification of this Agreement shall be binding upon the Trustees of the I.A.M. National Pension Fund. No grievance procedure, settlement or arbitration decision with respect to the obligation to contribute shall be binding upon the Trustees of the said Pension Fund.

D. **401k Plan** - The Company agrees to sign and to be bound by the IAM 401k Plan Standard Contract Language, and to make those rates of contributions as elected by the employee, on behalf of each employee of the Bargaining Unit, in the manner as prescribed in the Standard Contract Language of the IAM 401k Plan.

ARTICLE XXII TRAVEL

- A. Travel pay for all travel by employees in performance of their duties under contract NN-G-04-0A00-C, shall be in strict accord with then current Standard Government Allowances for per diem and associated travel expenses (Office of Personnel, Joint Travel Regulations). However, the employee may elect to utilize the Fixed Daily Allowance (FDA) as spelled out in Company Policy except where special arrangements are provided by the Government (i.e., Government provided housing, etc.). In no case shall reimbursement be allowed in excess of current Government allowance on in violation of applicable NASA Travel Regulations.
- B. The Company shall be responsible for providing transportation to and form the airport. In lieu of providing said transportation the Company will reimburse the employee for all parking fees and personal mileage.
- C. It is agreed that employees will receive travel pay and per diem prior to departure. Normally, notification shall be given no less than five (5) working days prior to departure.
- D. Employees shall be permitted up to four (4) hours off with pay if notification is less than twenty-four (24) hours.
- E. Employees required to use their personal vehicle to perform work will be reimbursed for mileage at the standard government rate.

ARTICLE XXIII HAZARDOUS DUTY

A. Hazardous duty pay will be compensated at the rate of 50% of the employee's regular straight time hourly pay, paid at a minimum of one hour increments for the entire period of exposure, only when performed pursuant to prior approval of the Program Manager or the designated supervisor(s).

ARTICLE XXIV DISCIPLINE

- A. Disciplinary action shall be initiated by the Company for just and sufficient cause and, where appropriate, the principle of progressive discipline shall be adhered to.
- B. The following steps shall constitute progressive discipline, where applicable, for any disciplinary action taken:
 - 1. 1st Offence: Verbal warning by designated lead. Notification of such is placed in their personnel file with a copy to the employee.
 - 2. 2nd Offence: Written warning
 - 3. 3rd Offence: Suspension, without pay of up to five (5) work days.
 - 4. 4th Offence: Discharge.
- C. The Company shall have the right to discharge any employee for just cause. However, the Company will not discharge any employee without an appropriated warning notice, except for major offenses, which include, but are not limited to, stealing, drinking, possession of alcoholic beverages or illegal substances during working hours or on Company premises, fighting, gambling, direct insubordination, refusal to carry out the order of the Program Manager, any Supervisor, or falsifying Company records, excessive lateness and/or absenteeism, refusal to perform the technical duties of the requirements of the employees respective job classification, or flagrant safety violation.
- D. There shall be a one (1) year reckoning period for any warning notice issued. Warning notices shall be considered removed from an employee's record one (1) year from the date of issue of said warning notice for purposes of the Collective Bargaining Agreement.
- E. An employee covered hereby may be represented, if he/she so request, by his Steward and any other authorized officials of the Union, at any and all conferences with the Company at which disciplinary action is taken.
- F. Nothing in this Agreement shall be construed to prevent supervisory personnel, or other officials of the Company, from discussing any matter with any employee relating to that employee's relationship with the Company. However, if disciplinary action is taken, the employee shall then have the right, if he/she so elects, to have Union representation present.
- G. Any employee who has been disciplined by a suspension or discharge will be given an opportunity to contact a Steward before leaving the work place. An employee who is discharged must file, within five (5) working days after the discharge date, a written grievance if said employee feels aggrieved. If this is not done, all rights of

recourse are forfeited.

H. Nothing in this Agreement shall excuse an employee from complying with lawful directives and instructions issued by the Company; however, this will not negate the employee's right to thereafter grieve such action, if the employee was otherwise entitled to grieve such action.

ARTICLE XXV FINALITY

- A. This Agreement contains the entire understanding between the parties hereto. This Agreement supersedes all other prior written, oral or other Agreements and/or Understandings between the parties, including but not limited to, agreements or understandings resulting form the past practice of the parties. This Agreement shall be deemed to have incorporated all matters considered by the parties to have been an appropriate subject of bargaining.
- B. This Agreement shall not be deemed to have been amended, superseded, supplemented, changed, altered or modified in any manner except by the written agreement of the authorized representative of the parties hereto.

ARTICLE XXVI DRUG POLICY

- A. The Union and the Company agree to establish a drug free work place. Both recognize the requirement for an employee to be drug free as a condition of employment or continued employment. The Company and the Union are committed to this end, to foster safety, productivity, and compliance with Federal, State, and Local statutes. Accordingly, it is agreed that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is strictly prohibited in the work place.
- B. All current and future employees, as a condition of employment or continued employment must sign and abide by the terms of a Notice and Consent Form (sample below) or other similar forms as they may be changed from time to time to comply with legislative statutes.

NOTICE AND CONSENT TO DRUG-FREE WORK PLACE

Pursuant to the Drug-Free Work Place Act of 1988, I							
acknowledge that I understand the policy and commitment of LJT Associates I	nc						
and the Union to provide a drug-free work place.							

I understand and agree with this policy and accept the same as a condition of employment with LJT Associates Inc. I further agree, as required by the Act, to notify LJT Associates Inc. of any criminal drug statute violation occurring in the work place no later than five (5) days after such conviction, and accept the sanctions prescribed under the Act whereby LJT Associates Inc. may terminate my employment within thirty (30) days of receiving notice of a conviction of any drug abuse violation, or may require my satisfactory participation in a drug abuse assistance or rehabilitation program approved by a Federal, State or local health, law enforcement, or other appropriate agency.

Dated this	day of	, 200
Signature		
Witness	IMMINATA A A A A A A A A A A A A A A A A A A	

- C. In the event that a drug-testing program should be implemented, employees will be advised of testing at least 24 hours in advance. The Company will make every reasonable effort to safeguard the privacy of the employee. All testing will be performed by a reputable testing laboratory and/or personnel certified and/or licensed by any Federal or State authority having jurisdiction therefore. Final sampling will be by one of the most accurate methods presently available.
- D. Employees may be sampled for drug use upon scheduled physicals or upon reasonable probable cause (including work-related accidents).
- E. Employees entering into the drug-testing program will complete a medical/patient over-the-counter medicines questionnaire to inform the laboratory personnel of possible false-positive sources prior to providing a sample.
- F. Employees will have the right to request the split sample to be tested at their own cost if a positive sample is found. If the split sample is negative, the first sample will be deemed to be a "false" positive.

ARTICLE XXVII NONBARGAINING UNIT EMPLOYEES WORKING

- A. The Company shall insure that personnel who are excluded from the Bargaining Unit shall not perform work of any kind or nature normally and historically performed by Bargaining Unit employees, except for the use of temporary employees as described n Article XXIX.
- B. No Bargaining Unit employee shall be expected to provide training that may allow non-bargaining unit employees except LJT Associate Inc. temporary employees to do his or her job.

ARTICLE XXVIII SUCCESSOR CLAUSE

A. The provisions of this Agreement shall be binding on any successor contractor and all the terms and obligations herein contained shall not be affected or changed in any respect by a successor unless prohibited by law or regulation. It being the intent of this Article to promote industrial peace and harmony, to insure continuity of employment and representation, to maintain the current and prospective level of wages, benefits, and working conditions contained herein and further to protect the gains made in said wages, benefits, and working conditions derived through good faith collective bargaining regardless of the identity of the employer organization having or acquiring jurisdiction over the work of this Bargaining Unit.

ARTICLE XXIX DURATION

- A. This Agreement shall become effective October 1st, 2006, and shall remain in full force and effect until September 31st, 2009 and from year to year thereafter unless either party shall, no more than ninety (90) days and at least sixty (60) days prior to any anniversary date hereof, notify the other party of a desire to enter into a renegotiation, modification, or termination of this Agreement. Whereupon the parties shall mutually agree to meet within fifteen (15) days after receipt of such notice for the purpose of negotiating a new agreement.
- B. No agreement, waiver, alteration, understanding, variation or modification of any terms or conditions contained herein shall be made by an employee, or group of employees with the Company, and in no case shall it be binding upon the parties hereto unless such agreement is made and executed in writing between the parties hereto, and the same has been ratified by the Union.

C. The waiver of, or any breach of conditions of this agreement, by either party, shall not constitute a precedent in the future enforcement of all terms and conditions herein. Any additions, deletions, changes, amendments, or waivers whatsoever affecting the terms of this Agreement shall only be discussed by mutual agreement of both parties in writing, and shall not otherwise be subject to arbitration or negotiation. Further provided that any such modification of this Agreement shall be mutually agreed upon and signed by both parties and shall be coterminous with this Agreement.

In Witness Whereof, the parties hereto have executed this agreement the day and date written above.

For	For
International Association of Machinists	LJT & Associates, Inc.
And Aerospace Workers	
District Lodge 74 Local Lodge 2552	· /
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	Alebot I fen
Larry Young DBR DL-74	Robert Conrad, VP and General Manager

APPENDIX A

Pay Rate as of the following Dates

Job Classification	10/09/06	10/09/07	10/09/08
(CTO) Tower Operator	\$26.46	\$27.25	\$28.07
(ATL) Aircraft Tower Lead	\$27.46	\$28.25	\$29.07