

**COMPANY'S
LAST, BEST FINAL OFFER**

**COLLECTIVE BARGAINING
AGREEMENT**

By and Between

Cadence Aerospace/Giddens Operations

and

**International Association
of
Machinists and Aerospace Workers
District Lodge 751**

Effective

_____, 2016 through _____, 2019

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**COLLECTIVE BARGAINING AGREEMENT
BETWEEN
CADENCE AEROSPACE/GIDDENS OPERATIONS
AND
INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS, AFL-CIO
DISTRICT LODGE 751**

8 THIS AGREEMENT, dated , 2016, by and between Cadence Aerospace/Giddens
9 Operations (the term "the Company" being hereinafter deemed in each instance to refer to such
10 corporation), and the International Association of Machinists and Aerospace Workers, AFL-CIO,
11 District Lodge 751, hereafter representing employees of the Company in the units described in
12 Article 1 (the term "the Union" being hereinafter deemed in each instance to refer to the International
13 Association of Machinists and Aerospace Workers, AFL-CIO).

14 The purpose of this Agreement is to provide for wages, benefits, terms and conditions of
15 employment for employees in the bargaining unit. The parties agree to promote mutual
16 understanding, respect, harmony and cooperation among employees, between employees and the
17 Company, and between the Union and the Company.

18 Nothing in this Agreement limits or waives any rights of the employee or employer under any
19 applicable state or federal law.

20 NOW, THEREFORE, the parties agree as follows:

ARTICLE 1 BARGAINING UNIT

23 **Section 1. Union Recognition.** The Company recognizes the Union as the sole and exclusive
24 collective bargaining agent for the unit certified in NLRB Case No. 19-RC-150145, as clarified in
25 NLRB Case No. 19-UC-153284, including all full time hourly and regular part-time production
26 and maintenance employees, including Assemblers, Assembly-Leads, Bracket Cell Operator
27 Leads, Bracket Cell Operators, Cell Coordinators, CNC Machine Operators, CNC Machine
28 Operator Leads, CNC Technicians, Deburr Operator Leads, Deburr Operators, Drivers, Hone
29 Operators, Inspector Leads, Inspectors, Maintenance Mechanics, Parts Movers, Receiving
30 Clerks, Sheet Metal Mechanics, Sheet Metal Mechanic Leads, Shipping/Receiving Clerks, Tool
31 Crib Attendants, Toolmakers, and Welders; excluding all other employees, including
32 Manufacturing Engineers, Master Schedulers, Planners, Planner-CAD Drafters, Production
33 Control Administration, Production Control Supervisors, Production Administration,
34 Programmers, CMM Programmers, Quality Clerks, Quality Engineers, Schedulers, Scheduling
35 Administration, Document Control Clerks, office clerical employees, professional employees and
36 guards, confidential employees and supervisors as defined in the Act.

ARTICLE 2

MANAGEMENT RIGHTS

39 Except as expressly modified or restricted by a specific provision of this Agreement, all statutory
40 and inherent managerial rights, prerogatives, and functions are retained and vested exclusively
41 in the Company, including but not limited to, the rights, to direct, manage and control its
42 business and operations; to reprimand, suspend, discharge, or otherwise discipline employees
43 for just cause; to determine and alter the number of employees to be employed, and staffing
44 patterns to be used; to hire employees, determine their qualifications and assign and direct their

1 work; to train, promote, demote, transfer, layoff, recall to work, to set and modify the standards
2 of productivity and performance; to determine the products to be manufactured and the services
3 to be rendered; to maintain the efficiency of operations; to determine and change the personnel,
4 methods, means, materials, equipment and facilities by which operations are conducted; to set
5 and change the starting and quitting times and the number of hours and shifts to be worked; to set
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15 and change the starting and quitting times and the number of hours and shifts to be worked; to set
16 and change the starting and quitting times and the number of hours and shifts to be worked; to set
and to direct the Company's employees.

17 All matters not covered by the provisions of this Article shall be administered by the Company
18 on a unilateral basis. The matters set forth herein shall not be subject to Arbitration.

19 The Company's failure to exercise any right, prerogative, or function hereby reserved to it, or the
20 Company's exercise of any such right, prerogative, or function in a particular way, shall not be
21 considered a waiver of the Company's right to exercise such right, prerogative, or function or
22 preclude it from exercising the same in other ways not in conflict with the express provisions of
23 this Agreement.

ARTICLE 3 UNION SECURITY

Section 1. Union Security.

- A. All employees of the Company subject to the terms of this Agreement, shall, as a condition of employment, become and remain members in good standing of the Union. This requirement shall take effect thirty-one (31) days following the beginning of employment in a position covered by this Agreement. The only obligation imposed by this Section shall be the payment of regular or periodic dues or representation fees.
- B. As allowed by law, employees who are Union members on the effective date of the Agreement shall continue to pay membership dues to the Union as a condition of continued employment while in the bargaining unit and on the active payroll as long as they remain members of the Union; employees within the bargaining unit who after the effective date of this Agreement become members of the Union shall pay, while on the active payroll, an original initiation fee and membership dues to the Union, as a condition of continued employment while in the bargaining unit and while remaining a Union member; provided that in no event shall the initiation fee and membership dues exceed the amount specified in the Constitution and/or by-laws of the Union.
- C. Any employee required to pay an agency fee, membership dues, or initiation or reinstatement fee as a condition of continued employment who fails to tender the agency fee or initiation, reinstatement, or periodic dues uniformly required, shall be notified in writing of the employee's delinquency. A copy of such communication shall be mailed to the Company not later than fifteen (15) days prior to such request that the Company take final action to terminate employment for failure to satisfy obligation.

Section 2. Payroll Deduction for Union Dues and Initiation Fee. The Company shall make payroll deductions for the Union's initiation fee, and its regular and usual monthly dues, upon receipt of a signed payroll deduction form. The Company shall remit such dues and fees to the Union on or before the 15th day of the month following collection of such dues. The Company shall include a list of the Union members from whom dues and fees were collected with the remittance which will include member's Social Security number or identification number, name, and the amount of dues or fees deducted by the Company.

8 **Section 3. Indemnity.** The Union will indemnify and hold the Company harmless from and
9 against any and all claims, demands, charges, complaints, or suits instituted against the
10 Company which are based on or arise out of any action taken by the Company in accordance
11 with or arising out of the foregoing provisions of this Article 3.

12 **Section 4. Information Provided to Union.** The Company will furnish to the Union, at least
13 monthly or upon request, a list of all employees covered by this Agreement. The list will include
14 name, address, rate of pay, job classification, date of hire, seniority date, benefit eligibility date,
15 department and shift.

ARTICLE 4 UNION REPRESENTATIVES

Section 1. Union to Furnish List of Representatives. The Union shall inform the Company in writing of the names of its Business Representatives and Union Stewards who are accredited to represent it; such information shall be kept up to date at all times. Only persons so designated will be accepted by the Company as representatives of the Union.

Section 2. Access to Plant. The Business Representative will have access to the facilities on each shift during working hours for purposes of observing working conditions and investigating grievances. Other Union business shall not be conducted on Company premises.

25 Prior to visiting the facility, the Business Representative will provide at least two (2) days' notice
26 by email or phone contact, excluding holidays, to the Company's HR Manager and his/her
27 designee, as to the time, expected duration and purpose of the visit. If the HR Manager or
28 his/her designee does not respond to the Business Representative within those two (2) days,
29 the Business Representative may enter the facilities without further notice. The Business
30 Representative shall notify the Company's HR Manager or his/her designee when he/she is
31 arriving at and leaving the Company's operations and shall comply with all requirements for
32 other visitors.

33 The Union and HR Manager or designee may agree to earlier access to address emergent
34 circumstances.

Such visits shall not interfere with work being performed and shall be limited to the work area relevant to the matter leading to the visit.

37 The Company, if it desires, may have a Company Representative accompany the Business
38 Representative while he/she is visiting its facility. Upon request of the Business Representative,
39 the Company Representative will stand out of earshot of any conversation between the
40 Business Representative and the represented employee(s).

ARTICLE 5 UNION STEWARDS

Section 1. Number of Union Stewards.

- A. The Union may select one (1) Union Steward from each production shift in operation at Plant 1 and Plant 2. For any production shift with more than 100 employees, the Union may select one (1) additional Union Steward from that shift.
 - B. Union Steward will retain his/her Union Steward status while on approved medical leave of absence, provided that he/she has not been replaced as Union Steward by the Union prior to expiration of such leave.

Section 2. Union Steward Designation. Once the Union has chosen Union Stewards as described in Section 1 above, a written list of the Union Stewards shall be furnished to the Company immediately after their designation.

13 Section 3. Union Steward Performance of Duties. The Union Steward will conduct Union
14 business during non-working time and in non-paid status. However, the Company will allow
15 reasonable paid time during working hours for Union Stewards to meet with members of
16 management in the investigation, presentation and processing of grievances.

Section 4. Departure from Work for Union Business. Union Stewards who are required for official Union business or to attend official Union functions shall be granted an unpaid leave of absence for performing such business, provided the leave does not present a hardship on the Company's operations and the Union Steward provides at least fourteen (14) days' written advance notice of the leave. The Union will utilize no more than one (1) Union Steward per plant per quarter. Such leave shall not exceed one (1) week unless agreed by the Union and the Company. While on such leave, employees shall not lose any benefits or seniority. Employees shall submit such requests for leave accompanied by an official Union communication authorizing them to act in such capacity.

26 **Section 5. Bulletin Boards.** The Company shall provide space for two (2) bulletin boards, one
27 (1) in each plant, for the Union's use, in an area conveniently accessible to bargaining unit
28 employees. New and replacement boards will be at least three (3) feet by four (4) feet in size.
29 Larger boards will be allowed subject to management's discretion concerning available space.
30 The Union may maintain the boards for the purpose of notifying employees of matters pertaining
31 to Union business. All notices shall be signed by a representative of the Union who is authorized
32 by the Union to approve Union notices.

ARTICLE 6 UNION BUSINESS

Section 1. Union business will be conducted during non-working time and in non-paid status, except that the Company will allow reasonable paid time during working hours for employees to meet together with members of management and Union Stewards/Representatives in the investigation, presentation and processing of grievances and disciplinary actions.

ARTICLE 7 NEW EMPLOYEES

Section 1. New Employees. New employees will be in probationary status for the first sixty (60) days of employment. During the first sixty (60) days of employment, the employee shall be employed or discharged in the sole discretion of the Company and shall not have access to the Grievance and Arbitration procedure, nor accrue seniority, for any purpose. Upon satisfactory

1 completion of the probationary period, the employee's seniority will be credited back to his or
2 her hire date.

Section 2. Notice of New Employees. The Company shall notify the appropriate Union Steward when any new Bargaining Unit employees are hired. Such notification shall be made the same day they go through Orientation and shall include the new employee's name, date of hire, shop and shift.

Section 3. Temporary Employees. Temporary employees will not cause the layoff or reduction in regularly scheduled working hours of any employee covered by this Agreement.

ARTICLE 8 SENIORITY

11 **Section 1. Definition.** Seniority of an employee is defined as the length of his/her continuous
12 service within the bargaining unit at the current locations of the Company, including time under
13 prior ownership. For the purposes of layoff and recall, an employee shall hold seniority in the
14 job classification to which he/she has been assigned.

Section 2. Job Vacancies. It is understood that seniority, defined in Article 8, Section 1, shall be considered as one factor in the filling of vacancies within job classifications.

17 Bargaining unit work should be performed by bargaining unit employees. If there are emergent
18 or temporary situations to meet compelling business demands, the Company may assign a non-
19 bargaining unit employee to perform this work. This provision shall not be used to intentionally
20 cause a layoff of any employee or a reduction in their regularly scheduled hours.

21 The Company shall fill openings with the best candidate who possesses the qualifications
22 required for the position, as determined by the Company. Determinations of 'best qualified' are
23 not subject to the grievance procedure.

24 Where two internal candidates are equally qualified, seniority will determine the candidate
25 selected.

26 Job posting notices shall be posted on Company bulletin boards visible to bargaining unit
27 employees.

Where an external and internal candidate are equally qualified, the internal candidate will be offered the position.

Section 3. In cases of layoff, the Company will select employees to be laid off based on the work remaining to be performed, the skills needed to perform that work, and each employee's job skills and experience, active documented disciplinary history and attendance record. Where the Company determines that multiple employees have comparable qualifications, that employee with the least seniority in the affected job classification or department shall be laid off first. Employees selected for layoff may apply for open job vacancies for which they have the required skills and abilities.

Section 4. For the purpose of recall, the Company shall designate by classification the number of positions within each department or division to be restored. The Company will select employees to fill restored positions based on the work to be performed, the skills needed to perform that work, and each employee's job skills and experience, active documented disciplinary history and attendance record. Where the Company determines that multiple employees have comparable qualifications, the employee with the most seniority in the restored position shall be recalled first. Employees selected for open job vacancies during the preceding layoff may be offered right of first refusal for their previously held and restored positions.

Employees who decline offers of recall will have no further recall rights.

Section 5. Notification of openings for recall shall be given by the Company by certified mail to the last mailing address furnished by the employee. A copy of such notice shall also be sent to the Union. In order to preserve their recall rights, employees must notify the Company of their intent to return to work within seven (7) days from the date of mailing. The Company will provide two (2) weeks' advance notice of recall when possible. The recalled employee must report to work within two (2) weeks after the Company mails the notice of recall, unless a later return date is designated by the Company. If the employee does not respond as required by this Section, or if the notice of recall is returned undelivered, the next eligible employee may be recalled and the notified employee will be removed from the recall list. Nothing in this section will preclude the Company from making direct contact with the employee by phone and/or the employee returning as soon as possible. Specific return dates will be determined by the Company.

Section 6. 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 Article 7, Section 3 and Section 4 above.

Section 7. In the event of a reduction in the workforce, the Company shall endeavor to notify the Union in writing at least ten (10) days prior to the reduction. The Company will advise the Union and the affected employees of the names of employees to be laid off at least forty-eight (48) hours in advance.

Section 8. Any bargaining unit employee who elects to take a non-bargaining unit job with the Company shall only retain seniority they earned while in the bargaining unit.

Section 9. An employee shall lose his/her seniority for the following reasons:

- (a) Resignation.
 - (b) Discharge for just cause.
 - (c) Layoff in excess of six (6) months.
 - (d) Failure to return to work at the expiration of a leave of absence, unless extension of leave has been granted by the Company.
 - (e) Failure to return to work within two (2) weeks of the Company mailing the notice of being recalled from layoff, unless excused by the Company.
 - (f) Job abandonment or voluntary quit.

ARTICLE 9

WORKWEEK, HOURS OF WORK, SHIFTS, OVERTIME

Section 1. Definitions.

A. **Workweek:** For the purposes of this Agreement, workweek is defined as starting Monday and ends the following Sunday. Typical schedules may include, but are not limited to, the following-schedules.

1. Four (4) ten (10)-hour days, Monday through Thursday, followed by three (3) consecutive days of rest.
 2. Five (5) eight (8)-hour days, Monday through Friday, followed by two (2) consecutive days of rest.
 3. Three (3) twelve (12)-hour days, Friday through Sunday, followed by four (4)

1 consecutive days of rest.

2 **B. Regular Full-Time Employees:** An employee assigned to work forty (40) hours in a
3 workweek, or thirty-six (36) hours for the weekend shift but are paid for forty (40) hours
4 per week.

5 **C. Shift Start Times:** An employee shall be considered to be on a particular shift in
6 accordance with the following start times. These shift times may be temporarily adjusted
7 for training. The assignment of overtime outside of these shift times does not change
8 the employee's shift assignment.

- 9 1. First Shift: between 4:00 AM and 9:00 AM
- 10 2. Second Shift: between 1:30 PM and 6:30 PM
- 11 3. Third Shift: between 10:00 PM and 1:30 AM.

12 **Section 2. Shifts and Schedules.**

- 13 A. Employees will receive at least five (5) days' notice of a change to their regular
14 schedule, unless the employee volunteers or agrees to shorter notice.
- 15 B. Employees who are displaced on a temporary basis from their preferred shift/schedule
16 shall be notified of their return date in writing.

17 **Section 3. Rest Periods.**

- 18 A. **Lunch and Break Periods.** The Company will comply with all applicable regulations
19 concerning lunch and rest breaks.
- 20 B. **Time Between Shifts.** Unless the employee volunteers or agrees, employees will
21 receive a minimum of eight (8) hours' rest before starting their next shift.

22 **Section 4. Report Time.** If an employee reports for work in accordance with instructions and is
23 subsequently sent home, he/she shall be compensated for the hours worked or three (3) hours
24 at their working rate of pay, whichever is greater. Report time will not apply in case of emergency
25 shutdown arising out of any condition beyond the Company's control (inclement weather is one
26 example). An employee who leaves work of their own volition, or where an employee voluntarily
27 quits, is furloughed, or discharged, the employee will only be paid for time actually worked.

28 **Section 5. Stand-By.**

- 29 A. An employee is on "stand-by duty" when the Company schedules and assigns an
30 employee to remain available to respond to any means of communication, (i.e. pagers,
31 cell phones, etc.) for consultation purposes or when required to immediately report for
32 duty upon request, outside the employee's assigned shift. -Employees on stand-by duty
33 shall be paid two dollars (\$2.00) per hour for each hour they are required to be on stand-
34 by.
- 35 B. If an employee on stand-by is called in to work during their assigned stand-by hours,
36 they shall receive a minimum of two (2) hours' pay at their working rate of pay.
- 37 C. If an employee on stand-by has been called in to work, and subsequently returns to
38 stand-by status, they shall continue to receive the two dollar (\$2.00) per hour stand-by
39 pay. The employee shall not receive the two dollars (\$2.00) per hour stand-by pay
40 during any period where they are receiving their working rate of pay due to being called
41 in for work.

42 **Section 6. Overtime.**

- 43 A. Employees will be paid at time and one-half (1.5) their regular rate of pay for all
44 overtime-eligible hours in excess of forty (40) hours per workweek.

- B. The Company will first attempt to meet its overtime needs on a voluntary basis from among the employees who normally perform the work activity on a straight time basis throughout the week.
 - 1. The practice for the advance scheduling of overtime within the department and shift will be to:
 - a. First, ask the employee regularly assigned to either the machine, job, crew or position providing the employee is in attendance when the overtime is being assigned.
 - b. Then, ask other qualified employees in the same job classification who are in attendance when the overtime is being assigned.
 - c. If sufficient volunteers are not obtained, the Company may designate any employee to satisfy remaining requirements.

Section 7. Mandatory Overtime. Employees shall be given a forty-eight (48)-hour notification of the need to work overtime on scheduled days of rest. Notification shall be verbal and posted in an appropriate place within the department. Foregoing that, overtime may be mandatory for an emergent situation or when it is required to preserve life, material or equipment.

ARTICLE 10 COMPENSATION

Section 1. Definitions.

- A. **Base Rate of Pay.** An employee's hourly base rate of pay is determined under the applicable provisions, excluding all allowances, differentials, adjustments, bonuses, awards, and premiums.
 - B. **Working Rate of Pay.** An employee's working rate of pay includes the base rate of pay and all applicable differentials.

Section 2. Wage Increases. Wage increases will be granted as follows:

- A. Upon ratification of this Agreement, each employee with more than one (1) year seniority will receive a seventy-five cent (\$.75) increase in their base rate of pay. Upon ratification of this Agreement, employees with less than one (1) year seniority will receive a thirty-five cent (\$.35) increase to their base rate of pay.
 - B. Effective on the first anniversary of ratification of this Agreement, all employees will have their base rates of pay increased by two and one-half percent (2.5%) per hour.
 - C. Effective on the second anniversary of ratification of this Agreement, all employees will have their base rates of pay increased by two and one-half percent (2.5%) per hour.

Section 3. Base Rates of Pay. Effective upon ratification, base rates of pay for each job classification shall be as noted below:

JOB CLASSIFICATION	MINIMUM RATE
ASSEMBLY	\$12.50
SHEET METAL MECHANIC	\$12.50
BRACKET CELL	\$12.50
MACHINIST	\$15.00
HONE OPERATORS	\$15.00
DEBURR	\$12.50
DRIVER	\$15.75
INSPECTOR	\$16.00
MAINTENANCE TECH	\$20.00
MAINTENANCE MECHANIC	\$14.00
PARTS MOVER	\$12.00
RECEIVING CLERK	\$13.00
SHIPPING	\$13.00
TOOL MAKER	\$24.00
TOOL CRIB ATTENDENT	\$14.00
WELDER	\$20.00

2 **Section 4. Additional Compensation.** Wage rates listed above are regarded as minimums.
 3 The Company may adjust rates in excess of the minimums, including increased pay for
 4 increased skill within a job classification, in its sole discretion.

5 **Section 5. New Hires.** New employees will be paid at least the minimum rate of pay
 6 established by Section 3 for their Job Classification.

7 **Section 6. Recalls from Layoff.** An employee, who is recalled from layoff will have the following
 8 base rate:

- 9 A. If the employee is recalled to the same Job Classification from which he/she was laid off,
 10 he/she will be paid at the base rate in effect on the date of his/her layoff. In no case will
 11 the recalled employee receive pay below the minimum for that Job Classification.
- 12 B. If an employee is recalled to a different Job Classification than the one from which he/she
 13 was laid off, the base rate will be determined by the minimum base rate for that new Job
 14 Classification.

15 **Section 7. Wage Differentials.**

- 16 A. An employee assigned to second shift shall receive a shift differential of seventy-five
 17 cents (\$0.75) per hour which shall be added to his/her base rate. Second shift is defined
 18 as a start time between 1:30 PM and 6:30 PM.
- 19 B. An employee assigned to third shift shall receive a shift differential of one dollar (\$1.00)
 20 per hour which shall be added to his/her base rate. Third shift is defined as a start time
 21 between 10:00 PM and 1:30 AM.
- 22 C. Any employee newly assigned in a Lead capacity after ratification of this Agreement will
 23 receive one dollar fifty cents (\$1.50) per hour differential above their base rate of pay. If
 24 an employee in a Lead classification at the time of ratification is later removed from the

- 1 Lead role, that employee's pay will not be reduced by more than one dollar (\$1.00) per
2 hour if that employee stays within the same department.
- 3 D. Any employee assigned as Cell Coordinator will receive eighty-five cents (\$0.85) per
4 hour differential above their base rate of pay.

5 **Section 8. Promotions/Demotions to Another Job Classification.** Promotions to another
6 Job Classification will meet the following specifications:

- 7 A. In no case will the employee's base rate of pay be less than the minimum pay in that job
8 classification.
- 9 B. The new working rate of pay shall be effective in the employee's paycheck not later than
10 the second payday subsequent to the date on which the promotion is made.
- 11 C. Promotions to another job classification will include a ninety (90) day trial period in the
12 new position. If the promoted employee does not demonstrate sufficient skill to satisfy
13 all the requirements of the new position, the employee will be returned to his/her former
14 position at his/her former base rate of pay.
- 15 D. Employees demoted to a different job classification will not receive less than the
16 minimum rate of pay for that new job classification.

17 **Section 9. Temporary Assignments.** A temporary assignment will remain in effect for a period
18 of not more than ninety (90) consecutive calendar days. In the event it is necessary to extend for
19 a longer period, the employee will be paid no less than the minimum rate of pay for the temporary
20 Job Classification beginning on the 91st day. Repetitive temporary assignments shall not be
21 used to fill a permanent job opening.

22 **Section 10. Paydays.** Employees are paid every other Friday for a two (2)-week period. If a
23 payday falls on a holiday, checks will be distributed on the preceding workday unless there are
24 emergent circumstances causing delay. If an employee is absent on a payday, they may obtain
25 their check from the Accounting Department when they return to work. Employees may
26 participate in the Company's direct-deposit payroll program.

ARTICLE 11 HOLIDAYS

29 **Section 1. Holidays.** Scheduled paid days representing the following holidays shall be:

30

<u>Non-Weekend Shift Employees</u>
New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Day After Thanksgiving
Christmas Eve
Christmas Day
One (1) floating holiday

Weekend Shift Employees

New Year's Day
Memorial Day
Independence Day
Labor Day
Christmas Eve
Christmas Day

31 **Section 2.** The Company will publish a list of observed holidays annually, no later than
32 November 1st of each year designating holidays for the upcoming year.

33 **Section 3. Unworked Holidays.** Employees shall receive eight (8) hours' pay (weekend shift
34 employees shall receive twelve (12) hours' pay) for unworked holidays (those holidays

1 designated above) at their working rate of pay in effect at the time the holiday occurs. To be
2 eligible for holiday pay, employees must work both the day before and the day after the holiday
3 unless covered by pre-approved PTO.

4 **Section 4. Worked Holidays.** Employees who work on a designated holiday shall receive the
5 pay due them for the holiday along with the working rate of pay for all hours worked on such
6 holiday.

7 **Section 5. Holidays During Prescheduled PTO.** When a holiday falls within an employee's
8 PTO period, such holiday shall not be charged as PTO hours, but shall be received as holiday
9 pay at the employee's working rate of pay.

10 **Section 6.** Holiday pay shall count for the computation of overtime.

11 **Section 7.** If a holiday falls on days employees are not scheduled to work, and no other day is
12 designated as the holiday to be taken off, then those employees will receive holiday pay at their
13 working rate of pay.

14 **Section 8.** Non-weekend shift employees may be temporarily assigned to eight (8) hour work
15 days during holiday weeks. If temporarily assigned, and upon the employee's request, the
16 Company will not require the employee to work on the day they are regularly scheduled off. This
17 provision does not prevent the employee from being compensated for the holiday(s).

ARTICLE 12 PAID TIME OFF (PTO)

20 **Section 1. Description.** Each full-time employee covered under this Agreement shall accrue
21 Paid Time Off (PTO) as follows:

- 22 A. All employees will be entitled to PTO which shall be determined by the employee's date
23 of hire with the Company and each anniversary date thereafter shall be the reference
24 point for PTO.
- 25 B. All new employees hired by the Company after ratification of this Agreement will earn
26 PTO and will be made available for their use following sixty (60) days of employment.
- 27 C. Upon ratification, an employee's previously banked balance of PTO will be the
28 employee's beginning PTO balance.
- 29 D. PTO is intended to provide paid time off for all purposes including absences for
30 vacation, illnesses, or any other activity.

31 **Section 2. Use of PTO.** PTO may be used in one-half (0.5)-hour increments.

32 **Section 3. Accrual.** Upon ratification, bargaining unit employees will accrue PTO according to
33 the accrual rates listed below.

Years of Service	Credit Per Pay Period	Annualized
0 - 2	3.08 hours	80 hours
3 - 7	4.62 hours	120 hours
8 - 12	6.15 hours	160 hours
13+	7.69 hours	200 hours

34 **Section 4.** Employees shall move to their next accrual rate on the first pay period after their
35 Company service date.

36 **Section 5.** Employees may bank up to one and a quarter (1.25) times their annual accrual
37 rate and may carry over that amount into the next year.

Section 6. For employees terminating from the Company for any reason, all earned PTO on the date of termination will be paid out on the next scheduled payday, if employed for more than one year from date of hire.

4 Section 7. Use of PTO during any plant shutdown will be at the employee's discretion.

Section 8. Employees who, upon ratification, are grandfathered into the pre-January 2014 PTO accrual rates will continue to accrue at those grandfathered rates until the first pay period after their thirteenth (13th) Company service date. At that time, they will move to the above accrual schedule. Grandfathered employees are listed on Exhibit A.

ARTICLE 13 LEAVES OF ABSENCE

11 **Section 1. Leaves of Absence.** The Company shall comply with the provisions of all
12 applicable federal, state, and local leave regulations.

13 **Section 2. Personal Leave of Absence.** A leave of absence may be granted for personal
14 reasons and without pay in the sole discretion of the Company. Applications for leave and
15 extensions shall be in writing signed by the employee.

Section 3. Jury Duty. To be eligible for time off for Jury Duty, the employee must furnish a copy of their summons to management, before the appearance, to indicate that the absence from work is necessary. Employees who serve as jurors will be paid for the time they miss work at their straight-time base rate of pay for a maximum of two (2) weeks, not to exceed their regularly assigned hours of work per day and subject to a total of eighty (80) hours maximum. In addition, the employee will provide verification of actual appearance for jury duty for each day the employee claims jury duty pay. The employee will be permitted to keep juror fees received.

Section 4. Bereavement Leave. Three (3) days bereavement leave without pay will be granted to an employee on the active payroll who, because of death in his/her immediate family, takes time off from work during his/her normal work schedule. Employees may use accrued and available PTO to cover such bereavement leave. For the purposes of this Section 4, immediate family members are (includes biological, adopted, or current step): father, mother, spouse, daughter, son, brother, sister, grandparent, grandchild, father/mother-in-law. In addition, an employee will be granted bereavement leave for a stillborn child. The Company may require reasonable documentation as proof of death or fetal death. Any available PTO may be used whenever additional time is required or the employee may request personal leave.

ARTICLE 14 HEALTH AND WELFARE

34 **Section 1. Health and Welfare Plans.** The Company agrees to offer eligible bargaining-unit
35 employees the following health and welfare benefits:

- 36 A. The Company will offer eligible bargaining unit employees the same medical benefit
37 plan(s) offered to the Company's unrepresented employees, pursuant to the plan(s)
38 documents. However, during the term of this Agreement, the Company and represented
39 employees will share responsibility for premium payments as follows:

BRONZE PLAN	COMPANY PAID	EMPLOYEE PAID
Employee Only	97.56%	2.44%
Employee and Spouse	96.68%	3.32%
Employee and Child(ren)	97.43%	2.57%
Employee and Family	95.94%	4.06%

1

SILVER PLAN	COMPANY PAID	EMPLOYEE PAID
Employee Only	93.05%	6.95%
Employee and Spouse	92.00%	8.00%
Employee and Child(ren)	92.20%	7.80%
Employee and Family	87.49%	12.51%

2

GOLD PLAN	COMPANY PAID	EMPLOYEE PAID
Employee Only	79.98%	20.02%
Employee and Spouse	79.08%	20.92%
Employee and Child(ren)	79.25%	20.75%
Employee and Family	75.20%	24.80%

- 3 B. The Company will offer eligible bargaining unit employees the same dental and vision
4 benefit plan(s) offered to the Company's unrepresented employees, pursuant to the
5 plan(s) documents. However, during the term of this Agreement, the Company and
6 represented employees will share responsibility for premium payments as follows:

7

PLAN	COMPANY PAID	EMPLOYEE PAID
Employee Only	79.69%	20.31%
Employee and Spouse	79.29%	20.71%
Employee and Child(ren)	79.96%	20.04%
Employee and Family	79.12%	20.88%

- 8 C. The Company will offer eligible bargaining unit employees the same Life Insurance,
9 Accidental Death and Dismemberment and Short Term Disability benefit plan(s) offered
10 to the Company's unrepresented employees, pursuant to the plan(s) documents.
11 However, during the term of this Agreement, eligible represented employees will receive
12 these benefits at no cost to the employee.

13 **Section 2. Plan Modifications.** The Union acknowledges that the Company may make
14 changes to health and welfare plans, programs and carriers/providers. The Company commits
15 that the benefits provided will not, for the term of this Agreement, be less than provided to non-
16 bargaining unit employees.

17 **Section 3. Flexible Spending Account.** The Company agrees to continue to offer employees
18 a Flexible Spending Account (FSA).

19

ARTICLE 15 401(k) PLAN

21 **Section 1. 401(k) Savings Plan.** The Company will include bargaining unit employees in the
22 401(k) savings plan for the duration of this Agreement on the same terms as it applies to the
23 Company's unrepresented employees and pursuant to the annual plan documents.

24

ARTICLE 16 GRIEVANCE AND ARBITRATION PROCEDURE

26 **Section 1. Definition.** A grievance is a dispute over the interpretation or application of this
27 Agreement. Such grievance may be filed on behalf of a grievant or grievants by the Union
28 Steward or the Union Business Representative. Both parties agree to use their best efforts,
29 including informal meetings involving management, the grievant or the Union Steward to resolve

1 matters without resorting to the grievance procedure. This does not preclude the employee or
2 the Union Steward from bypassing this meeting and beginning at Step 1 of this Article.

3 The time limitations set forth herein for presenting and deciding grievances are to be strictly
4 adhered to, but may be extended by mutual written consent of the parties. Email
5 communications will suffice as written consent. Neither party will unreasonably deny an
6 extension request.

7 **Section 2. Grievance Steps.**

8 **Step 1:** Grievances must be submitted to the Company in writing by the Union within ten
9 (10) days from the first occurrence on which the grievance is based or from when it was first
10 discovered by the affected employee or Union. The written grievance must specify the
11 nature of the alleged violation, the specific provision(s) of the Agreement that are involved
12 and the remedy sought. The Company shall have ten (10) days to respond in writing to the
13 grievance.

14 **Step 2:** If the grievance is not resolved in Step 1, or the Company does not provide a timely
15 response, the Union may, within seven (7) days after the Company's response is due,
16 request the Company, in writing, to convene a meeting to discuss the issue. Present at the
17 meeting will be a Union Business Representative and a designated Company representative
18 and, if possible, the grievant. This does not waive the requirement that the Union file a
19 grievance within ten (10) days.

20 The grievance meeting shall take place within seven (7) days after the Company receives
21 the Union's notice. The meeting shall be scheduled with reasonable consideration to
22 preserve the Company's normal work schedule.

23 The Company shall give a written answer to the Union and grievant within seven (7) days
24 from the date of such meeting.

25 **Step 3:** Grievances not satisfactorily settled in Step 2 may be appealed to an impartial
26 arbitrator. If the Union or the Company desires to arbitrate a grievance, they shall notify the
27 other party in writing to that effect within ten (10) days following receipt of the Company's
28 written Step 2 response. The Union may not advance any alleged violations or remedies
29 sought that were not previously presented during the Step 2 grievance meeting. The parties
30 will attempt to agree on an arbitrator. If the parties cannot agree upon an arbitrator, the
31 grieving party will request a list of seven (7) arbitrators from the Federal Mediation and
32 Conciliation Service (FMCS) within fourteen (14) days of failing to agree upon an arbitrator.
33 The parties shall alternately strike names from the list until one (1) name remains; this shall
34 be the arbitrator to hear the grievance. The parties will flip a coin to determine who strikes
35 first.

36 **Section 3. Arbitration.** The fees and expenses of the arbitrator will be split equally by the
37 parties. Each party is responsible for the cost and expenses (including attorney's fees) of their
38 own witnesses and representatives.

39 The decision of the arbitrator shall be in writing and shall be final and binding on all parties.
40 However, the arbitrator shall not have jurisdiction or authority to add to, subtract from, modify or
41 in any way change the express provisions and terms of this Agreement.

42 **ARTICLE 17**
43 **DISCIPLINE AND DISCHARGE**

44 **Section 1.** The Company may discipline an employee up to and including discharge for just
45 cause. The principles of progressive discipline will be followed; however, the Company may

establish categories of conduct that call for initial discipline at any appropriate discipline step that the Company deems necessary depending upon the severity of the violation.

Section 2. Disciplinary action issued by the Company for just cause shall be subject to the Grievance and Arbitration procedure. However, verbal warnings shall not be subject to the Grievance and Arbitration procedure.

Section 3. All verbal and written notices will not be used for the purpose of progressive discipline if no further violations have occurred within eighteen (18) months from the date the verbal or written infraction was documented. After eighteen (18) months from the date of issue, the documentation may remain in the employee's file but will not be used for the purpose of progressive discipline. Suspension documentation will not be used for the purpose of progressive discipline if no further violations occur within two (2) years after the date of issue but may remain in the employee's file.

Section 4. The Company will provide a copy of any written warnings or suspension notices to the employee.

ARTICLE 18 EDUCATION ASSISTANCE

Section 1. The Union and Company recognize that to achieve a highly skilled and motivated workforce, the parties must create an environment conducive to learning opportunities and self-development.

Section 2. The Company will include bargaining unit employees in the Education Assistance program on the same terms as it applies to the Company's unrepresented employees. The Education Assistance program will not be discontinued during the term of this Agreement.

ARTICLE 19 HEALTH AND SAFETY

Section 1. Mutual Objective. The Union and Company recognize the value of working together to maintain high standards of occupational health and safety throughout the Company. Both parties commit to work together to create an environment which promotes a positive approach to processes, attitudes and activities that achieve a workplace free of incidents, accidents and injuries. It is our intent that no employee shall be required to perform work that involves an imminent danger to health or physical safety.

A. Health and Safety in the Workplace. The Union and the Company are committed to working together to maintain a healthy and safe workplace. Both parties agree that all employees should be actively involved in creating a safe workplace and complying with all applicable safety and health policies and procedures.

Section 2. Safety Committee. There shall be a Safety and Health Committee organized and operated in accordance with state requirements. This Committee shall meet on a monthly basis at a minimum, and in a manner that allows for participation from employees working all shifts, and will be responsible for resolving safety concerns. The Company and the Union shall appoint equal number of delegates to the Safety Committee. The Union will designate a Union Steward or appropriate represented employee delegate as the Union's focal point. The Company will designate the appropriate site safety manager, or his/her designee, as the Company's focal point. The focal points will be the contact for occupational health and safety issues at the facility.

1 The Company shall provide reasonable administrative support for the Committee. Time spent
2 by members of the Committee at the request of the Company shall be considered paid work
3 time. The Committee shall perform its tasks during normal work hours, to the extent possible.

4 Section 3. Use of Safety Devices. The Company will furnish required personal protective
5 equipment for all employees. The Company will provide coveralls for check out and occasional
6 day-use on dirty assignments at no cost to employee.

Section 4. The Company will maintain emergency first aid stations/service and eye wash stations throughout both Plants.

9 **Section 5.** When an employee at work requires immediate medical attention due to an
10 industrial injury/illness or exposure to hazardous agents in the work environment, the Company
11 will ensure transportation to and from the appropriate medical facility, upon the employee's
12 request.

ARTICLE 20 MISCELLANEOUS

15 **Section 1. Sabotage.** The Union agrees to report to the Company when it has knowledge of
16 any acts of sabotage or damage to or the unauthorized or unlawful taking of Company,
17 government, customer or any other person's or employee's property. The Union further agrees,
18 if any such acts occur, to use its best efforts in assisting to identify and apprehend the guilty
19 person or persons.

20 **Section 2. Equal Employment Opportunity.** The Union recognizes the Company has a legal
21 responsibility and is committed to giving equal opportunity to all qualified persons. Therefore, all
22 individuals will be recruited, hired, assigned, advanced, compensated and retained on the basis
23 of their qualifications and performance and will be treated equally in these and all other respects
24 without regard to race, color, religion, sex, age, national origin, marital or military status, sexual
25 orientation, physical, mental or sensory disability, gender identity and genetic information or any
26 other bases protected by federal, state or local law. Employees are expected to refrain from
27 any activities that are unlawful in nature.

28 **Section 3. Nondiscrimination.** All terms and conditions of employment included in this
29 Agreement shall be administered and applied without regard to race, color, religion, national
30 origin, status as a disabled military veteran, age, sex gender identity/expression, sexual
31 orientation/preference, or the presence of a disability.

Section 4. Company Interviews. Each employee has the right, during an investigation conducted by the Company, or any third party of the Company, that the employee reasonably believes may result in discipline, to request the presence of his/her Union Steward, if the Union Steward is available. If his/her Union Steward is not available, such employee may request the presence of another immediately available Union Steward.

Section 5. Drug and Alcohol Testing. The Company may require any applicant or employee to undergo drug and/or alcohol testing at any time for reasonable suspicion and post-accident testing, and may deal with positive test results under the terms of the Company's policy, as in effect at that time. Any drug and alcohol testing program will include generally accepted testing procedures. An employee who tests negative will be fully compensated for any time spent on a testing procedure.

43 The Employer agrees to make available information on an Employee Assistance Program
44 available to employees.

**ARTICLE 21
SEPARABILITY**

If any term or provision of the Agreement is, at any time during the life of the Agreement, adjudged by a court or administrative body of competent jurisdiction to be in conflict with any law, such term or provision shall become invalid and unenforceable, but such invalidity or unenforceability shall not impair or affect any other term or provision of this Agreement. The Union and the Company shall meet to negotiate to resolve the conflict.

ARTICLE 22 COMPLETE AGREEMENT

10 The parties acknowledge that during the negotiations which resulted in this Agreement, each
11 had the unlimited right and opportunity to make demands and proposals with respect to any
12 subject or matter not removed by law from the area of collective bargaining, and that the
13 understanding and agreements arrived at by the parties after the exercises of that right and
14 opportunity are set forth in this Agreement. Therefore, the parties, for the life of this Agreement,
15 waive the right, and each agrees that the other shall not be obligated, except as otherwise
16 provided in this Agreement, to bargain collectively with respect to any subject of matter referred
17 to or covered in this Agreement. Further, the parties, for the life of this Agreement, waive the
18 right, and each agrees that the other shall not be obligated to bargain collectively with respect to
19 any subject or matter not specifically referred to or covered in this Agreement, even though such
20 subject or matter may not have been within the knowledge or contemplation of any of the parties
21 at the time this Agreement was negotiated or signed.

ARTICLE 23

SUCCESSORS AND ASSIGNS

24 If ownership of the Company is transferred, the Company will provide the Union with any
25 necessary contact information for any successor owner that plans to operate the business.
26 Nothing in this provision shall limit or reduce other rights or obligations of the parties under the
27 National Labor Relations Act.

ARTICLE 24 PAST PRACTICES

30 Any and all agreements, written and verbal, previously entered into by the parties hereto are in
31 all things mutually cancelled and superseded by this Agreement. Certain benefits and practices
32 may presently exist which are not specified in this Agreement, and it is understood that their
33 continuation for the term of this Agreement is not required or guaranteed. Unless specifically
34 provided herein to the contrary, prior benefits and past practices shall not be binding on the
35 Company. The Company will continue round-up and wash-up practices and the current
36 attendance policy.

ARTICLE 25 STRIKES AND LOCKOUTS

39 Employees will not engage in nor will the Union cause or sanction members of the bargaining
40 unit to cause or take part in any strike, including but not limited to sympathy strikes, sit-downs,
41 stay-ins, slow-downs, walk outs or any other interruption or stoppage of work against the
42 Company during the life of this Agreement, or any extension thereof. The Company will not
43 lockout any employee during the term of this Agreement or any extension thereof. The parties

1 recognize the right of the Company to take disciplinary action, up to and including discharge,
2 against any employee who violates this Article.

ARTICLE 26 OUTSOURCING AND NEW TECHNOLOGY

Section 1. Outsourcing. The Company will not outsource any work performed by the bargaining unit employees unless employees in the affected job classification do not have the requisite skills, abilities or for reasons related to department or equipment capacity. When outsourcing or subcontracting work, no employees in the affected job classification will be laid off or removed from their job classification due to outsourcing.

Section 2. Technology Changes. Technological changes which affect jobs in the bargaining unit will not be used as a basis for changing such jobs from bargaining unit status to a non-bargaining unit status. The Company will provide training for employees who will be expected to operate the new technology.

ARTICLE 27 DURATION

16 This Agreement shall become effective as of the beginning of first shift on _____ (which
17 date is the date as of which this Agreement was executed, sometimes referred to as the
18 "effective date of this Agreement") and shall remain in full force and effect until midnight at the
19 close of _____, 2019, and shall automatically be renewed for consecutive periods of one (1)
20 year thereafter, unless either party shall notify the other in writing, at least sixty (60) days but not
21 more than ninety (90) days prior to _____ of any calendar year, beginning with 2019, of its
22 desire to terminate the Agreement, in which event this Agreement shall terminate at midnight at
23 the close of such _____, unless renewed or extended by mutual written agreement. In the
24 case of such notice the parties agree to meet immediately thereafter for the purpose of
25 negotiating a new Agreement or a written renewal of this Agreement.

1 On behalf of the collective bargaining unit for which, respectively, the
2 undersigned is the certified collective bargaining agent, each of the
3 undersigned as of the date states above and as a party to the
4 foregoing Agreement hereby accepts and agrees to the terms and
5 conditions thereof.

6 **Cadence Aerospace/
Giddens Operations**

7 **International Assoc. of
Machinists & Aerospace
Workers, AFL-CIO District
Lodge 751**

8
9
10
11
12
13 CURT SCHROEDER
14 President

15 JON HOLDEN, Dist. Pres. &
16 Directing Business Rep.

17 RICHARD JACKSON
18 Chief of Staff

19 DAN SWANK
20 Business Representative

21 GREG CAMPOS
22 Business Representative

23 GRACE HOLLAND
24 Business Representative

25 SARA MITTLER
26 Committee Member

27 GARY NAPLE
28 Committee Member

29 THI NGUYEN
30 Committee Member

31 MICHAEL POWELL
32 Committee Member