

**RED COPY**  
*Subject to Ratification*  
**COLLECTIVE BARGAINING  
AGREEMENT**

**By and Between**



**PEXCO Aerospace, LLC - YAKIMA**

**And**



**INTERNATIONAL ASSOCIATION OF MACHINISTS  
AND AEROSPACE WORKERS, AFL-CIO  
DISTRICT LODGE 751, LOCAL LODGE 1951**

**DECEMBER 01, 2019 – NOVEMBER 30, 2024**  
~~**DECEMBER 01, 2014 – NOVEMBER 30, 2019**~~

# **COLLECTIVE BARGAINING AGREEMENT**

**OF**

**DECEMBER 01, ~~2014~~ 2019**

**BETWEEN**

**PEXCO ~~AEROSPACE~~ LLC - YAKIMA**

**AND**

**INTERNATIONAL ASSOCIATION OF MACHINISTS  
AND AEROSPACE WORKERS, AFL-CIO  
DISTRICT LODGE 751, LOCAL LODGE 1951**

## **PREAMBLE**

THIS AGREEMENT, dated December 01, ~~2014~~ 2019, made and entered into by and between Pexco ~~Aerospace~~ LLC-- Yakima Plant (hereinafter referred to as "the Company"), and the International Association of Machinists and Aerospace Workers District Lodge 751, affiliated with the IAM International (hereinafter referred to as "the Union").

## **ARTICLE 1 - BARGAINING UNIT**

### **Section 1. Union Recognition.**

The Company recognizes the Union as the sole and exclusive bargaining agent for the unit certified in NLRB Case No. 19-RC-14917 which includes all full-time and regular part-time extrusion operators, fabricators, maintenance employees, quality control employees, tool and die employees, CNC programmers, die developers, shipping clerks, color specialists, production assistants, shipping and receiving employees, die cleaners and leads employed by the Company at its Union Gap, Washington facility, excluding all other employees, guards and supervisors as defined in the Act.

## **ARTICLE 2 - UNION SECURITY**

### **Section 1. Union Membership.**

All employees within the bargaining unit shall become members of the Union in good standing within thirty-one (31) days following the beginning of such employment or within thirty-one (31) days following the execution of this Agreement, whichever is later, and shall thereafter maintain their membership in good standing in the Union during the life of this Agreement, as a condition of continued employment.

### **Section 2. Satisfaction of Obligation.**

Employees who are required to maintain membership in good standing in the Union may satisfy that obligation by timely tendering to the Union an amount equal to the Union's regular and usual monthly dues and initiations.

### **Section 3. Failure to Satisfy Obligations.**

In the event an employee who, as a condition of continued employment, is required to become a member of the Union in good standing therein, but does not do so within the required time periods, the Union will notify the employee and the Company in writing of such employee's delinquency. The Company agrees to advise such employee within seventy-two (72) hours of receipt of such notice that his/her employment status with the Company is in jeopardy and that his/her failure to meet his/her obligation within seven (7) work days after notice from the Union will result in his/her termination of employment. The Company will not terminate an employee for failing to meet his/her Union security obligations until requested in writing by the Union, with copy to the affected employee, that the Company do so. Such requests for discharge shall be made by registered mail from the Directing Business Representative to the Human Resources Department in Yakima, WA (or his/her designee). Upon receipt of such written request, the Company must terminate the employee before the next

shift. The Union will provide adequate notice to the employee of his/her financial obligations to the Union per the law and this Agreement.

#### **Section 4. Checkoff.**

The Company agrees for the term of this Agreement, upon receipt of a written assignment and authorization, in a form satisfactory to the Company and the Union, voluntarily executed by an employee, to deduct from their pay once each month Union dues in the amount specified in such assignment or authorization, and to pay the monies thus deducted to the Union official designated by the Union in a timely manner. The Union shall indemnify and hold the Company harmless against any and all claims, demands, suits or other forms of liability that may arise out of or by reason of action taken or not taken by the Company for the purpose of complying with any of the provisions of this Article. It is understood that after one (1) year from the date of its execution any assignment or authorization shall be revocable by an employee in accordance with the terms of the written authorization.

#### **Section 5. Guide Dogs of America and Machinists Non-Partisan Political League.**

The Company further agrees for the term of this Agreement, upon receipt of a written assignment and authorization applicable to each deduction, in a form satisfactory to the Company and the Union, voluntarily executed by an employee, to deduct from their pay once each month his/her voluntary contribution to Guide Dogs of America or the Machinists Non-Partisan Political League in the amount specified in such assignment or authorization, and to pay the monies thus deducted to such specified organizations on a monthly basis, in one (1) check, the total amount deducted along with the name of each contributing employee, his/her Social Security number and the amount deducted from his/her paycheck. A contributing employee may revoke his/her contributions to Guide

Dogs of America or the Machinists Non-Partisan Political League by providing written notice to Company, such revocation to be effective immediately.

**Section 6. Employer to Notify Union of New Hires or Re-Hires.**

The Company mutually agrees to notify the Union within one (1) week of hire date the name, address, phone number, date of hire, classification, and rate of pay of any new hire or re-hire into the bargaining unit via United States Mail, facsimile or email. Union Stewards will be allowed a reasonable time during orientation for the introduction of new employees in the presence of management. The Company will work with the Union in developing an acceptable introduction outline.

## **ARTICLE 3 - UNION REPRESENTATIVES**

### **Section 1. Union to Furnish List of Representatives.**

The Union shall inform the Company in writing of the names of its Representatives and Stewards who are accredited to represent it, which 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.**

Upon mutual agreement between Company (Human Resource officials or ~~Plant Manager~~ **Department Director**) and Union representatives as to scheduling, the designated Agent of the Union shall have reasonable access to the Company's facility during normal working hours; provided, however, that there is a member of senior management on site during such visit and there is no interruption of the Company's working schedule. The Company will not impose regulations which exclude the Business Representative from the plant or render ineffective the intent of this provision.

## **ARTICLE 4 - MANAGEMENT RIGHTS**

### **Section 1. Management Rights**

Nothing in this Agreement shall be construed to limit or impair the right of the Company to exercise its discretion in determining whom to employ, the services to be performed, the methods of service, the methods, materials and equipment to be used and the discontinuance of any service or product, or method of service or operation; to introduce new equipment, machinery or processes and to change or eliminate existing equipment, machinery or processes; and to automate processes or operations; to discontinue, transfer or relocate, temporarily or permanently, in whole or in part, the conduct of its business or operations; to close or sell its facility or any part thereof; to determine the size, composition and competency of the workforce, including the number of shifts required and the number of employees assigned to any particular shift or operation; to select, hire, train, direct, control, promote, layoff and transfer employees, and to discipline, suspend and discharge employees for just cause; to establish, expand, change, reduce, combine, transfer, alter, or abolish jobs, job classifications, departments, operations and the job content of any job, job classification, operation or department; to require overtime and to determine the amount of overtime necessary to be worked; to determine the amount of work to be performed during the employee's regular workday, to require all work to be performed in a satisfactory and workmanlike manner and to establish standards of performance. Thus, the Company retains all of the rights, privileges and prerogatives which it would have in the absence of this Agreement, except to the extent that such rights, privileges and prerogatives are specifically and clearly abridged by express provisions of this Agreement.

### **Section 2. Work Assignments.**

Notwithstanding any other provision of this Agreement, the Company may assign to any employee work which is not normally performed by the employee,



whenever and wherever in the sole discretion of the Company it is reasonable to do so for the purpose of efficient operations. Employees shall be obligated to perform the work assigned to them by management.

## ARTICLE 5 - WAGES

### Section 1. General Wage Increases.

General wage increases will be granted as follows:

- (A) Effective December 01, 2014 ~~2019~~, all employees will have their hourly base rates increased by ~~three percent (3%)~~ **two dollars (\$2.00)** per hour;
- (B) Effective December 01, 2015 ~~2020~~, all employees will have their hourly base rates increased by ~~two and one half~~ **four and one half** percent ~~(2.5%)~~ **(4.5%)** per hour;
- (C) Effective December 01, 2016 ~~2021~~, all employees will have their hourly base rates increased by ~~two and one half~~ **two and three quarters** ~~three percent (2.5%)~~ **(2.75%)** per hour;
- (D) Effective December 01, 2017 ~~2022~~, all employees will have their hourly base rates increased by ~~two and one half~~ **two and three quarters** ~~three percent (2.5%)~~ **(2.75%)** per hour;
- (E) Effective December 01, 2018 ~~2023~~, all employees will have their hourly base rates increased by ~~two and one half~~ **two and three quarters** ~~three percent (2.5%)~~ **(2.75%)** per hour.

**Section 2. Starting Pay.**

Job Category	Entry Level Rate 12/01/2014	Entry Level Rate 12/01/2015	Entry Level Rate 12/01/2016	Entry Level Rate 12/01/2017	Entry Level Rate 12/01/2018
	2019	2020	2021	2022	2023
	(\$2.00)	(4.5%)	(2.75%)	(2.75%)	(2.75%)
A	\$11.92 \$15.19	\$12.22 \$15.87	\$12.53 \$16.31	\$12.84 \$16.76	\$13.19 \$17.22
B	\$13.28 \$16.69	\$13.61 \$17.44	\$13.95 \$17.92	\$14.30 \$18.41	\$14.69 \$18.92
C	\$14.26 \$17.78	\$14.62 \$18.58	\$14.99 \$19.09	\$15.36 \$19.62	\$15.78 \$20.16
D	\$15.22 \$18.84	\$15.60 \$19.69	\$15.99 \$20.23	\$16.39 \$20.79	\$16.84 \$21.36
E	\$16.20 \$19.94	\$16.61 \$20.84	\$17.03 \$21.41	\$17.46 \$22.00	\$17.94 \$22.60
F	\$17.30 \$21.13	\$17.73 \$22.08	\$18.17 \$22.69	\$18.62 \$23.31	\$19.13 \$23.95
G	\$18.13 \$22.06	\$18.58 \$23.05	\$19.04 \$23.69	\$19.52 \$24.34	\$20.06 \$25.01
H	\$19.06 \$23.09	\$19.54 \$24.13	\$20.03 \$24.79	\$20.53 \$25.47	\$21.09 \$26.17
I	\$19.98 \$24.10	\$20.48 \$25.18	\$20.99 \$25.88	\$21.51 \$26.59	\$22.10 \$27.32
J	\$20.91 \$25.14	\$21.43 \$26.27	\$21.97 \$26.99	\$22.52 \$27.74	\$23.14 \$28.50
K	\$22.76 \$27.18	\$23.33 \$28.40	\$23.91 \$29.18	\$24.51 \$29.99	\$25.18 \$30.81

The job titles within each job category are specified in Appendix A.

When necessary to fill vacant positions, the Company may offer such applicant a starting wage above the entry level rate for the job category in which the employee is to be hired.

### **Section 3. Pay Days.**

Pay days for employees under this Agreement on all shifts shall be on or before Friday of every second week.

### **Section 4. Leads.**

The regular rate of pay for a Lead 1 shall be the individual's base pay per hour plus ~~one dollar sixty-five cents~~ **one dollar seventy-five cents** (~~\$1.65~~) **(\$1.75)**. Employees who fill in for Leads for more than four (4) hours shall be paid their base pay plus ~~one dollar~~ **one dollar seventy-five cents** (~~\$1.00~~) **(\$1.75)** for each hour worked as a Lead.

### **Section 5. Temporary Work Assignments.**

Employees who work temporarily for more than one (1) hour in a job category with a higher rate of pay than their own job category shall be paid at the entry rate of pay or at their current rate plus ~~one dollar fifty cents~~ (~~\$0.50~~) **(\$1.00)**, whichever is higher, for the job in which they are working temporarily for all hours worked in that job. Employees who are required by the Company to work in a job in a lower Job Category than their own shall be paid their regular rate for all hours worked in such lower Job Category.

### **Section 6. Promotions and Job Bidding.**

Employees will not be eligible to bid on a job until they have successfully completed their probationary period as specified in Article 10, Section 2. Employees who successfully bid to a job in a higher Job Category will, upon the

commencement of the new job, receive either the entry level rate for the Job Category in which the new job falls or an one dollar (\$1.00) per hour increase, whichever is greater. Employees shall be allowed only one (1) successful lateral job bid (i.e., within their Job Category) in a twelve (12) month period. Employees will be allowed only one (1) successful downward job bid (i.e., to a job in a lower Job Category) in a twenty-four (24) month period.

When an employee takes a downward job bid, the employee's pay will be reduced accordingly using the difference between job category entry level wages. If the employee returns to his/her previous job category he or she will receive their previous higher rate, unless the employee moves above their previous job category in which case their previous wage is used to calculate the new rate. For example, an employee in wage category E making ~~\$18.00~~ **\$19.94** per hour who moves to wage category C take a reduction of ~~\$1.89~~ **\$2.16** per hour. When the employee moves back to an E job category, the employee will receive their prior rate of ~~\$18.00~~ **\$19.94**. If the employee moves above wage category E, the ~~\$18.00~~ **\$19.94** per hour rate will be used to calculate the new hourly rate per the method in this Section.

### **Section 7. Shift Differential Pay.**

Employees who are regularly assigned to afternoon, or evening shift shall receive ~~forty~~ **sixty** cents (~~\$0.40~~) (**\$0.60**) per hour in addition to their regular hourly pay for each hour worked on such shift. **All shifts starting at 4:00 PM or later will receive the Shift Differential pay.** ~~Twelve (12) hour shifts are:~~

- ~~• 5:00 p.m. to 5:00 am = evening shift~~

## ARTICLE 6 - HOURS OF WORK

### Section 1. Hours of Work.

The Company and the Union agree to established hours of work, work schedules, shifts and work days for the employees covered by this Agreement and any other schedules agreed upon by both parties. The employer may from time to time change established hours, schedules, shifts and work days when necessary to meet production requirements upon advance notice of fourteen (14) calendar days to the Union. ~~The Company will make a reasonable effort to fix twelve (12) hour shift schedules on a calendar rotation of ten (10) weeks.~~

### Section 2. Overtime.

Employees shall be paid overtime pay in accordance with applicable law. The parties agree that in calculating the number of hours worked in a work week under this paragraph, only hours actually worked by the employee shall be counted.

- Non-worked holidays, will be considered as hours worked for overtime calculations.
- Vacation hours will be considered as hours worked for overtime calculations.

The employer shall designate one (1) bulletin board **per department** on which to post notices to employees that overtime will be scheduled and the employer shall use its best efforts to post such notices at least ~~three~~ **four** ~~(3)~~ **(4)** days prior to the day when overtime is to be worked.

Seniority as used in this paragraph shall refer to unit seniority. The senior, qualified employee in the department and job classification where the overtime need exists who volunteers for overtime shall be first selected. If there are not enough qualified volunteers to fill the overtime requirements, the

Company shall designate the junior qualified employee in the department and job classification where the overtime requirement exists. On the next occasion where overtime is required in the same department and job classification, the next most junior employee shall be designated and on the following occasion the employee who is third from the bottom of the seniority list shall be designated and so on until all of the employees in the job classification at issue have been required to work overtime. Any employee who has worked twenty-four (24) hours or more of overtime in the fourteen (14) days preceding the Company's need for overtime work may turn down the overtime assignment and the Company shall call upon the next most junior qualified employee on the list to perform the overtime work available. Mandatory overtime may not be scheduled on either end of pre-approved vacation or at shift rotation.

### **Section 3. Alternate Work Schedule.**

The Company may establish a weekend shift during which employees shall work up to three (3) twelve (12)-hour shifts and, employees working at least thirty-six (36) hours during such weekend shift shall be paid for forty (40) hours of work at their regular, straight-time hourly rate. Employees on the weekend shift who work less than thirty-six (36) hours will be paid by the hour and shall not receive the four (4) hour premium pay unless the short fall in hours worked from thirty-six (36) are hours paid for vacation, holidays, jury duty, bereavement leave, ~~personal-time~~ **Washington State Sick Leave (also referred to as Sick Leave")** or day of industrial injury under this Agreement. Abuses in the use of benefit hours to obtain premium pay pursuant to this Section shall result in disciplinary action. Employees working the weekend shift shall accumulate benefits like other employees employed pursuant to this agreement. The Company agrees to notify and meet with the Union to negotiate any modifications of this alternative work schedule. For twelve (12) hour weekend shifts, any hours worked over thirty-six (36) hours in a work week will be paid at time and one-half the employee's regular rate.

**Section 4. Call Back Pay.**

Employees called in outside of their regularly scheduled shift because of emergencies as determined by the Company shall be entitled to a minimum of four (4) hours pay at their regular rate (unless such hours exceed forty (40) in a work week). Employee will be only required to perform the work that was associated with the call in. If such employee is already at work when notified of the need to continue working, such employee shall not be entitled to a guaranteed minimum number of hours.

**Section 5. Report Time.**

If an employee reports to work as scheduled, he/she shall receive a minimum of four (4) hours pay at his/her regular rate of pay, excluding premiums. Report time will not apply in case of emergency shutdowns arising out of any condition beyond the Company's control. An employee who leaves work of their own volition, or because of incapacity (other than work related injury or work related illness) or is discharged or suspended for cause after beginning work, will be paid only for the number of hours actually worked during that shift. An employee who leaves work because of incapacity due to industrial injury shall receive full pay for their shift, excluding premiums.

**Section 6. Rest Periods.**

Employees will receive proper rest periods during and between shifts in accordance with applicable law



## ARTICLE 7 - ATTENDANCE

### Section 1. Clock-In Time.

Employees are required to have clocked in and be at their work stations ready to begin work at the scheduled time for the beginning of their respective shifts. Employees may not clock in more than fourteen (14) minutes in advance of the beginning of their shift. An employee clocking in before their shift shall not be compensated for any pay unless approved by management.

### Section 2. Definition of Terms.

**Absence:** An absence is the failure by an employee to attend his/her regularly scheduled shift of work or leave before completing four (4) hours of their shift including work for which the employee volunteered or was otherwise scheduled by management. The following reasons are NOT considered absences:

- A. Vacation, holidays, jury duty, funeral leave, leaves of absence granted in accordance with the terms of this Agreement;
- B. When required to attend Court or a legal proceeding
- C. Absences caused by injury suffered in the course of employment
- D. ~~Personal Time~~ **Washington State Sick Leave**

**Tardy:** An employee is tardy when he/she fails to be at their work station, on time up to thirty (30) minutes, as scheduled, or when an employee is not at their work station after lunch or other scheduled breaks in accordance with the applicable schedule or when an employee clocks out before the end of their

scheduled shift without prior approval of their Supervisor or designated backup. Employees must clock-in in time to be able to be at their work stations, ready for work, in accordance with their work schedule.

**Late:** An employee is late when he/she fails to be at their work station after thirty (30) minutes but no more than two (2) hours from the start time of their scheduled shift.

### **Section 3. Notification Requirements.**

Employees who will be absent or tardy or late are required to notify the Company as soon as possible, but no later than one (1) hour prior to the beginning of the employee's scheduled shift or work assignment. If, as a result of emergency circumstances beyond the employee's control, the employee cannot provide at least one (1) hour notice, the employee shall give the employer as much notice as possible, explain to the Company the reasons for the absence and lack of notice, and the Company agrees to consider such circumstances when determining what, if any, action should be taken as a result of the lack of notice. Employees will be required to provide their names, the reason for their absence, and their expected date and time of return to work. In addition, the employee shall leave a phone number where the employee can be reached. Employees should notify management an hour or more prior to their starting time of their expected absence or tardiness or lateness, in order, as follows:

- A. The On Shift Supervisor; and, in his/her absence, then
- B. The Department Manager or any other management employee at the facility; and, in their absence, then
- C. The receptionist

- D. Employees are expected to attempt to notify the individuals described above and failure to attempt to do so may be grounds for disciplinary action. However, if the employee is unable to speak with any of the individuals described in A, B or C above, the employee shall leave a voicemail providing the information specified above unless otherwise instructed by the Department Manager.

The office phone number is: (509) 248-9166. The after hours, (weekend) and night number for the plant is: (509) 248-9957. The Company will provide advance notice to employees in Departments in which the Department Manager is designated as the contact person for calling and the Manager's contact telephone number will also be provided.

#### **Section 4. Points for Absences/Tardiness.**

The Union and the Company agree that the attendance policy at the plant shall be a "no fault" policy. The Company agrees to provide attendance points updates to all bargaining unit members on a regular basis. Supervisors will provide attendance points updates ~~approximately~~ every two (2) weeks. ~~If attendance points are not updated within a two week period, the supervisor will update them in a timely manner. However, if~~ **If** there is any disagreement in the points assessment it is the members' responsibility to bring it to management's attention. Failure of the supervisor to provide these updates will not result in reduction or omission of attendance points. All attendance points will be assessed in accordance with Article 7 of the Collective Bargaining Agreement.

The levels of offense and points assessed will be as follows:

**No Call, No Show:** Employees who fail to report to work on scheduled workdays or days for which they have signed up to cover vacation or work overtime, or are otherwise properly scheduled, and do not call the Company in accordance with Section 3 above, will be assessed five (5) points.

**Failure to clock-in or out:** Employees who fail to clock-in or out for their shift start or end will be assessed one-half (0.5) point. Employees who fail to clock-in or out for their lunch break will be assessed one quarter (1/4) point. Failure to bring or use Time Keeping card at work will result in one-half (1/2) point. However, an employee will not receive points for the first failure to bring or use their Time Keeping card at work during the first and second six month period of the calendar year.

**Early Departure:** When an employee leaves their shift early after having completed at least four (4) hours of their scheduled shift.

**Use of ~~Unscheduled Personal Time~~ Washington State Sick Leave:** No points will be assessed if the employee follows the notification policy. After an employee exhausts their ~~company sponsored personal time~~ sick leave, the employee then receives points according to the table below:

<b>Violation</b>	<b>Points</b>
3 2 Consecutive days No Call, No Show	Termination
No Call, No Show	5
Absence	1.5
Late	1
Early Departure	.50
Tardy	.50
Failure to Clock In/Out for Shift Start/End	.50

Failure to Clock In/Out for Lunch	.25
No Time Keeping Card	.50

## Section 5. Disciplinary Action.

Points*	Disciplinary Action
4.5	Verbal Warning
6	Written Warning
9 or more	<b>Termination</b> <del>Probation and Last Chance Written Warning.</del>

~~1.5 Points accumulated in the sixty (60) day period following the Last Chance Written Warning - Termination. If an employee successfully completes the disciplinary probationary period referenced above but accumulates points thereafter such that the employee reaches 9.0+ points within a twelve (12) month period - disciplinary probationary period pursuant to a Last Chance Warning.~~ On a one-time basis, effective December 1, 2019, all employees' current points will be reduced to half their current amount. Employees currently assessed with more than ten (10) points will be reduced to seven and one-half (7 and 1/2) points. Reduction of points will begin from an employee's oldest assessed points.

\*Points are measured on a twelve (12) month rolling period.

An employee whose absence is covered by a qualifying Family Medical Leave Act are not subject to disciplinary action and cannot be counted toward the point system.

## **ARTICLE 8 - GRIEVANCE/ARBITRATION PROCEDURE**

### **Section 1. Definition.**

The term "grievance" shall mean a claim that there has been a violation of or a disagreement over the interpretation a specific term of this Agreement. Disciplinary action taken under this Agreement will be for "just cause."

### **Section 2. Time Limits.**

The Company shall not be required to consider or process any grievance not presented in Step 1 within fourteen (14) calendar days of the date of the alleged violation. All time limits are of the essence and cannot be extended unless by written mutual agreement between the Company and the Union. Any grievance shall be considered as settled on the basis of the last answer of the Company if not appealed to the next step or to arbitration within the time limits set forth in this Article, unless waived in writing.

### **Section 3. Grievance Steps.**

Step 1. (Verbal). Any employee having a grievance shall first bring it to the attention of their immediate supervisor. Such grievance shall be noted on a form to be prepared and signed by the grievant and his supervisor. A Union steward may be present if requested by the Company or the employee. The supervisor will provide the employee with a written answer to the grievance within five (5) calendar days of the date the grievance was presented by the employee.

Step 2. (Written). The immediate supervisor's written decision will be final and binding unless the Union forwards, in written form, a grievance to the Department Manager, within seven (7) calendar days of the Union's and employee's receipt of the supervisor's written decision. Such grievance shall be directed to the Department

Manager and shall state the facts on which the grievance is based, reference the specific contract Articles allegedly violated and the requested remedy. Within seven (7) calendar days of his/her receipt of the grievance, the Department Manager or his/her designee will meet with the aggrieved employee and the Union steward or designee in an effort to adjust the grievance and the Department Manager shall give a written answer to the Union within five (5) calendar days after the meeting.

Step 3. (Pre-Arbitration). The Department Manager's written decision at Step 2 will be final and binding unless, within seven (7) calendar days of the receipt by the Union and the employee of that decision, the grievance is appealed in writing to the ~~Plant Manager~~ **Department Director**. Such appeal shall be directed to the ~~Plant Manager~~ **Department Director** and shall state the facts on which the grievance is based, reference the specific contract Articles allegedly violated and the requested remedy. If so appealed, within fourteen (14) calendar days of the ~~Plant Manager's~~ **Department Director's** receipt of appeal, the ~~Plant Manager~~ **Department Director** or his/her designated representative will meet with the aggrieved employee and the Union Business Representative and designated Human Resource representative. The ~~Plant Manager~~ **Department Director** or his/her designated representative will give a written answer to the Union and employee within seven (7) calendar days from the date of such meeting. All parties attending such meetings shall have available someone with full authority to make final and binding settlements.

Step 4. (Arbitration). The decision of the ~~Plant Manager~~ **Department Director** at Step 3 will be final and binding unless, within ten (10) calendar days of the Union's and employee's receipt of the ~~Plant~~

Manager's ~~Department Director's~~ written decision, the grievance is appealed in writing to arbitration. Such appeal shall be directed to the ~~Plant Manager~~ ~~Department Director~~ and shall state the facts on which the grievance is based, reference the specific contract Articles allegedly violated and the requested remedy. An impartial arbitrator shall then be appointed by mutual agreement of the parties or, failing such agreement within seven (7) calendar days, a request shall be initiated to the Federal Mediation and Conciliation Service to submit a panel of seven (7) names from which a selection shall be made by the parties striking one person on the panel alternately with the last person remaining to serve as the impartial arbitrator. The fees and expenses of the arbitrator and any other joint expense incurred in connection with the arbitration proceedings shall be shared equally by the Company and the Union. The decision of the arbitrator will be final and binding on the Company, the Union, the Union's membership and the aggrieved employee or employees.

#### **Section 4. Authority of Arbitrator.**

The jurisdiction and authority of the arbitrator shall be confined exclusively to the interpretation of this Agreement. The arbitrator shall have no authority to add to, detract from, alter, amend or modify any provision of this Agreement. The arbitrator shall not substitute his/her judgment for that of the Company where this Agreement has specified whose judgment will be used or the matter involved has been reserved to the Company.

#### **Section 5. Separate Proceedings.**

Unless otherwise mutually agreed to by the Company and the Union, each grievance appealed to arbitration shall be the subject of a separate and distinct arbitration hearing and decision.



**Section 6. Terminations.**

In the case of termination, suspension, or alleged forced resignation, the Union may skip Step 1 and may begin the grievance procedure at Step 2.

**Section 7. Union Determination.**

The Union shall make the final determination as to whether or not any grievance involving employees in the bargaining unit shall be processed and whether or not any grievance shall be settled.

**ARTICLE 9 - LEAVES OF ABSENCE, ~~PERSONAL TIME~~ SICK LEAVE, JURY  
DUTY, BEREAVEMENT LEAVE**

**Section 1. Leave of Absence.**

A leave of absence may be granted to any employee who has completed six (6) months of service for any reason deemed satisfactory to the Company or as required by law. Except in emergency situations, a request for a leave of absence must be made in writing to the Human Resource Department or one's supervisor prior to the beginning of the leave.

**Section 2. Medical Leave.**

The Company will comply with the Family Medical Leave Act (FMLA). To be eligible for medical leave, an employee must have been employed by the Company:

- (i) for at least twelve (12) months; and
- (ii) worked for at least one thousand two hundred and fifty (1250) hours during the twelve (12) month period immediately preceding the commencement of the leave.

If an employee remains unable to return to work after exhausting their allotment of FMLA leave, his/her job may be filled and the employee shall be placed on inactive status for a period of twelve (12) months (including, but not in addition to, their exhausted FMLA leave time). If a job opening occurs during the twelve (12) month period for which such employee is eligible to bid, he/she may bid on such job. If, during the twelve (12) month period, the employee is unable to return to work for any reason or the employee has not successfully bid into a job opening, the employment of such employee shall be terminated at the conclusion of the twelve (12) month period.

The parties further agree that employees intending to take FMLA leave must exhaust any ~~personal time~~ **sick leave** and vacation allowance concurrent with the use of FMLA leave. For example, an employee who takes fourteen (14) days of FMLA leave must, as part of that leave, use whatever ~~personal time~~ **sick leave** or vacation days the employee has up to the fourteen (14) days of the FMLA leave.

### **Section 3. Accumulation of Seniority.**

Seniority shall continue to accumulate during leaves of absence of twelve (12) months or less.

### **Section 4. Military Leave.**

The Company shall provide military leave and related benefits in accordance with applicable law.

### **Section 5. ~~Personal Time~~ Sick Leave.**

~~Pexco Aerospace will provide Sick Leave in accordance with Washington State Law. Sick Leave may be used at the employees' discretion. Personal Time is intended for the use in connection for a medically related issue or personal matter. Employees will be frontloaded 48 hours of Sick Leave on January 1<sup>st</sup> of each year. Employees may use Sick Leave in one-minute increments. Employees must have enough Sick Leave to cover their entire shift or they will be subject to the Attendance Policy. This time will be used prior to unpaid time being granted to the employee. You may not use personal time if you are receiving workers compensation.~~

- ~~• Employees will receive forty (40) hours of personal time each calendar year. Unused personal time will be cashed out at the end of the calendar year. Employees whose employment is terminated, whether voluntary or~~

~~involuntary, will not be paid for their unused personal time.~~ **Up to forty (40) hours of Sick Leave will be rolled over each calendar year.**

- New hires will receive a prorated portion of their **Sick Leave** ~~personal time~~ upon successful completion of their probationary period.
- ~~For all personal time not used by December 31, hours will be paid at their normal rate of pay.~~
- ~~Personal time can be scheduled two (2) days in advance and approved by managers based on workload and employees seniority.~~

~~Personal time also may be taken in no less than one (1) hour increments on either end of shift. For Monday through Friday day shift employees, with proper documentation, personal time may be used in thirty (30) minutes increments for health care professional appointments.~~

## **Section 6. Bereavement Leave.**

Three (3) days at eight, ten or twelve (8-10-12) hours/per day of bereavement leave with pay will be granted to an employee on the active payroll for a minimum of ninety (90) calendar days who, because of death in his/her immediate family, takes time off from work during his/her assigned work schedule. Such pay shall be at his/her regular rate of pay, for each such day off; however, such pay will not be applicable if the employee receives pay for such days off under any other provisions of this Agreement. Bereavement leave must be taken on consecutive workdays as selected by the employee within three (3) calendar days before or after the funeral following the death (or evidence of belated notification of death). For purposes of this Section the "immediate family" is defined as follows: **aunts, uncles, domestic partner**, spouse, mother, father, mother-in-law, father-in-law, children, brother, sister, son-in-law,

daughter-in-law, brother-in-law, sister-in-law, great-grandparents, grandparents, grandchildren, stepmother, stepfather, stepchildren, stepbrother, stepsister, half brother, half sister, and spouse's grandparents. In addition, an employee will be granted bereavement leave for a stillborn child if the employee provides a certificate of fetal death which has been certified by the attending physician.

### **Section 7. Jury Duty.**

When an employee is required to attend jury duty on their regularly scheduled working day, he/she shall receive pay for their regularly scheduled shift at their rate of pay, excluding premiums. Employees shall receive holiday pay if a holiday occurs while on jury duty. Employees on jury duty are required to return to work if four (4) or more hours of time is left in their regularly scheduled work shift at the time the employee is released from jury duty.

When an employee is subpoenaed as a witness in a case in which he/she is not a party, he/she shall receive eight, ten or twelve (8-10-12) hours pay at his/her regular rate of pay each day. Employees subpoenaed to testify in any proceeding are required to return to work if four (4) or more hours of time is left in their regularly scheduled work shift at the time the employee is excused by the Court from further attendance.

Time spent on jury/witness duty is not to be counted as absenteeism for purposes of disciplinary action or adjusting vacation.

Anyone reporting for jury duty will be temporarily assigned to day shift for the duration of their jury service.

**Section 8. Union Business.**

Upon approval by the Company which shall not be unreasonably withheld, bargaining unit employees who are required to travel for internal official Union business or attend internal official Union functions shall be granted a leave of absence without pay for performing such business unless the staffing needs of the job prevent the Company from agreeing to grant such leave. While on such leave, employees shall not lose any benefit of seniority. The Company will grant up to a total of ten (10) days per year for leaves of absence due to Union business. Once the Company has granted a total of ten (10) days, employees seeking time off for Union business must use their available vacation allowance for such business. Only two (2) bargaining unit employees may be granted leave of absence for Union business at any given time.

The Union shall normally submit such requests at least seven (7) days prior to the date of the leave of absence.

## **ARTICLE 10 - SENIORITY**

### **Section 1. Definition.**

Company seniority as used herein denotes an employee's total length of service with the Company. Company seniority entitles the employee to certain rights for accrued benefits such as vacation.

Bargaining unit seniority as used herein denotes an employee's total length of service within the bargaining unit covered by this Agreement.

In cases where seniority dates are the same, the higher seniority will be determined by the earliest day and month of birth. For example, the seniority of an employee born in February will be deemed ahead of the seniority of another employee hired on the same day but born in April.

### **Section 2. Probation Period.**

All new employees shall be considered probationary for a trial period of not more than ninety (90) days which period may be extended by the Employer by notice to the employee and with agreement from the Union. If, after this probationary period the employee shall be retained, seniority shall run from the first day the employee started to work. During the probationary period an employee may be discharged for any reason which, in the opinion of the Management, is just and sufficient, without said discharge being the subject of the grievance or arbitration procedure provided herein.

### **Section 3. Termination of Seniority.**

An employee's seniority shall be broken and terminated by:

1. Discharge for just cause
2. Voluntary quit

3. No work or layoff for more than eighteen (18) months
4. Failure to respond to a notice of recall as specified in this Agreement
5. Unauthorized leave of absence or failure to return to work after leave has expired
6. Absence without notice for three (3) consecutive days
7. Accepts employment elsewhere while on leave of absence
8. Continuous period of absence due to illness or disability for more than twelve (12) months unless additional leave is required as an Americans with Disability Act (ADA) accommodation.

#### **Section 4. Seniority List.**

The Company agrees to maintain a list or file of its employees in the order of their seniority. The Company further agrees to keep this list up-to-date and provided to the Union quarterly. The Company will not have any financial liability for any discrepancies in the seniority list which has not been reported in writing by the Union and the Company provided a reasonable opportunity to correct.

#### **Section 5. Layoffs.**

Should the Company determine that it needs to lay off employees in a particular department, employees identified for layoff shall have the right to bump less senior employees. Total amount of department and position seniority will determine your seniority for bumping. The most senior person with the total amount of department and position seniority may have the right to bump. In applying this section, including "bumping rights", the Company shall first consider the skills, abilities and experience necessary to staff the jobs remaining after the layoffs in the particular department affected. Once the Company determines the number of employees to be retained in the department affected and the skills, abilities and experience necessary to staff such positions, the Company will review the skills, abilities, experience and employees' both in and outside of the affected department to determine which employees should be



retained based on those criteria. Should the Company determine that the skills and abilities of the employees under review are relatively equal, the Company will lay off such employees in reverse bargaining unit seniority order. As provided below, actions under this Section shall be subject to Article 8, Grievance and Arbitration Procedure.

### **Section 6. Recall.**

The Company shall rehire employees laid off for less than eighteen (18) months in the same manner and using the same criteria as used to determine which employees would be laid off or retained as described in the paragraph above except that when seniority is considered, the most senior employee will be recalled.

In the event of a recall, the laid off employee shall be given notice of recall by certified mail sent to the address on file at the Company. Within five (5) work days after receipt of such notice, the employee must report for work, unless otherwise specified in the written notice of recall. It is the responsibility of the employee to notify the Company in writing of any change in address and to pick up the certified mail notice of recall within five (5) work days of the mailing of such notice. An employee who fails to comply with the above provisions shall be considered a voluntary quit and shall lose all seniority rights under this Agreement.

### **Section 7. Job Opportunities.**

The Company shall determine the skills and abilities required for any individual to fill a job at the Yakima plant according to Article 5, Section 6. All bargaining unit positions will be posted for bid for eight (8) calendar days prior to the cutoff date for applications for such position. If one or more of the internal employee applicants are qualified to step in and perform the job at issue with only minimal training and that the skills and abilities of qualified employee

applicants are relatively equal, the Company will hire the senior, qualified employee applicant based on bargaining unit seniority. If none of the employee applicants possess the necessary skills and abilities to step in and perform the job at issue with only a minimum of training, the Company may seek applications and hire individuals from other sources. Employees who have not successfully completed the probationary period may not bid on available openings.

When filling bargaining unit positions, the Company will first consider internal employee applicants. The Company will only consider applications submitted by external candidates if the Company has first determined that no internal employee applicant is qualified to step in and perform the job at issue with only a minimum of training. This determination will not be made in arbitrary or capricious manner.

The Company may post an open position externally and develop a candidate pool before it has eliminated all internal candidates. No external candidates will be interviewed or otherwise screened until internal candidates have first been considered and rejected in accordance with the above.

If the Company concludes that none of the internal employee applicants are qualified to step in and perform the job at issue with only a minimum of training, the Company will notify the employee that he/she was not selected. The Company will offer to schedule a meeting with the employee within two (2) weeks to explain the reason(s) for the Company's conclusion and what the employee might do to improve his/her application in the future.

### **Section 8. Temporary Labor.**

The use of temporary labor may not cause or prolong the layoff of incumbent full-time or part-time employees. Any temporary employee whose employment exceeds six (6) months will automatically be included in the

bargaining unit. Upon request, records of hours worked by temporary employees will be made available for inspection and copying by the Union.

### **Section 9. Salary Promotion**

When an employee is promoted to a salary position, the employee shall be kept on the seniority list for up to six (6) months. Seniority time in their classification will accrue and the employee will withdraw from the Union. If the employee returns to the bargaining unit prior to the expiration of the six (6) month period, his/her seniority will not be affected.

## **ARTICLE 11 - DRUG FREE WORK PLACE**

### **Section 1. Statement of Purpose and Policy.**

The Company maintains a drug and alcohol free workplace. All employees have the responsibility to report and be at work in a fit condition to perform their jobs without unnecessary risk to themselves or other individuals. Therefore, the Union and the Company agree that the unlawful use, manufacture, dispensation, possession, purchase, sale or distribution of drugs which are illegal under federal or state law on Company property or Company time is strictly prohibited.

Similarly, unauthorized use, possession, dispensation, purchase, sale or distribution of prescription drugs or alcohol on Company property or on an employee's work time is not allowed. In addition, being under the influence of a drug which is illegal under federal or state law or alcohol while at work or on Company premises is strictly prohibited.

### **Section 2. Notice and Consent to Drug and/or Alcohol Testing.**

All individuals seeking and currently holding positions with the Company must complete and sign the Acknowledgement and Consent to Test authorization form. Any applicant who refuses to sign the form will be denied employment and will not be permitted to reapply for six (6) months from the date of application. Any employee who refuses to sign the form will be terminated without recourse to the grievance and arbitration provisions of this Agreement.

### **Section 3. Use and Possession.**

#### **Illegal Drugs**

The use, possession, sale, purchase, or distribution of drugs which are illegal under federal or state law, or having a measurable quantity of an illegal drug in one's system while at work, performing services for the Company, or while on the Company's premises, is prohibited. Any employee who is found to

have violated this paragraph, whether by test results or otherwise, will be terminated.

#### Alcohol

No alcoholic beverages will be brought onto, or consumed on the Company's premises. Being under the influence of an alcoholic beverage while at work, performing services for the Company, or while on the Company's premises, is prohibited. Any employee who is found to have violated this paragraph, whether by test results or otherwise, will be terminated.

#### Prescription and Nonprescription Medication

Employees using prescription and/or nonprescription medications must inform their Human Resources Manager he use will likely impair their ability to perform their job. Such impairment includes, but is not limited to, sleepiness, dizziness, blurred vision, altered mental state, hallucinations, and nausea. An employee will not be asked to reveal the medical condition which resulted in the use of medication, but rather, only the possible side-effects of the medication which is likely to impair the employee's work performance. An employee will be required to provide confirmation from his or her physician of the need, proper use and potential side effects, for the medication.

An employee who fails to report the use of prescription and nonprescription medications which result in observed impaired behavior or job performance will be asked to undergo a substance test, and will be subject to disciplinary action up to and including termination.

#### **Section 4. Substance Testing.**

The Company will use any valid method of testing employees for drug or alcohol use. References to a particular method of testing in this Article shall not

limit the Company in its chosen method of drug or alcohol testing. Drug Testing will occur in four (4) situations:

#### Pre-employment

Drug testing will be a routine component of the pre-employment application process. Potential employees must satisfactorily pass a drug test as a condition of employment. In the event of a positive pre-employment drug screen the applicant will not be permitted to reapply for employment for six (6) months.

Failure to report for a pre-employment drug screen within twenty four (24) hours of receiving paperwork and instructions to do so will be interpreted as a refusal to comply with the policy and treated as a positive drug screen. The applicant will not be permitted to reapply for employment for six (6) months. Urine samples for drug testing will be collected under the supervision of an authorized collection facility.

#### Reasonable Suspicion

Where a member of management believes, based on evidence, employee conduct or existing circumstances, that an employee has violated the provisions of Section 1 of this Article, the Supervisor will:

Request that the employee be escorted to an authorized facility where the employee will provide a urine and/or blood alcohol or breath alcohol sample and;  
Suspend the employee until an investigation is completed.

Any employee who refuses to be tested or attempts to interfere with or alter the test results will be in violation of this policy, which will result in disciplinary action up to and including termination of employment.

### Post Accident

If an employee suffers an injury or causes other than incidental minor property damage during the course of their employment, the Company will require the employee to submit to a test for controlled substances and/or blood alcohol. The test will be collected as soon as possible after the accident, but no later than four (4) hours after the accident.

### Random

If an employee is selected for a drug screen on a random basis, he/she will be notified the day the screen is scheduled and the employee shall be tested during his work shift. The Company will pay for such time and, if necessary, provide all required transportation.

## **Section 5. Procedures for Testing.**

All testing will be carried out at an authorized collection facility. Individuals reporting for testing must present photo identification (i.e. picture ID, driver's license, etc.). An employee must remain at the facility until a sample is provided or it will be treated as a test refusal. An independent and reputable laboratory or health-care provider will do all the screening. All positive results will be subjected to confirmatory testing.

Prior to any screening, employees will be requested to consent to the screen and to the release of the results to the Company. Failure to comply with a request to submit to a drug or alcohol screen will result in termination.

## **Section 6. Re-testing.**

If an employee receives a confirmed positive test result from a urine or blood sample he/she provided, the employee may request, within seven (7) days of the date he/she is first informed of the results of the original test, a retest of the original urine or blood sample. The employee's retest request must be in

writing and directed to the Human Resources Department. The employee must pay for the requested retest. The employee is not permitted to submit a new urine or blood sample instead of having the original samples re-tested.

The Company will request another urine sample be given by an employee when any test result is deemed negative but questionable by the testing laboratory or Medical Review Officer. The Company will pay for such a second test. In the case of a second negative but questioned test, the employee and the Medical Review Officer will meet to determine whether a valid, defensible reason exists for multiple negative but questionable test results. An employee is expected to cooperate with the Medical Review Officer to determine the reason for such test results and failure to cooperate will lead to termination. If the Medical Review Officer concludes that there is evidence of tampering with, or intentional dilution of urine samples, or other efforts to alter the test results, an employee will be terminated.

### **Section 7. Confidentiality.**

The Company will maintain all test results in confidential files separate from employee files. Test results will be kept confidential in accordance with applicable circumstances, but may be released as required by law or as necessary to respond to inquiries by a governmental agency or entity.

### **Section 8. Discipline.**

An employee who tests positive for illegal drugs or under the influence of alcohol will be terminated. The Company shall have the sole discretion in determining appropriate disciplinary actions and an affected employee's recourse to the grievance and arbitration procedures shall be limited to the question of whether the violation of the drug policy set forth in Section 1 of this Article occurred. Refusal to sign a consent form, refusal to submit to a test, and/or tampering with a test sample will be grounds for immediate termination.



### **Section 9. Call Back Assignments.**

An employee who is contacted at home and asked to report to work must inform his/her Supervisor if he/she has used illegal drugs, is under the influence of alcohol, or has taken prescription or nonprescription medications which could impair job performance or create an unsafe work condition. Any employee who reports for duty as requested will be subject to the terms of the drug and alcohol policies set forth in this Article.

### **Section 10. Employee Assistance Program.**

The Company shall maintain an Employee Assistance Program (EAP). The EAP is an employee benefit that provides confidential counseling services to full-time or regular part-time Pexco employees with respect to drug or alcohol problems as well as other personal issues. The services provided under the EAP at no charge to the employees are limited as set forth in the EAP plan as amended from time to time. The Company will notify the Union of any such changes.

Voluntary participation in the EAP after the employee has been requested to undergo testing will not preclude termination for a violation of this policy or if an employee's use of illegal drugs, alcohol, or prescription or nonprescription medications has already led to impaired work performance or to a violation of Section 1 of this Article. However, an employee who seeks assistance and successfully completes the recommended treatment program before such use affects job performance or before violating Section 1 above will not be subject to disciplinary action for the past substance use as long as the employee complies with the recommendations of the EAP counselor and signs and abides by a Return-To-Work Agreement as described below and maintains satisfactory job performance and complies with Company policies.

An employee who seeks assistance through his/her Supervisor will be immediately referred to the EAP for evaluation, counseling and/or referral to a specialist or a treatment program. Counseling services provided under the Employee Assistance Plan are funded by the Company. If additional treatment is recommended, the employee is responsible for the expense, a portion of which may be covered under the Company's group medical insurance plans available to full-time employees.

If a treatment plan is recommended which requires time away from work, the Company will consider placing the employee on a personal leave of absence, following proper approval from the employee's Supervisor and Human Resources Department, until the program is completed. The leave is unpaid unless sick leave and/or vacation benefits are available, in which case they must be used prior to the employee going on an unpaid leave of absence.

While all information shared with an employee assistance counselor is privileged and confidential, if an employee's participation in the EAP or a treatment program is a condition of employment, the employee's Supervisor and Human Resources Department will be informed of the employee's progress and status and other information which is needed for other legitimate reasons.

### **Section 11. Return-to-Work Agreement.**

Employees returning to work following the completion of an approved treatment program will sign a Return-to-Work Agreement with terms established by the Company. This agreement will include, but is not limited to, acceptable work performance standards, continued counseling as recommended by the treatment counselor, willingness to submit to at least one (1) unscheduled substance test within the next twelve (12) month period, and/or an understanding of last-chance nature of the agreement. The Return-to-Work Agreement for an employee who voluntarily enters into the EAP without having

been found to have violated this Article shall not include a Last Chance arrangement solely on the basis that the employee voluntarily submitted to the EAP program. The number and timing of unscheduled tests will be at the Company's sole discretion.

Unsuccessful completion of a treatment program, failure to comply with the Return-to-Work Agreement, or testing positive to a subsequent substance test will result in immediate termination.

## **ARTICLE 12 - DEFINITIONS**

### **Section 1. Definitions.**

Full-time employees are those who work a minimum of thirty two (32) hours per week, on average, over the last ninety (90) calendar days. In calculating these numbers, time when on layoff shall not be counted.

Part-time employees are those working an average of less than thirty two (32) hours per week over the last ninety (90) calendar days.

Temporary agency employees are those employees who are obtained through a third-party contracting agency. The employment of a temporary agency employee shall not be permitted where such employment causes or prolongs the layoff of an incumbent employee.

Upon notice to the Union, the Company may, on occasion, hire summer students to work on a temporary basis, not to exceed ninety (90) days.

## **ARTICLE 13 - HOLIDAYS**

### **Section 1. Holidays.**

Eligible Employees will receive eight (8) hours of holiday pay. However, if the Employee's normal straight-time shift is longer than eight (8) hours, the Employee will be paid holiday pay equal to his/her missed shift hours, but only if the holiday falls on his/her scheduled workday.

New Year's Day

Good Friday for eight (8) hour employees and Easter Sunday for twelve (12) hour employees

Memorial Day

July 4<sup>th</sup>

Labor Day

Thanksgiving Day

Friday after Thanksgiving

Christmas Eve

Christmas Day

Bargaining unit employees have the option to defer any portion of their holiday pay to be paid at a later time at their discretion (i.e., plant closure days or cash out). All deferred but unpaid holiday pay shall be paid out at the end of the year.

- Employees will be permitted to rollover a maximum of twelve (12) hours of deferred holiday pay into the following year.

Employees who have banked holiday pay may draw upon pay at any time during a regular payroll cycle.

- If employment is terminated, the deferred holiday pay will be cashed out.

Part-time employees shall be paid a pro rata share of holiday pay based on the percentage of hours they work per week relative to a forty (40) hour work week.

### **Section 2. Conditions Necessary for Holiday Pay.**

To be eligible for holiday pay, an employee must be full time or part time, ~~successfully completed the Company's probationary period~~ and must be actively employed by the Company as of the date the holiday falls.

An employee on leave of absence for any purpose (i.e., medical leave, workers compensation, military leave, FMLA, etc.) is ineligible for holiday pay for any holiday which occurs during the leave of absence. Holiday pay is ~~not~~ counted toward the forty (40) hour requirement for overtime.

### **Section 3. Work on Holidays.**

The Company has the right to designate any holiday as a workday for either all or some of the employees. An employee who is scheduled to work on a holiday shall be paid at his/her regular, straight-time hourly rate **and will receive holiday pay at time and a half for all hours worked.** ~~in addition to receiving eight (8) hours of holiday pay.~~ When a holiday falls on an employee's normal day off, the employee will be paid holiday pay or deferred for such day.

## ARTICLE 14 - VACATIONS

### Section 1. Vacations with Pay.

The Company encourages each employee to take his or her annual vacation entitlement as paid time off from work. Except as required by law, vacation time cannot be carried over into the next year. If an employee is not able to use scheduled vacation at the company's request, such vacation hours may be paid or carried over at the employee's option.

~~After twelve (12) months of continuous service, each full-time employee is entitled to two (2) weeks paid vacation. Employees with less than twelve (12) months receive a prorated vacation benefit. Part-time employees are not eligible for paid vacation benefits.~~

Vacation is credited to you on January 1<sup>st</sup> of the New Year. Vacation time may not be taken prior to being credited. **New employees will receive a prorated amount up to 80 hours granted on date of hire.**

#### **Length of Service**

Less than 1 year

1 – 9 **5** years

~~10 – 19~~ **6 – 10** years

**11 – 15** years

~~20~~ **16** years and over

#### **Annual Vacation**

Prorated up to ~~40~~ **80** hours

80 hours

128 hours

**168** hours

~~168~~ **208** hours

Vacation hours shall be deemed accrued as of the first work day in each calendar year. ~~For example, an employee who has completed one (1) full year of service and is in his second year of service as of January 1 of a given calendar year shall be entitled to eighty (80) hours of paid vacation during such calendar year beginning January 1.~~

Vacation scheduling shall be by seniority for the first three (3) months, January 01 – April 01. The bidding will be from a period of April 01 of the current year until March 31 of the following year. After April 01 of each year, it will be on a first come – first served basis. In case of multiple bargaining unit members applying for vacation on the same day, seniority shall prevail. The vacation must be submitted in advance to the employee’s supervisor.

Part-time employees shall be paid a pro rata share of vacation pay based on the percentage of hours they work per week relative to a forty (40) hour work week.

## **Section 2. Vacation Increments.**

Vacation can be taken in full-day or half-day increments only. Employees who have remaining less than a full day of vacation may combine their remaining paid vacation hours with unpaid hours in order to take a full day off. Generally, vacations cannot be taken in increments of greater than eighty (80) hours. Vacation time must be taken in the year in which it accrues and cannot be carried over to the next calendar year. Vacation hours are not counted toward the forty (40) hour requirement for overtime. **Vacation hours used but not physically worked will not be paid at the overtime rate.**

Employees will receive vacation pay on the next payroll cycle.

## **Section 3. Leave of Absence.**

Time spent on a leave of absence which is in excess of thirty (30) calendar days and is not FMLA qualifying shall not be counted as service for the purpose of determining an employee’s eligibility for paid vacation hours.



#### **Section 4. Scheduling.**

~~Once Personal Time has been exhausted,~~ **W**hen scheduling vacation in one-half (1/2) day, vacations shall be scheduled two (2) days in advance and approved by manager based on workload and employee seniority.

Employees scheduling vacation for more than one-half (1/2) day must schedule their request at least two (2) weeks in advance by notifying their supervisor and receiving permission from the supervisor for the vacation time. Employees seeking vacation must fill out a time off request **(TOR)** form. **Supervisor will give a signed copy of TOR back to the employee upon submission, as proof of receipt.** Generally, supervisors will grant vacation time on a first come, first serve basis. While a supervisor may consider work load and need when determining whether to grant a vacation request. All vacation requests shall be automatically granted if not answered within the next **five seven (5) (7)** calendar days. **In the future, the Company may move to an electronic system, at such time the company will honor the seven (7) calendar days.** Such requests shall not be unreasonably denied. In the event that a supervisor cannot grant as many employees' vacation time as are requesting such time as a result of the work load needs of the business, the supervisor shall give preference to employees in the order of their Company seniority.

## ARTICLE 15 - EMPLOYEE BENEFITS

### Section 1. Health and Welfare Benefits.

All bargaining unit employees employed as of the date of this Agreement and all new employees hired after the date of this Agreement, ~~who have successfully completed their probationary period,~~ shall be eligible to participate in the ~~TransDigm Group Inc. ("TransDigm") insurance plan~~ ~~Pexco LLC Insurance Program~~ on the same terms and conditions applicable to other ~~Pexco Aerospace hourly paid~~ employees covered by the ~~TransDigm insurance plan~~. ~~Pexco LLC Insurance Program~~. ~~Pexco LLC~~ Participating employees shall receive health care, dental, short-term disability, long-term disability, life insurance, accidental death and dismemberment and dependent care benefits, including Flexible Spending, in accordance with the terms of the ~~TransDigm insurance plan~~. ~~Pexco LLC Insurance Program~~. ~~The Union agrees that bargaining unit employees will participate in the TransDigm insurance plan as such plan currently exists or as such plan may be modified or amended by TransDigm in the future. Year over year weighted average medical premium increases cannot exceed ten percent (10%) annually.~~

~~The Company will contribute a minimum 82%/18% HSA share for medical for 2014 2019, 2020, 2021 and 2015 2022. During the duration of this Agreement the contribution levels will not exceed 75%/25% 80%/20%. The Company will continue to contribute for 2014 2019 through 2017 2022 a minimum of \$750/\$1,250 to the HSA for first time participants and will match up to \$750/\$1,250 for employees who also contribute money to the HSA account.~~

**ANTHEM**  
 (Blue Cross and Blue Shield BlueCard PPO)  
**MEDICAL PLAN SUMMARY**

*(The following benefits are included in your plan options. Unless otherwise noted, all benefits and maximums are per insured person.)*

	\$ 400 DEDUCTIBLE		\$ 900 DEDUCTIBLE		\$ 1,850 DEDUCTIBLE		\$ 2,850 DEDUCTIBLE		\$ 4,500 DEDUCTIBLE	
HSA Eligible	No		No		Yes		Yes		Yes	
HSA Funding by employer	No		No		\$250 Employee \$500 Employee + Spouse \$500 Employee + Child \$750 Family		\$500 Employee \$750 Employee + Spouse \$750 Employee + Child \$1,250 Family		No	
<b>Benefit Details</b>	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
Deductible: Individual Family	\$400 \$800	\$2,500 \$5,000	\$900 \$1,800	\$3,000 \$6,000	\$1,850 \$3,700	\$3,700 \$7,400	\$2,850 \$5,700	\$5,700 \$11,400	\$4,500 \$9,000	\$9,000 \$18,000
Out-of-Pocket Max: Individual Family	\$2,200 \$4,400	\$4,400 \$8,800	\$3,000 \$6,000	\$6,000 \$12,000	\$3,500 \$6,500	\$7,000 \$13,000	\$5,500 \$11,000	\$11,000 \$22,000	\$6,550 \$13,100	\$13,100 \$26,200
Plan Coinsurance	80%	60%	80%	60%	80%	60%	70%	50%	70%	50%

**Section 2. Retirement Benefits.**

The Union agrees that bargaining unit employees will participate in the TransDigm Group Inc. ("TransDigm") 401(k) plan as such plan currently exists or as such plan may be modified or amended by TransDigm in the future. All bargaining unit employees employed as of the date of this Agreement and all new employees hired after the date of this Agreement, ~~who have successfully completed their probationary period,~~ shall **will** be eligible to participate in ~~the Pexco LLC Deferred Savings Plan ("401(K) Plan")~~ on the same terms and conditions applicable to other hourly paid employees eligible to participate in the 401(K) Plan. The Company match for the defined contribution plan will be fifty percent (50%) of contributions up to the first six ~~seven~~ **eight** percent ~~(6%) (7%)~~ **(8%)** of compensation.

- Eligible to contribute to 401(k) immediately upon hire.
- ~~Company matches 75% of employee wages up to 8% starting the first full month after probationary period (90 days) through completion of 12 months of service. The employee will not see company match in their~~

~~401(k) statement the first year, however; once the employee reaches their 12-month anniversary, the company will contribute a lump sum amount for the company match into the employee 401(k) fund. This lump sum company matching funds will be immediately 100% vested.~~

- The vesting schedule for company matching funds is currently listed below. The vesting schedule is subject to change by TransDigm in accordance with the terms of its Plan shall be:
- 0 to 1 year – 0%
- 1 to 2 years – 20%
- 2 to 3 years – 40%
- 3 to 4 years – 60%
- 4 to 5 years – 80%
- +5 years – 100%

~~Effective January 1, 2020, the Company agrees to contribute to the IAM District 751 Savings Plan Trust (“Plan”), on behalf of each bargaining unit employee (including probationary employees), thirty cents \$.30 per compensable hour to a maximum of 2080 hours per year per employee.~~

### **Section 3. Plan Modifications.**

Because the Plans referenced in Sections 1 and 2 of this Article are applicable to employees of **TransDigm** ~~the Pexco LLC~~, the parties hereto acknowledge and agree that **TransDigm** ~~Pexco LLC~~ has the unilateral right to administer such Plans and to modify or amend the Plans in their discretion. The Company shall provide the Union notice of any material changes, amendments or modifications to the Plans.

## **ARTICLE 16 - SAFETY**

### **Section 1. Safety Policy.**

It is the desire of both parties to this Agreement to maintain high standards of safety and health in the plant in order to eliminate, as far as possible, industrial accidents, illness and safety hazards.

The Company shall maintain on all full shifts an emergency first aid station and will provide ready access to emergency medical care when necessary for the safety and welfare of Company employees.

### **Section 2. Safety Committee.**

The Company agrees to maintain a Safety Committee consisting at least of equal numbers of Management Representatives and Bargaining Unit Representatives to be chosen by the respective parties. This committee will meet on a monthly basis.

### **Section 3. Allowances.**

The Company will continue to furnish personal protective equipment in particular situations where, as of the date of this Agreement, it is the practice to do so unless circumstances in such situations change, making the use of such personal protective equipment unnecessary.

The Company will provide necessary OSHA approved safety eyewear to the employees.

The Company will provide one (1) pair of prescription OSHA approved safety eyewear to the employees annually per the Company's maximum limit.

The Company will provide each employee who is required to wear OSHA approved safety footwear with an allowance of one hundred ~~twenty five~~ ~~dollars (\$100)~~ ~~(\$125.00)~~ per year in order for employees to purchase such footwear. ~~The Company will pay up to a maximum of one hundred fifty dollars (\$150.00) for the purchase one time per twelve (12) months period per employee for the cost of the metatarsal safety boots.~~ Employees will be eligible for any increases reflected in company policies greater than this amount.

The Company will provide two (2) or more options to employees where they can purchase the required footwear pursuant to an arrangement whereby the provider bills the Company directly for the footwear and the employee reimburses the Company for the difference between the cost of the footwear and the Company allowance.

The Company will provide any other safety equipment needed to accomplish tasks, reasonably requested by joint safety committee.

~~For all new employees, the company will purchase all required tools (examples) protractors, calipers and tape measures. If tools are damaged or lost, employees will be responsible to replace them. Tools that are worn or unusable may be turned into the Company and employees are eligible for a 50% cost reduction for new tools. Upon voluntary or involuntary termination, employees are required to turn in their tools.~~

#### **Section 4. Light Duty.**

When available, the Company will endeavor to provide employees who are receiving workers compensation benefits with light duty work.

## **ARTICLE 17 - MISCELLANEOUS**

### **Section 1. Bulletin Boards.**

The Union shall have the right to use designated bulletin boards on Company property for the purpose of posting notices of Union meetings and other activities which are officially approved by the Union. Bulletin boards must be maintained in good order. Bulletin boards are not to be used for derogatory notices concerning employees, management or the Company. Union bulletin boards will be located in the lunchroom and employee entryway.

### **Section 2. Employee Reviews.**

The Company will continue its practice of reviewing the general performance of each employee at least once annually. The results of this evaluation will be discussed with the employee.

### **Section 3. Subcontracting.**

In accordance with its right to manage its business, the Company may contract out work of any type if it believes it is in the best interest of Company to do so. Subcontracting is not permitted where doing so causes the layoff or prevents the recall of an incumbent employee.

### **Section 4. Training.**

The Company and the Union mutually recognize the necessity for the Company to produce a description of the qualifications and representative assignments for each job classification in this Agreement. The Company will continue its policy of training employees for future advancement opportunities. ~~The Company and the Union agree to the APEX training program per LOU #1.~~

**Section 5. Other Company Rules.**

This Agreement supersedes any contrary provisions in the Company handbook, personnel rules or memoranda.

**Section 6. Supervisors Working.**

Supervisors may perform bargaining unit work that they have historically done so long as undertaking such work does not cause the lay off or prevents the recall of an incumbent bargaining unit employee.

~~**Section 7. High Performance Work Organization (HPWO).**~~

~~The Company and the Union agree that during the term of the Agreement, labor and management will embrace a philosophy of working together in order to improve the workplace environment. The Company may send managers, a company facilitator and employees to the IAM Training Center for initial training.~~



## **ARTICLE 18 - NO STRIKES, NO LOCKOUTS**

### **Section 1. No Lockouts.**

The Company agrees that there shall be no lockouts during the term of this Agreement. It is understood and agreed that a lockout means a voluntary, complete cessation of operations by the Company for the sole purpose of preventing the employees from working and for no other purpose.

### **Section 2. No Strikes, Stoppages, Slowdowns.**

During the term of this Agreement, neither the Union nor any employee covered by this Agreement shall engage in any strike, work stoppage, slowdown, picketing or other curtailment in or interference with the Company's production, service, deliveries or operations.

### **Section 3. Action to Prevent Strike.**

The Union, its officers and agents further agree to take all affirmative action legally available to the Union to prevent and stop anything that occurs in disregard of the commitment embodied in this Article.

### **Section 4. Free Ingress and Egress.**

There shall be no interference by the Union, its officers, agents, employees or members to prevent or impede free ingress or egress by any person to or from the Company's property or to the free and unhindered use of the Company's equipment, vehicles or other property.

### **Section 5. Right to Discipline for Violation.**

The Company shall have the authority to discipline and discharge employees for engaging in any strike action, work stoppage or other activity in violation of this Article of this Agreement. In any grievance/arbitration regarding

such action, the only issue will be whether the employee committed the violation asserted.

**Section 6. Other Remedies.**

None of the provisions herein limit in any manner the Company's right to seek injunctive or other equitable remedies to which it may be lawfully entitled against either the employee or the Union without waiving or in lieu of any other rights it may have and without first or thereafter going through arbitration.

## **ARTICLE 19 - STEWARDS**

### **Section 1. Shop Steward.**

The Company recognizes the right of the Union to designate a minimum of four (4) shop stewards up to a maximum of eight (8);

(4) Extrusion Crew Stewards will represent:

- material handler
- color room
- extrusion maintenance
- extrusion quality
- set up personnel

(1) steward for machine shop, and die development;

(1) Fabrication day (Monday - Friday) Steward will represent;

- Shipping/Receiving and non-clerical
- CNC Programmers
- Process Technicians
- Quality Control

(1) steward for Fabrication nights (Monday – Thursday);

(1) steward for Fabrication weekend shift (Friday/Saturday/Sunday)

The Union will furnish an official list of stewards and no steward shall function as such until the Company has been so notified in writing of his appointment. Until notified to the contrary in writing, the Company may assume that no change has been made in the list of stewards.

Any changes must be provided by the Union to the Company no less than two (2) weeks prior to recognition of such person by the Company as a steward. Only persons so designated will be accepted by the Company and will be accepted as stewards of the union. Alternates will only serve as a replacement for and not in addition to the regular union steward.

## **Section 2. Authority.**

The steward has no authority to take strike action or any other action interrupting the Company's business, except as authorized by the Union.

## **Section 3. Conduct of Union Business.**

The parties agree that the operational needs of the Company shall take precedence over other matters requiring a steward's attention. The stewards shall conduct their duties during non-working hours if possible and may not conduct steward duties in a manner which will interfere with the productivity or completion of assigned duties of the steward or other employees. The steward shall not leave his work station during working periods to perform steward duties without advance permission from his supervisor and shall return to his duties at the request of management. The steward, with advance notice to his manager, may leave his assigned work station for the purposes of investigating grievances. If, at the Company's request, the steward must attend meetings or conduct other official Union business after normal working hours, such time spent performing such steward's duties shall be paid time.

## **ARTICLE 20 - COMPANY RULES AND DISCIPLINE**

### **Section 1. Rules and Policies.**

The Company shall have the right to establish rules, regulations, and policies that are not in direct violation of this Agreement, and to take appropriate disciplinary action for infractions of those rules, regulations and policies, provided such discipline is for just cause. The reasonableness of the rule and of the discipline for violation of any rule may be challenged through the grievance and arbitration procedure. Any infraction the Company is aware of must be addressed to the employee in a reasonable period of time. The Company agrees to provide the Union with a copy of the Company's disciplinary rules and to notify the Union in advance of changes to those rules. The Company agrees to discuss such rules with the Union and to consider any issues or concerns raised by the Union. However, the final judgment regarding the initial establishment of reasonable rules and policies rests with the Company.

### **Section 2. Progressive Discipline.**

The parties acknowledge the principle of progressive discipline (written verbal warning, written warning **and** final written warning, ~~last chance agreement~~) but agree that the Company's right to discipline employees is not limited by such principle. The Company shall not suspend or discharge any employee without just cause. ~~The Company may offer a last chance agreement to an employee subject to termination in its sole discretion and upon terms it designates. Offering such an agreement is not precedent setting.~~

## **ARTICLE 21 - GENERAL**

### **Section 1. Waiver.**

During the negotiations which resulted in this Agreement, each of the parties had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining. The understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement. Therefore, the Company and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated, to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement, even though such subjects or matters may not have been within the knowledge or contemplation of any or all of the parties at the time they negotiated or signed this Agreement. Without limiting or in any way modifying the above, nothing herein, nor in this Agreement, shall prevent the Company and the Union from mutually agreeing in writing to discuss any matter which both parties desire to discuss during the term of this Agreement.

## **ARTICLE 22 - SUCCESSORS AND ASSIGNS**

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors, administrators, executors and assigns until its expiration, or until it is changed by mutual agreement of the parties. It is the expressed intent of the parties that the Agreement shall remain in effect between them for its full term. In the event that a successor is announced by the customer, the Company's obligation hereunder shall be to notify the Union of such change and include contact information for the successor if known.

## ARTICLE 23 - NONDISCRIMINATION

### Section 1. The Employer and the Union.

~~The Employer and the Union agree not to discriminate against any individual with respect to hiring, compensation, terms or conditions of employment because of such individual's race, color, religion, sex, national origin, disability or age (40 years and above), nor will they limit, segregate or classify employees in any way to deprive any individual employee of employment or training opportunities because of race, color, religion, sex, national origin, disability or age (40 years and above).~~

The Employer and the Union are committed to providing equal employment opportunities to all qualified persons. The Company complies with all federal and state laws that protect individuals from discrimination on the basis of race, color, religion, sex, national origin, ancestry, age, marital status, sexual orientation, gender identity, physical or mental disability, medical condition, disabled Veteran or Veteran status, or genetic data. The Human Resources Department will take the necessary steps to ensure all personnel actions, such as recruiting, hiring, promotions, compensation, benefits, transfers, layoffs, terminations, recall from layoff, Company sponsored training and development, education, tuition assistance, social and recreational programs, will be administered without regard to race, color, religion, sex, age, national origin, ancestry, marital status, sexual orientation, gender identity, physical or mental disability, genetic data, or disabled veteran or veteran status.



## **ARTICLE 24 - SEPARABILITY**

If any term or provision of this Agreement is, at any time during the life of this 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.

**ARTICLE 25 - TERM AND NOTICE OF CHANGE OR TERMINATION**

This Agreement shall become effective December 01, 2014 **2019**, and remain in full force and effect through November 30, 2019 **2024**, and shall automatically renew from year to year thereafter unless either party notifies the other in writing of their intention to terminate or modify the Agreement not more than ninety (90) nor less than sixty (60) days prior to the expiration date (November 30) of this Agreement. In the case of such notice the parties agree to meet for the purpose of negotiating a new Agreement or a written renewal of this Agreement.

Dated this ~~13th~~ \_\_\_\_\_ day of February \_\_\_\_\_, 2015 **2020**.

\_\_\_\_\_  
~~Jack Reid~~ **Joe Glover**  
Vice President, ~~Human Resources~~  
Pexco **Aerospace**

\_\_\_\_\_  
Steve Warren  
Business Representative  
District Lodge 751, IAM&AW

\_\_\_\_\_  
~~Martin Streich~~  
Plant Manager  
Pexco **Aerospace**

\_\_\_\_\_  
~~Kenneth L. Howard~~ **Chris Powers**  
Staff Assistant/**Organizer**  
District Lodge 751, ~~Local 1951~~ **IAM&AW**

**~~LETTER OF UNDERSTANDING NO. 1~~**

**~~By and Between~~**

**~~International Association of Machinists & Aerospace Workers~~**

**~~District Lodge 751, Local 1951~~**

**~~And~~**

**~~Pexco LLC – Yakima~~**

**~~Subject: Advanced Plastic Extrusion Training (Apex Program)~~**

~~The Union is in agreement with the APEX Program dated February 2012 and acknowledges that this is a Pexco Corporate initiative subject to changes. The Company will advise the Union of corporate changes to this program. All monetary changes will be subject to negotiations.~~

~~The APEX Training Program is open to all existing Extrusion Operator 3 and Extrusion Operator 2 employees on a voluntary basis. The company will select the most senior applicant.~~

~~Initially the Company will provide the Union with a copy of the job training posting and a list of all employees who have applied for the training program. Upon request, the company will notify the Union of any future applicants.~~

~~All APEX Training Program participants will receive wage increases based on successful completion of course modules as described in the APEX Training Program. All wage increases will be in conjunction with wage increases as described in the current Collective Bargaining Agreement.~~

~~Either party may withdraw from this commitment Letter with thirty (30) days written notice.~~

~~Dated this 18th day of November, 2014~~

---

---

~~Martin Streich, Plant Manager  
Pexco Aerospace, Inc.~~

---

---

~~Kenneth L. Howard  
Staff Assistant/Organizer  
IAM&AW District 751 – Eastern Washington~~

**LETTER OF UNDERSTANDING NO. 2 1**

**By and Between**

**International Association of Machinists and Aerospace Workers**

**District Lodge 751, Local 1951**

**And**

**Pexco, LLC - Yakima**

**Subject: Security Cameras**

To protect the safety and security of employees and the Company's property, the Company reserves the right to place and utilize video security cameras on the premises.

The Company will provide advance notice to the Union Representative and upon request, meet and discuss ways to protect the privacy rights of employees. The Company may determine the location of such cameras as long as they are visible to employees and are not placed in locations such as restrooms and changing areas. Cameras will not be used by the Company to monitor regular productivity of employees but used for security, investigative and safety purposes. Cameras will be used in accordance with all applicable federal, state and local laws.

Dated this 29<sup>th</sup> \_\_\_\_\_ day of January \_\_\_\_\_, 2015 **2020**

---

For The Company:  
~~Dion Y. Kohler~~ **Joe Glover**

---

For The Union:  
~~Kenneth L. Howard~~ **Chris Powers**

opeiu#8 afl-cio

**~~LETTER OF UNDERSTANDING NO. 3~~**

**~~By and Between~~**

**~~International Association of Machinists & Aerospace Workers  
District Lodge 751, Local 1951~~**

**~~and~~**

**~~Pexco Aerospace, Inc.~~**

**~~Subject: TransDigm, Inc. 401(k) Plan~~**

~~The Union and the Company agree that for the duration of this Agreement, Pexco Aerospace employees are eligible to participate/contribute to the 401(k) plan as follows:~~

- ~~• Eligible to contribute to 401(k) immediately upon hire~~
- ~~• Company matches 50% of employee wages up to 6% starting the first full month after probationary period (90 days) through completion of 12 months of service. The employee will not see company match in their 401(k) statement the first year, however; once the employee reaches their 12 month anniversary, the company will contribute a lump sum amount for the company match into the employee 401(k) fund. This lump sum company matching funds will be immediately 100% vested.~~
  
- ~~• The vesting schedule for company matching funds shall be:~~
  - ~~• 0 to 1 year — 0%~~
  - ~~• 1 to 2 years — 20%~~
  - ~~• 2 to 3 years — 40%~~
  - ~~• 3 to 4 years — 60%~~
  - ~~• 4 to 5 years — 80%~~
  - ~~• +5 years — 100%~~
  
- ~~• Employees who terminate before 12 months of service will not receive any company matching funds, this is the same as the current program since the company matching funds are 0% vested before 12 months of service.~~

~~Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2016~~

---

---

~~Martin Streich, Plant Manager — Kenneth L. Howard  
Pexco Aerospace, Inc. — Staff Assistant/Organizer  
IAM&AW District 751 — Eastern Washington~~

**LETTER OF UNDERSTANDING NO. 4**

**By and Between**

**International Association of Machinists & Aerospace Workers  
District Lodge 751, Local 1951**

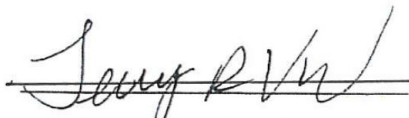
**And  
Pexco Aerospace, Inc.**

SUBJECT: POSITION RESTRUCTURE AND JOB CATEGORY CHANGES

The Union and the Company agree

- ~~Fabrication and Extrusion Quality Inspector positions will be combined to cover both Extrusion and Fabrication departments and the position will be re-named Quality Inspection Auditor. Level two will be a Category E and level one will be a Category F.~~
- ~~An Extrusion Trainer position will be added at Category H.~~
- ~~There will be a Maintenance Technician Automation position added at category K.~~
- ~~The Quality Assurance Assistant will have additional duties assigned, including but not limited to programming. The position will be renamed Quality Technician and moved from a Category D to a Category H.~~
- ~~The Quality Specialist position will be moved from a Category E to a Category F to align with the job duties more appropriately.~~
- ~~There will be an Advanced Extrusion Operator Position added as a Category F.~~
- ~~The Tool Room Technician will be moved from a category C to an E to align with job duties.~~
- ~~The Fabrication Coordinator will be moved from a Category C to a D to align with job duties.~~
- ~~There will be Setup Technician 1 added at a Category D.~~

Dated this day of 3-14, 2018



~~Terry Volin Manufacturing Manager  
Pexco Aerospace, Inc.~~



~~Chris Powers Staff Assistant/Organizer  
IAM&AW District 751 - Eastern Washington~~

Letter of Understanding No. 5

By and Between  
International Association of Machinists & Aerospace Workers  
District Lodge 751, Local 1951  
and  
Pexco LLC – Yakima

Attendance Communication

~~The Company agrees to provide attendance points updates to all bargaining unit members on a regular basis. Supervisors will provide attendance points updates approximately every two (2) weeks. If attendance points are not updated within a two-week period, the supervisor will update them in a timely manner. However, if there is any disagreement in the points assessment it is the members' responsibility to bring it to management's attention.~~

~~Failure of the supervisor to provide these updates will not result in reduction or omission of attendance points.~~

~~All attendance points will be assessed in accordance with Article 7 of the Collective Bargaining Agreement.~~

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2013

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



Martin Streich  
Plant Manager  
Pexco LLC – Yakima  
Local 1951

Kenneth L. Howard  
Staff Assistant/Organizer  
IAM&AW District 751,

**APPENDIX A**

**Job Title/Job Category Table**

Sort by Job Category

<b>Job Title</b>	<b>Job Category</b>
Extrusion Operator 3	A
Fabricator 2	A
Maintenance Technician 3	B
Extrusion Operator 2	C
<del>Extrusion Quality Inspector 2</del>	<del>C</del>
Fab Material Handler 2	C
Fabricator 1	C
Setup Technician	C
Warehouse Clerk 2	C
Warehouse Material Handler 2	C
CNC Operator 2	D
Extrusion Material Handler	D
Fab Material Handler 1	D
<del>Fab Quality Inspector 2</del>	<del>D</del>
Fabricator 1 - Advanced	D
Fabrication Coordinator	<del>C</del> D
Maintenance Technician 2	D
<del>Quality Assurance Assistant</del>	<del>D</del>
Setup Technician 1	D
Tool Crib Attendant	D
Warehouse Clerk 1	D
Warehouse Material Handler 1	D
CNC Operator 1	E
Color Technician	E
Extrusion Operator 1	E
<del>Extrusion Quality Inspector 1</del>	<del>E</del>
Quality Inspection Auditor-Level 2	E
Tool Room Technician	<del>C</del> E
Trainer	E
Die Developer 2	F
Extrusion Operator - Advanced	F
Fab Process Developer 2	F
<del>Fab Quality Inspector 1</del>	<del>F</del>
Machinist 2	F
Quality Inspection Auditor-Level 1	F
Quality Specialist	<del>E</del> F
CNC Programmer (Fab)	G



Machinist 1	G
Die Developer 1	H
Extrusion Trainer	H
Quality Technician	H
Maintenance Technician 1	I
Fab Process Developer 1	I
Die Maker	K
Maintenance Technician Automation	K
Lead 1	See Article 5 Section 4

Sort by Job Title

Job Title	Job Category
CNC Operator 1	E
CNC Operator 2	D
CNC Programmer (Fab)	G
Color Technician	E
Die Developer 1	H
Die Developer 2	F
Die Maker	K
Extrusion Material Handler	D
<b>Extrusion Operator - Advanced</b>	<b>F</b>
Extrusion Operator 1	E
Extrusion Operator 2	C
Extrusion Operator 3	A
<del>Extrusion Quality Inspector 1</del>	<del>E</del>
<del>Extrusion Quality Inspector 2</del>	<del>C</del>
<b>Extrusion Trainer</b>	<b>H</b>
Fab Material Handler 1	D
Fab Material Handler 2	C
Fab Process Developer 1	I
Fab Process Developer 2	F
<del>Fab Quality Inspector 1</del>	<del>F</del>
<del>Fab Quality Inspector 2</del>	<del>D</del>
Fabrication Coordinator	<del>C</del> D
Fabricator 1	C
Fabricator 1 - Advanced	D
Fabricator 2	A
Lead	See Article 5 Section 4
Machinist 1	G
Machinist 2	F
<b>Maintenance Technician Automation</b>	<b>K</b>
Maintenance Technician 1	I
Maintenance Technician 2	D
Maintenance Technician 3	B
<del>Quality Assurance Assistant</del>	<del>D</del>
<b>Quality Inspection Auditor-Level 1</b>	<b>F</b>
<b>Quality Inspection Auditor-Level 2</b>	<b>E</b>
Quality Specialist	<del>E</del> F
<b>Quality Technician</b>	<b>H</b>
<del>Setup Technician</del>	<del>C</del>

Setup Technician 1	D
Tool Crib Attendant	D
Tool Room Technician	€ E
Trainer	E
Warehouse Clerk 1	D
Warehouse Clerk 2	C
Warehouse Material Handler 1	D
Warehouse Material Handler 2	C

~~1. For employees whose wage category increases with new contract: Receive the greater of the general wage increase or the entry level rate whichever is greater.~~

~~2. For employees whose wage category decreases with new contract: Receive the general wage increase, no downward adjustment of wage.~~

~~3. For employees who have accepted a downward bid previously and whose current wage category has increased with new contract, will be addressed on an individual basis. Intent is to bring affected employees wage up to appropriate level plus general wage increase.~~

~~4. New Fabricator 1 Advanced position will be posted. Competency requirements for all three Fabricator positions will be developed by management and reviewed with Union.~~