

ARTICLE THREE
JOB CLASSIFICATIONS AND WAGE RATES

Section 4-A. ~~Provided that each member of the Union's Negotiation Committee fully endorses and recommends the Company's proposal to the union membership, by 27 25 July 2012 2016, each employee who was on the active payroll or on an authorized leave of absence of less than eight (8) months (for other than union business) on 2 10 July 2012 2016 shall receive a Lump Sum of two thousand dollars (\$2000.00) five thousand dollar (\$5,000.00) contract acceptance bonus provided the employee has reported for work no later than 9 July 2012 and provided further that the Company's proposal dated 23 June 2012 is ratified no later than 1 July 2012; otherwise, this Section 4-A shall be void.~~

Section 4-B. Effective ~~24 25 July 2012 2016~~, the minimums and maximums of factory labor grades one (1) through fifteen (15) and the minimums and maximums of technical and office labor grades one (1) through fourteen (14) and the base rate of each employee on the active payroll or approved leave of absence shall be increased by ~~three~~ **eight** percent (~~3%~~) (**8%**) computed to the nearest one cent (1¢) increment. ~~Each employee will be given the opportunity to decline this 3% general wage increase and accept an additional lump sum payment of eighteen hundred dollars (\$1800) in lieu of this general wage increase. Employees must execute the selection form by 13 July 2012 or they will receive the general wage increase and will not be eligible for the lump sum payment.~~

Section 4-C. Effective ~~8 5 June 2013 2017~~, the minimums and maximums of factory labor grades one (1) through fifteen (15) and the minimums and maximums of technical and office labor grades one (1) through fourteen (14) and the base rate of each employee on the active payroll or approved leave of absence shall be increased by ~~two and one half~~ **seven** percent (~~2.5%~~) (**7%**) computed to the nearest one cent (1¢) increment.

Section 4-D. Effective ~~7 4 June 2014 2018~~, the minimums and maximums of factory labor grades one (1) through fifteen (15) and the minimums and maximums of technical and office labor grades one (1) through fourteen (14) and the base rate of each employee on the active payroll or approved leave of absence shall be increased by ~~two and one half~~ **seven** percent (~~2.5%~~) (**7%**) computed to the nearest one cent (1¢) increment.

Section 4-E. Effective ~~6 3 June 2015 2019~~, the minimums and maximums of factory labor grades one (1) through fifteen (15) and the minimums and maximums of technical office labor grades one (1) through fourteen (14) and the base rate of each employee on the active payroll or approved leave of absence shall be increased by ~~three~~ **six** percent (~~3%~~) (**6%**) computed to the nearest one cent (1¢) increment.

Section 4-F. Effective 1 June 2020, the minimums and maximums of factory labor grades one (1) through fifteen (15) and the minimums and maximums of technical office labor grades one (1) through fourteen (14) and the base rate of each employee on the active payroll or approved leave of absence shall be increased by ten percent (10%) computed to the nearest one cent (1¢) increment.

Section 5-A. Effective ~~24 25 July 2012 2016~~ the following factory and technical and office labor grade structure shall be placed in effect for employees on the payroll.

Factory and Technical and Office Labor Grade Structure

***Will be updated
 in accordance
 with Final
 Agreement**

| Labor Grade | FACTORY | | Technical and Office | |
|------------------------|-----------------|-----------------|-----------------------------|-----------------|
| | Min/Hour | Max/Hour | Min/Hour | Max/Hour |
| 1 | 20.57 | 33.82 | 20.34 | 34.59 |
| 2 | 20.22 | 33.24 | 19.99 | 34.15 |
| 3 | 19.97 | 32.91 | 19.86 | 33.31 |
| 4 | 18.49 | 32.61 | 18.44 | 32.97 |
| 5 | 18.24 | 32.28 | 17.97 | 32.67 |
| 6 | 17.90 | 31.96 | 17.67 | 32.37 |
| 7 | 17.67 | 31.71 | 17.36 | 31.77 |
| 8 | 17.45 | 31.42 | 17.18 | 31.51 |
| 9 | 17.03 | 31.14 | 16.85 | 30.96 |
| 10 | 16.61 | 30.06 | 16.79 | 29.93 |
| 11 | 16.44 | 29.75 | 16.46 | 29.56 |
| 12 | 16.21 | 29.49 | 16.30 | 29.40 |
| 13 | 16.15 | 29.28 | 16.11 | 28.98 |
| 14 | 16.02 | 29.16 | 15.93 | 28.60 |
| 15 | 10.06 | 20.10 | | |

Factory Beginners' Rates

Section 6-A. The rate for beginners without previous training or related factory experience will be computed as being 90% of the then prevailing minimum base rate of labor grade 15. The rate for a beginner will be increased eleven cents (11¢) per hour after each interval of two (2) weeks employment until the minimum working rate of labor grade 15 has been attained.

Section 6-B. A beginner shall be assigned to an established job classification and receive the applicable minimum rate not later than eight (8) weeks after his employment.

Section 6-C. Employees assigned to job duties described for any job grade "A" occupation in labor grade 15 shall, immediately upon assuming such duties, be paid the minimum working rate of labor grade 15.

Technical and Office Beginners' Rates

Section 7-A. The rate for beginners without previous training or related technical and office experience will be computed as being 90% of the then prevailing minimum base rate of labor grade 14. The rate for a beginner will be increased eleven cents (11¢) per hour after each interval of two (2) weeks employment until the minimum working rate of labor grade 14 has been attained.

Section 7-B. A beginner shall be assigned to an established job classification and receive the applicable minimum rate not later than eight (8) weeks after his employment.

Section 7-C. Employees assigned to job duties described for any job grade "A" occupation in labor grade 14 shall, immediately upon assuming such duties, be paid the minimum working rate of labor grade 14.

Section 8. The base rate of each hourly employee (which rate does not include any cost-of-living adjustment) shall be subject to periodic adjustments based upon changes in the cost-of-living in accordance with the provisions of this Section.

1. Cost-of-living adjustments, in accordance with the following provisions, will be determined in accordance with changes in the Consumer Price Index, United States City Average for Urban Wage Earners and Clerical Workers, (CPI-W), (United States City Average, all items, 1982- 1984=100) as now published monthly by the Bureau of Labor Statistics, United States Department of Labor, and hereinafter referred to as the BLS Index.
2. Cost-of-living Adjustment Formula and Effective Dates.

The first cost-of-living adjustment shall be effective ~~8 Sept 2012~~ **15 July 2016** and shall apply to employees on the active payroll on that date. Employees hired subsequent to that date will be entitled to only those additional cost-of-living amounts which become effective subsequent to their date of hire.

The amount of this adjustment and subsequent adjustments (which shall be applied as per the following paragraphs) shall be one cent (1¢) for each 0.3 point increase of the average of the BLS Consumer Price Indices for the three (3) month periods stated below at each effective date of adjustment over the BLS Index of ~~233.0~~ **230.0** provided, however, that in no event shall there be a pyramiding of cost-of-living adjustments as a result of the computations.

| <u>Effective Dates of Adjustments</u> | <u>Based Upon Average of the Three-month BLS Consumer Price Index for:</u> |
|---|--|
| 07/15/2016 | November, December 2015, January 2016 |
| 9/8/2012 09/09/2016 | February, March, April 2012 2016 |
| 12/8/2012 12/09/2016 | May, June, July 2012 2016 |
| 3/9/2013 03/10/2017 | August, September, October 2012 2016 |
| 6/8/2013 06/09/2017 | November, December 2012 2016 , January 2013 2017 |
| 9/7/2013 09/08/2017 | February, March, April 2013 2017 |
| 12/7/2013 12/09/2017 | May, June, July 2013 2017 |
| 3/8/2014 03/09/2018 | August, September, October 2013 2017 |
| 6/7/2014 06/08/2018 | November, December 2013 2017 , January 2014 2018 |
| 9/6/2014 09/07/2018 | February, March, April 2014 2018 |
| 12/6/2014 12/07/2018 | May, June, July 2014 2018 |
| 3/7/2015 03/08/2019 | August, September, October 2014 2018 |

| | |
|--|---|
| 6/6/2015 06/07/2019 | November, December 2014 2018 , January 2015-2019 |
| 9/5/2015 09/13/2019 | February, March, April 2015 2019 |
| 12/5/2015 12/13/2019 | May, June, July 2015 2019 |
| 3/5/2016 03/13/2020 | August, September, October 2015 2019 |
| 06/12/2020 | November, December 2019, January 2020 |
| 09/11/2020 | February, March, April 2020 |
| 12/11/2020 | May, June, July 2020 |
| 03/12/2021 | August, September, October 2020 |

3. "COLA float" refers to the net cost of living adjustment not previously incorporated into the rate range structure or, in the case of an individual, into a base rate. All cost-of-living adjustments shall be carried as a COLA float except as hereinafter provided:
- (a) Effective ~~8 5 June 2013~~ **2017**, and after the application of the action prescribed in Section 4-C, the COLA float (if any) accumulated after ~~18 June 2012~~ **25 July 2016** shall be added to the minimums and maximums of the rate ranges set forth in Article Three, Section 5-A.
 - (b) Effective ~~7 4 June 2014~~ **2018**, and after the application of the action prescribed in Section 4-D, the COLA float (if any) accumulated after ~~8 5 June 2013~~ **2017** shall be added to the minimums and maximums of the rate ranges set forth in Article Three, Section 5-A.
 - (c) Effective ~~6 3 June 2015~~ **2019**, and after the application of the action prescribed in 4-E, the COLA float (if any) accumulated after ~~7 4 June 2014~~ **2018** shall be added to the minimums and maximums of the rate ranges set forth in this Article Three, Section 5-A.
 - (d) **Effective 1 June 2020, the COLA float (if any) accumulated after 3 June 2019 shall be added to the minimums and maximums of the rate ranges set forth in this Article Three, Section 5-A.**
 - ~~(d)~~ (e) Effective ~~16 3 April 2016~~ **2021**, the COLA float (if any) accumulated after ~~6 1 June 2015~~ **2020** shall be added to the minimums and maximums of the rate ranges set forth in this Article Three, Section 5-A.
 - ~~(e)~~ (f) Effective ~~8 5 June 2013~~ **2017**, and after the application of the action prescribed in Section 4-D, for each employee on the active payroll, their individual COLA float (if any) accumulated after ~~18 June 2012~~ **25 July 2016** shall be incorporated into their base wage rate.
 - ~~(f)~~ (g) Effective ~~7 4 June 2014~~ **2018**, for each employee on the active payroll, their COLA float (if any) accumulated after ~~8 5 June 2013~~ **2017** shall be incorporated into their base wage rate.
 - (h) Effective ~~6 3 June 2015~~ **2019**, and after the application of the action prescribed in 4-E, for each employee on the active payroll, their individual COLA float (if any) accumulated after ~~7 4 June 2014~~ **2018** shall be incorporated into their base wage rate.
 - (i) **Effective 1 June 2020, and after the application of the action prescribed in 4-E, for each employee on the active payroll, their individual COLA float (if any)**

accumulated after 3 June 2019.

- ~~(h)~~(j) Effective ~~16 3 April 2016~~ **2021**, for each employee on the active payroll, their COLA float (if any) accumulated after ~~6 1 June 2015~~ **2020** shall be incorporated into their base wage rate.
4. The amount of any cost-of-living adjustment applied during the period this Section is in effect shall be added to the rate of each hourly employee and shall be applied in determining currently effective pay rates for the following purposes subject to the applicable provisions of this Agreement:
 - (a) Overtime Pay
 - (b) Holiday Pay
 - (c) Vacation Pay
 - (d) Sick Leave Pay
 - (e) Jury Duty Pay
 - (f) Grand Jury Duty Pay
 - (g) Bereavement Pay
 - (h) Military Leave
 5. In the event that any BLS Index referred to herein is not officially published on or before the Wednesday immediately preceding the effective date on which a cost-of-living adjustment would otherwise be made, such adjustment will be made effective the Monday following the first Wednesday such BLS Index is officially available.
 6. No adjustment retroactive or otherwise shall be made because of any revision which may later be made in the published figures of the BLS Index.
 7. In the event the Bureau of Labor Statistics, United States Department of Labor, changes the form and/or method of calculation of the BLS Index and publishes a new monthly index which differs from that defined in paragraph one (1) of this Section, but continues to publish the BLS Index used in this Section by converting the new monthly index or by other means, such BLS Index shall continue to be used in applying paragraph two (2) of this Section. In the event the Bureau of Labor Statistics publishes a new monthly index but discontinues publication of the BLS Index, the Company and the Union shall enter into negotiations with respect to a substitute cost-of-living index. The purpose of the negotiations shall be to ensure that the cost-of-living payments to be made under this Section will be as intended by the parties and shall be no less than that which would have occurred had the BLS Index continued. In the event the parties are unable to agree on a substitute index within sixty (60) days of the discontinuance of the BLS Index, the Union may file a "priority" grievance to be heard by the permanent arbitrator.
 8. ~~The supplemental cost of living payment that had been previously offered (in the Last, Best, and Final offer dated 19 April 2012) for payment in November of 2012 will be advanced to July of 2012. By 20 July 2012~~ **18 November 2016**, each employee who was on the active payroll **or on authorized leave of absence** in this bargaining unit on ~~9 July 2012~~ **4 November 2016** shall receive a supplemental cost-of-living payment of ~~eight~~ **fifteen** hundred dollars (~~\$800~~) (**\$1,500**).

9. ~~The supplemental cost of living payment that had been previously offered (in the Last, Best, and Final offer dated 19 April 2012) for payment in November of 2013 will be advanced to July of 2012. By 20 July 2012~~ **17 November 2017**, each employee who was on the active payroll **or on authorized leave of absence** in this bargaining unit on ~~9 July 2012~~ **3 November 2017** shall receive a supplemental cost-of-living payment of ~~eight fifteen hundred dollars (\$800)~~ **(\$1,500)**.
10. By ~~21 November 2014~~ **16 November 2018**, each employee who was on the active payroll **or on authorized leave of absence** in this bargaining unit on ~~7 November 2014~~ **2 November 2018** shall receive a supplemental cost-of-living payment of ~~eight fifteen hundred dollars (\$800)~~ **(\$1,500)**.
11. By ~~20 November 2015~~ **15 November 2019**, each employee who was on the active payroll **or on authorized leave of absence** in this bargaining unit on ~~6 November 2015~~ **1 November 2019** shall receive a supplemental cost-of- living payment of ~~eight fifteen hundred dollars (\$800)~~ **(\$1,500)**.
12. **By 20 November 2020, each employee who was on the active payroll or on authorized leave of absence in this bargaining unit on 6 November 2020 shall receive a supplemental cost-of- living payment of fifteen hundred dollars (\$1,500).**
- ~~13.~~ **13.** The payments in Section Eight (8), paragraphs Ten (10) and Eleven (11), may be deferred, without Company matching contribution, to the Hourly Savings Plan Plus 401(k) upon completion of the appropriate election form which is available at the Payroll office, and must be returned to the Payroll office no later than sixty days prior to the specified payment dates. A deferral election will remain active for the duration of this agreement unless cancelled by the employee.

Section 9. Each classified employee shall receive at least the minimum hourly wage rate for the labor grade to which his/her job is assigned.

Section 10. Based upon the labor grade structures set forth in this Article, the basic rate range for each of the job classifications covered by this Agreement is set forth in Appendix "A" hereof and made a part of this Agreement.

Personal Rates

Section 11. In any case where the employee's basic wage rate established in the application of this Agreement is in excess of the maximum rate for the labor grade of the employee's then proper job classification, as such rates are set out in this Agreement, such rate shall be designated as the employee's "personal rate" and shall not be changed unless the employee, in accordance with the provisions of this Agreement, is subsequently assigned to job duties covered by a different job classification. If an employee holding a "personal rate" is classified to job duties covered by a different job classification, and, within thirty-five (35) days, that is, five (5) work weeks thereafter, is reclassified to the job duties covered by the job classification under which he/she formerly received a "personal rate," he/she shall have such "personal rate" restored effective upon the payroll period nearest to the date of such reassignment. Assignment of an employee to job duties covered by a different job classification shall not be made for the purpose of avoiding the payment of the "personal rate." The Company shall endeavor, whenever practicable, to find jobs in higher rated job classifications for employees with "personal rates."

Progression within Rate Ranges*

Section 12. Effective ~~8-September-2012~~ **11 July 2016**, Automatic Rate Progression Increases shall be effective the Second Saturday in January, ~~May~~ **April, July**, and ~~September~~ **October** for all active employees who are below the maximum of their classification and who have been on the active payroll for the full Automatic Rate Progression period. The base rate of pay shall be increased ~~twenty-five~~ **fifty cents (50¢)** per hour on the above dates (or such lesser amount as is necessary to bring the rate to the maximums) until the applicable maximum for the classification is reached. If the last automatic increase takes an employee's rate to a point within four cents (4¢) of the maximum rate of his job classification, he/she shall be granted such additional increase.

Section 13. Effective ~~23-June-2012~~ **11 July 2016**, the second shift shall receive ~~forty (40¢)~~ **two dollar (\$2.00)** per hour above the regular rate of pay. The third shift shall receive ~~ten cents (10¢)~~ **seventy-five (75¢)** per hour above the regular hourly rate of pay for eight (8) hours, but shall work only six (6) hours and thirty (30) minutes for "eight (8)" hours' pay.

ARTICLE FIVE

HOLIDAYS

Paid Holidays

Section 1. The purpose of this Article (except as specifically provided in Section 8) is that no employee shall suffer loss of wages due to the fact that one (1) of the holidays listed below falls on a regularly scheduled work day for which such employee would have received straight time pay had such day not been observed as a holiday.

Section 2-A. For purposes of this Agreement the following dates are designated as holidays:

| | <u>Holiday</u> | <u>Date</u> | <u>Day</u> |
|-------------|------------------------|---------------|-----------------|
| 2016 | Labor Day | 5-Sep | Monday |
| | Thanksgiving Day | 24-Nov | Thursday |
| | Day after Thanksgiving | 25-Nov | Friday |
| | Christmas Holiday | 23-Dec | Friday |
| | Christmas Holiday | 26-Dec | Monday |

| | | | |
|--------------------|-------------------------------|--------|-----------|
| | Christmas Holiday | 27-Dec | Tuesday |
| | Christmas Holiday | 28-Dec | Wednesday |
| | Christmas Holiday | 29-Dec | Thursday |
| | Christmas Holiday | 30-Dec | Friday |
| <u>2017</u> | New Year's Day | 2-Jan | Monday |
| | Martin Luther King Day | 16-Jan | Monday |
| | Good Friday | 14-Apr | Friday |
| | Memorial Day | 29-May | Monday |
| | Independence Day Holiday | 3-Jul | Monday |
| | Independence Day | 4-Jul | Tuesday |
| | Labor Day | 4-Sept | Monday |
| | Thanksgiving Day | 23-Nov | Thursday |
| | Day after Thanksgiving | 24-Nov | Friday |
| | Christmas Holiday | 25-Dec | Monday |
| | Christmas Holiday | 26-Dec | Tuesday |
| | Christmas Holiday | 27-Dec | Wednesday |
| | Christmas Holiday | 28-Dec | Thursday |
| | Christmas Holiday | 29-Dec | Friday |
| <u>2018</u> | New Year's Day | 1-Jan | Monday |
| | Martin Luther King Day | 15-Jan | Monday |
| | Good Friday | 30-Mar | Friday |
| | Memorial Day | 28-May | Monday |
| | Independence Day | 4-Jul | Wednesday |
| | Labor Day | 3-Sept | Monday |
| | Thanksgiving Day | 22-Nov | Thursday |
| | Day after Thanksgiving | 23-Nov | Friday |
| | Christmas Holiday | 24-Dec | Monday |
| | Christmas Holiday | 25-Dec | Tuesday |
| | Christmas Holiday | 26-Dec | Wednesday |
| | Christmas Holiday | 27-Dec | Thursday |
| | Christmas Holiday | 28-Dec | Friday |
| | Christmas Holiday | 31-Dec | Monday |

| | | | |
|--------------------|-------------------------------|---------------|------------------|
| <u>2019</u> | New Year's Day | 1-Jan | Tuesday |
| | Martin Luther King Day | 21-Jan | Monday |
| | Good Friday | 19-Apr | Friday |
| | Memorial Day | 27-May | Monday |
| | Independence Day | 4-Jul | Thursday |
| | Independence Day Holiday | 5-Jul | Friday |
| | Labor Day | 2-Sept | Monday |
| | Thanksgiving Day | 28-Nov | Thursday |
| | Day after Thanksgiving | 29-Nov | Friday |
| | Christmas Holiday | 23-Dec | Monday |
| | Christmas Holiday | 24-Dec | Tuesday |
| | Christmas Holiday | 25-Dec | Wednesday |
| | Christmas Holiday | 26-Dec | Thursday |
| | Christmas Holiday | 27-Dec | Friday |
| | Christmas Holiday | 30-Dec | Monday |
| | Christmas Holiday | 31-Dec | Tuesday |
| <u>2020</u> | New Year's Day | 1-Jan | Wednesday |
| | Martin Luther King Day | 20-Jan | Monday |
| | Good Friday | 10-Apr | Friday |
| | Memorial Day | 25-May | Monday |
| | Independence Day | 3-Jul | Friday |
| | Labor Day | 9-Sept | Monday |
| | Thanksgiving Day | 26-Nov | Thursday |
| | Day after Thanksgiving | 27-Nov | Friday |
| | Christmas Holiday | 24-Dec | Thursday |
| | Christmas Holiday | 25-Dec | Friday |
| | Christmas Holiday | 28-Dec | Monday |
| | Christmas Holiday | 29-Dec | Tuesday |
| | Christmas Holiday | 30-Dec | Wednesday |
| | Christmas Holiday | 31-Dec | Thursday |
| <u>2021</u> | New Year's Day | 1-Jan | Friday |
| | Martin Luther King Day | 18-Jan | Monday |
| | Good Friday | 2-Apr | Friday |

Eligibility for Holiday Pay when Holiday Is Not Worked

Section 3. An employee assigned to a regular work week (Monday through Friday) shall be eligible for holiday pay when a day considered as a holiday under this Agreement falls on a regular work day of such regular work week, provided:

- ~~(a)~~ That he/she has been on the payroll for thirty (30) calendar days since his/her last date of hire, and
- ~~(b)~~ (a) That he/she would otherwise have been scheduled to work on such day if it had not been observed as a holiday, and
- ~~(c)~~ (b) That he/she has worked at least the equivalent of one (1) full regular shift during the work week in which the holiday occurs, and
- ~~(d)~~ (c) That he/she was not scheduled to work on such holiday. Effect of Absence

Section 4. Under no condition shall an employee receive pay for a holiday not worked which occurs during a leave of absence, layoff or any other absence, except that an employee on an authorized leave with pay shall be entitled to pay for a holiday which occurs during his/her period of authorized leave with pay. Such holiday pay shall be in addition to the vacation pay allowance otherwise provided for in this Agreement.

Section 5. When the Company deems it necessary for employees to work on a holiday, it will first ask for volunteers from the needed classification within the affected department, beginning with the low employee on the overtime list. If the overtime requirement is satisfied by volunteers, those who choose not to volunteer will not be excluded from holiday pay and will not be charged.

If there are not enough volunteers to fill the holiday work needs, the Company will then schedule employees in the affected classification and department to work, again beginning with the low employee on the overtime list. If an employee is scheduled to work on a holiday, he/she shall be notified at least twenty-four (24) hours in advance of the close of the regularly scheduled (Monday through Friday) workday immediately preceding the holiday. If he/she received such notification and fails to report for work on the holiday, he/she shall not be eligible for holiday pay.

Section 6. Holiday pay, or pay for a holiday not worked, as the terms are used in this Agreement, shall mean the product of the eligible employee's straight time hourly rate, multiplied by the number of hours that he/she would otherwise have been scheduled to work, not to exceed eight (8) hours, on such day if it had not been observed as a holiday.

Section 7. An employee who works on a day considered as a holiday for which he/she would be eligible for holiday pay under this Agreement shall receive holiday pay as described in Section 6, but shall, in addition, be compensated at double his/her regular hourly rate for all hours of work

performed on the said holiday. This provision shall not apply to employees covered by Section 8, but will apply to employees covered in Section 3 (a).

However, an employee with less than thirty (30) calendar days since his/her last date of hire that is required to work on a day specified in Article 5, Section 2 shall receive his/her straight time hourly rate for hours worked and an additional eight (8) hours of holiday pay at his/her straight time hourly rate, provided that the employee works the full shift offered by the Company.

Section 8. An employee assigned to the "boiler-house" operation who is assigned to a work week other than a regular work week as provided for in Article Four, Section 1, "Hours of Work and Overtime," shall be eligible for eight (8) hours' holiday pay in addition to his/her regular pay for a weekly pay period during which a day considered as a Holiday occurred provided:

- ~~(a) That he/she has been on the payroll for thirty (30) calendar days since his/her last date of hire, and~~
- (b) That he/she has worked at least the equivalent of one (1) full regular shift during the work week in which the holiday occurs, and
- (c) That he/she works on a holiday on which he/she is scheduled to work.

ARTICLE SIX VACATION, SICK LEAVE AND BEREAVEMENT LEAVE

Vacations

Vacations shall be granted employees by the Company in accordance with the following regulations:

Section 1. Vacation begins to accrue for each employee on the first day of hire. Vacation will accrue at the monthly rate shown below for any calendar month or partial calendar month. An employee's vacation balance will be available for use immediately upon being credited with the preceding months' vacation accrual but no later than the first workday of the month following the month of accrual except that a probationary employee shall not receive any vacation credit until the successful completion of the probationary period. Time lost, not to exceed ninety (90) days, due to occupational illness or occupational injury shall be counted for the purpose of vacation accrual if the employee returns to the active payroll of the Company.

Section 2. Vacations shall be paid at the regular hourly rate of pay in effect for each employee at the time the vacation is taken.

Section 3. The vacation eligibility date of an employee hired prior to 14 April 2003 shall be established pursuant to the terms of the Collective Bargaining Agreement in effect 27 April 2000. The vacation eligibility date of an employee hired on or after 14 April 2003 shall be the calendar month and day of his/her last hire date.

Section 4. Vacation accruals are based on completed years of ~~continuous~~ **benefit** service and become effective on an employee's next vacation eligibility date.

| <u>Completed Years of</u> <u>Continuous Benefit Service</u> | <u>Vacation Accrual</u> |
|--|------------------------------|
| 0 to 8 years | 6.67 hours per month |
| 9 years to 18 years | 10 hours per month |
| 19 years or more to 28 years | 13.34 hours per month |
| 29 years or more | 16.67 hours per month |

For each employee, ~~when continuous~~ **with benefit** service, and after reaching the next vacation eligibility date, results in the next greater level of vacation accrual during a calendar month, the greater accrual will be effective beginning the month following the month of the next vacation eligibility date.

Section 5. The maximum vacation accrual is 400 hours. However, each employee may continue to accrue vacation hours in excess of 400 hours, and at the end of the calendar year accrued hours in excess of 400 hours will be paid out (thereby, reducing the accrued balance to 400 hours to begin the new year). Payments for excess vacation hours will be distributed as early as practicable in the new calendar year, which will normally be on or before the third full pay period of the new calendar year. Any vacation time taken between the last accrual process run for the year and the payout of excess hours will be deducted from the balance prior to the payout.

Section 6. Each employee, upon his/her vacation eligibility date shall be paid sixteen (16) hours of pay at the employee's regular hourly rate of pay in effect at the time of the payment.

Section 7. If an employee has earned his/her vacation and has not taken same prior to terminating his/her employment with the Company, including termination by quitting, retirement, discharge, military service and layoff, then the vacation pay in lieu of time off, shall be given to said employee at the time of termination. Payment of the unused earned vacation shall be at the regular hourly rate of pay in effect at the time of the payment. At time of termination, an employee shall receive the wage equivalent of the portion of the sixteen (16) hour payment referenced above in Section 6, prorated at the rate of 1.33 hours per month since the employee's last vacation eligibility date.

Section 8. Production need shall be the determining factor in scheduling vacations.

Section 9. An employee should request a full week of vacation at least four weeks prior to the Monday on which he/she requests that his/her vacation start. Preference will be given in line with seniority, if practical, in scheduling vacations. If it is deemed impractical, because of production need, to grant an employee's vacation at the time requested, the employee may ask that his/her vacation be scheduled at another time. Employees will not be forced to take a vacation.

Section 10. An employee may request payment of earned sick leave and/or vacation benefits while on an approved leave of absence. Such payments may be made only from those vacation and/or sick leave hours that were accrued in the same calendar year as the requested payment. If such an employee has earned sick leave and/or vacation at the time he/she is placed on the leave of absence, such sick leave and/or vacation will be applied to the first of the absence period.

Requests for payment while on approved leave of absence of sick leave and/or vacation benefits accrued in prior calendar years will be granted only for reasons of financial emergency as may be determined by the Company in its sole and exclusive discretion in accordance with Internal Revenue Code section 409A.

Section 11. Absence from work with pay on authorized vacation, sick leave, bereavement leave, military leave, jury duty, or Grand Jury duty shall be considered as time worked for the purpose of computing vacation eligibility. In addition, unpaid full-day absences due to authorized leave for temporary union business will be considered as time worked for determining eligibility for vacation accrual when the temporary union leave is requested by the Union District Office and approved by the Company.

Section 12. An employee may take his/her vacation during his/her benefit year in weekly or one (1) hour increments in accordance with the provisions of this Article.

Sick Leave

Section 13-A. Each employee shall be granted sick leave with pay in accordance with the following provisions.

Section 13-B. Sick leave begins to accrue for each employee on the first day of hire. Sick leave will accrue at the monthly rate of ~~four (4)~~ **twelve (12)** hours per calendar month or partial calendar month. The sick leave balance for each employee will be credited with the preceding month's sick leave accrual no later than the first workday of the month following the month of accrual except that a probationary employee shall not receive any sick leave credit until the successful completion of the probationary period. An employee's sick leave balance will be available for use immediately upon being credited but no later than the first day following the month of accrual. Time lost, not to exceed ninety (90) days, due to occupational illness or occupational injury shall be counted for the purpose of sick leave accrual if the employee returns to the active payroll of the Company.

Section 13-C. The maximum sick leave accrual balance is sixty (60) hours. However, each employee may continue to accrue sick leave hours in excess of sixty (60) hours, and at the end of the year accrued hours in excess of sixty (60) hours will be paid out (thereby, reducing the accrued balance to sixty (60) hours to begin the new year). Payments for excess sick leave hours will be distributed as early as practicable in the new year, which will normally be on or before the third full pay period of the new calendar year. Any sick leave time taken between the last accrual process run for the year and the payout of excess hours will be deducted from the balance prior to the payout.

Section 13-D. If an employee has earned his/her sick leave and has not taken same prior to terminating his/her employment with the Company, including termination by quitting, discharge, retirement, military service, death, and layoff due to a reduction in force because of lack of work, or is granted a leave of absence as provided in Article Ten, Section 2, then he/she shall be paid for each hour of unused, earned sick leave. Payment of the unused, earned sick leave shall be at the regular hourly rate of pay in effect at the time of the payment.

Section 13-E. Sick leave may be taken in ~~one (1)~~ **one-tenth (1/10)** hour increments. Sick leave time shall be paid at the regular hourly rate of pay in effect for each employee at the time the sick leave is taken.

~~Section 13-F. Sick leave pay is to compensate an employee due to absence resulting from illness or injury. Sick leave may be used to care for family members who reside in the employee's household or, from time to time rely on the employee for care. The sick leave days with pay for employees who have established eligibility therefore shall be taken as sick leave only and not as additional vacation. The Company may require the employee to present a doctor's certificate to the Company prior to payment of sick leave pay provided the employee is in Step III or higher of the Attendance Control Program.~~

Section 13-G. Absence from work with pay on authorized vacation, sick leave, jury duty, Grand Jury duty, bereavement leave or military leave shall be considered as time worked for purposes of computing sick leave eligibility. In addition, unpaid full-day absences due to authorized leave for temporary union business will be considered as time worked for computing sick leave eligibility when the temporary union leave is requested by the Union District Office and approved by the Company.

Bereavement Leave

Section 14-A. An employee shall be eligible for three (3) days bereavement leave with pay upon a death in his/her immediate family. To receive bereavement pay the leave must be taken not later than seven (7) days after date of the funeral. Bereavement pay will not be granted for Saturday, Sunday, and holidays or any day which the employee will otherwise be compensated by the Company. For purposes of this Section, immediate family shall mean: Mother, Father, Brother, Sister, Children, Spouse, Mother-in-law, Father-in-law, Brother-in-law, Sister-in-law, Stepmother, Stepfather, Stepbrother, Stepsister, Stepchildren, Half-brother, Half-sister, Grandparents, Grandchildren.

Section 14-B. An employee shall request such bereavement leave on a form to be provided by the Company. Such request shall be made before the absence due to death in the employee's immediate family when possible, or immediately upon the employee's return to work from such absence. Bereavement leave shall be granted upon receipt of the request form.

For the Union

For the Company

June 14, 2016
Union Proposal #1
Economics

Date: _____

Date: _____

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