

COLLECTIVE BARGAINING AGREEMENT

Between

**ELBIT SYSTEMS OF AMERICA/M7
AEROSPACE
CLS Transport Program**



AND

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS, AFL-CLO**

**Fort Hood, TX
Fort Belvoir, VA CLT
Pope AAF, Fort Bragg NC CLT
Dobbins, Atlanta GA
Andrews AFB, MD CLT
McGuire, AFB, NJ CLT CLS**

Effective: April 15, 2018 to April 15, 2021

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01.00 – RECOGNITION

- 01.01 Elbit Systems of America, by and through its wholly owned subsidiary M7 Aerospace, LLC in support of Army contract W58RGZ-17-C-0011, CLS Transport program (the Company) recognizes the International Association of Machinists and Aerospace Workers (the Union) certified by the National Labor Relations Board, as the exclusive representative and bargaining agent with respect to rates of pay, wages, hours and other conditions of employment for the bargaining unit comprised of all regular full-time and part-time as referenced in the wage table for each location employed by the employer at:

Location		RC-Case #
Dobbins AFB, Atlanta, GA		10-RC-15468
Fort Belvoir, VA		5-RC-15770
Fort Hood, TX	16-RC-10739 or	16-RC-10590
Andrews AFB, MD		5-RC-15767
McGuire AFB, NJ		4-RC-20829
Pope AAF, FT. Bragg, NC		11-RC-6572

The word “employee” or “employees,” as used in the Agreement, means all employees of the company employed at the locations listed above, in the job classifications listed in Appendix A of the Agreement.

Excluded from the unit are all clerical employees, professional employees, guards, and supervisors as defined in the Labor Management Relations Act.

02.00 - NON-DISCRIMINATION

- 02.01 The Company and the Union separately and jointly recognize their obligation to abide by those state and federal laws relating to equal employment opportunity and nondiscrimination. The Agreement shall be applied fairly and shall not in any way be used to discriminate against employees on account of race, color, religious affiliation, sex, age, national origin, veteran or handicap status. It is understood that wherever in this Agreement employees or jobs are referred to in the male or female gender; it shall be recognized as referring to both male and female employees.

03.00 - MANAGEMENT RIGHTS

- 03.01 Except as specifically limited by this Agreement, the management of the company, and the direction of the work force, including but not limited to the service performed, the schedules and fair standards of employee performance, the schedules and hours of shifts, the methods, processes, and means of providing services, materials to be purchased, the right to hire, promote, demote and transfer employees, the selection of leads and their shift assignments, the establishment of reasonable rules of conduct, the discharge or discipline of employees for just cause, and the maintenance of efficiency of employees (Training), are the sole and exclusive rights and responsibilities of the Company. All matters not specifically covered by this Agreement are solely functions and responsibility of management.
- 03.02 The Company has the right to subcontract out work where the Company determines that such work cannot be performed by employees covered by this Agreement due to lack of skills, tools, equipment or availability of manpower, or as required by its contracting customer. The Company agrees that, during the term of the Agreement, no work currently performed by the employees in the bargaining unit will be subcontracted.

04.00 - SUBSTANCE ABUSE POLICY

- 04.01 The Company and the Union are committed to providing employees with a drug-free and alcohol-free workplace. It is our goal to protect the health and safety of employees and to promote a productive workplace, and protect the reputation of the Company, Union and employees.
- 04.02 Consistent with these goals, the Company prohibits the use, possession, distribution or sale of illegal drugs, drug paraphernalia or alcohol on Company premises. A program, including random drug testing, will be maintained as well as all actions necessary to comply with the Drug Free Workplace Act and all DOD and Army Regulations.
- 04.03 Pre-employment drug testing is a condition of employment.
- 04.04 The Company's Substance Abuse Policy the Elbit Systems of America Drug Free Work Place policy will remain unchanged for the duration of the CBA unless otherwise amended by the Company.

05.00 – UNION SECURITY / DUES CHECK-OFF / AGENCY SHOP

- 05.01 All employees in the bargaining unit must, as a condition of continued employment, be either a member of the Union and pay union dues or pay an agency fee to the Union, but not both.
- 05.02 All employees within the bargaining unit on the effective date of this agreement who are not union members must, as a condition of continued employment, pay to Union while on the active payroll, an agency fee equal in amount to monthly membership dues, beginning with

the month following the month in which they accumulate thirty (30) days' continuous service in the bargaining unit since their last date of hire or rehire. Employees entering the bargaining unit or employees who are rehired with seniority or transferred with seniority into the bargaining unit after the effective date of the Agreement who do not become union members, or having become do not remain union members, must, as a condition of employment, while on the active payroll, pay such fee to the Union commencing the month following the month in which they accumulate thirty (30) days' continuous service in the bargaining unit if such entry is prior to the fifteenth (15th) day of that month or commencing with the month following the month of such entry into the bargaining unit if such entry is on or after the fifteenth (15th) day of that month.

- 05.03 Employees who are union members on the effective date of the Agreement shall continue to pay membership dues to the Union as a condition of continued employment while in the bargaining unit and on the active payroll as long as they remain members of the Union; employees within the bargaining unit who, after the effective date of this Agreement become members of the Union shall pay, while on the active payroll, an original initiation fee and membership dues to the Union, as a condition of continued employment while in the bargaining unit and while remaining a Union member; provided that in no event shall the initiation fee and membership dues exceed the amount specified in the Constitution and/or By-laws of the Union.
- 05.04 Any employee required to pay an agency fee, membership dues, or initiation or reinstatement fee as a condition of continued employment fails to tender the agency fee or initiation, reinstatement, or periodic dues uniformly required, shall be mailed notified in writing of his / her delinquency. A copy of such communication shall be mailed to the Company not later than fifteen (15) days prior to such request that the Company take final action on a delinquency. The Company will within ten (10) workdays after receipt of notice from the Union, discharge any employee who is not in good standing in the Union or fails to pay applicable agency fees as required by paragraphs a) – d) of the Article. Any employee so discharged shall be deemed to be discharged for “just cause.” “Good standing” is defined as compliance with standards permitted by NLRB and court decisions relating to Union shop requirements.
- 05.05 The Company agrees to deduct from an employee's payroll check, Union dues, initiation fees assessments, or agency fees for all employees covered by this Agreement, provided that the Union or the employee delivers to the Company a written authorization to make such deductions, signed by the employee, irrevocable for one year or the expiration date of this Agreement, whichever shall occur sooner. The Company shall make deductions for each member of agency fee payer from the first pay of such member or agency fee payer each month.
- 05.06 Such payroll deductions referred to in paragraph e) of this Article shall be remitted to the Secretary Treasurer of the Union/ or designee the week immediately following the payroll deductions are made. The Company shall furnish to the Secretary Treasurer/ or designee of the union monthly, a record of those from whom deductions have been made and the amounts of the deductions. The Company shall provide the Secretary Treasurer of the Union with a listing, on a monthly basis, of all newly hired or laid-off employees. The Union will provide the Company with point of contact information for the submission of dues as needed.

- 05.07 Should an employee be promoted or transferred to a manager/salaried classification not covered by the Agreement, the Company shall cease deducting applicable service fees or dues from such employee. When ceasing to deduct applicable service fees or dues for reason cited in this section, the Company shall submit the names of such employees, and the reasons for no deduction to the Business Representative.
- 05.08 Nothing contained in the Article shall be construed to require the Company to violate any applicable law. It is understood and agreed that the Union will defend, save, hold harmless and indemnify the Company from any and all claims, demands, suits or any other forms of liability that shall arise out of the execution, placing in effect or carrying out of the terms of this Article by the Company.

06.00 - SHOP STEWARDS

- 06.01 The Company recognizes and will work with authorized Union Representatives to resolve differences that may occur with respect to the terms and conditions of this Agreement.
- 06.02 The Union will provide the Company the name (in writing or by e-mail) of the designated Chief Shop Steward, and one alternate Shop Steward.
- 06.03 The number and locations of Stewards may be adjusted by mutual agreement to compensate for facility and population changes.
- 06.04 Business Representatives and Aerospace Coordinators.

Fulltime Business Representatives and Aerospace Coordinators may have access to the company's operations for the purpose of servicing the Agreement. Such visits shall be subject to government regulation and company requirements. The Business Representative or Aerospace Coordinator will notify the site manager to agree on the date/time for the visit. The Business Representative or Aerospace Coordinator may discuss issues with employees on normal working hours on a not to interfere basis.

07.00 – NEW JOBS

- 07.01 If, during the term of this Agreement, it becomes necessary for the Company to establish new job classifications within the bargaining unit, the Company and the Union shall mutually agree upon the proper rate range for the new position. Operations shall not be delayed through failure to immediately agree upon a wage rate applicable to such job classification. In the event the parties fail to come to an agreement on the wage rate of a new job, the matter shall be submitted to binding arbitration under the applicable article of this Agreement and the Arbitrator shall have the authority to establish the rate of pay for any new job classification challenged under this Article.

08.00 - NO STRIKE / NO LOCKOUT CLAUSE

- 08.01 The Union agrees that neither it nor any of the employees in the bargaining unit, covered by this Agreement will collectively or individually engage in or participate in any strike, sympathy strike, slowdown or stoppage of work during the term of this Agreement and the Company agrees that during the term of this Agreement it will not lock out any of the employees covered by this Agreement.

09.00 – SECURITY

- 09.01 The Union recognizes that the Company may now have, or may incur in the future, obligations with respect to the security of information and materials under contract with the Government. The Union agrees that nothing contained in this Agreement shall place the Company in violation of security agreements with the Government.
- 09.02 It is understood by and between the parties hereto that as a necessary condition of continued employment, employees shall be subject to investigation for security clearance or national agency check and/or unescorted entry authorization under regulations prescribed by the Department of Defense, or other agencies of the United States Government on government work, and that denial of such clearance and/or unescorted entry authorization by such governmental agency shall be cause for release from the Company due to inability to meet job requirements.
- It is understood that there shall be no liability on the part of the Company for any release growing out of the denial of clearance and/or unescorted entry authorization by the United States Government.
- 09.03 The Company will reinstate the seniority of an employee who's denied security clearance is reinstated by the Federal Government. A non-probationary employee who loses his security clearance or site access for any reason will not lose his / her seniority until final adjudication of his appeal. Any employee whose seniority is reinstated under this provision will be reinstated in his previously held occupational title.

10.00 – GENERAL

- 10.01 The Union acknowledges the responsibilities of the Company's operation as they are related to the support of the U.S. Army objectives. The parties realize the U.S. Army may, from time to time, make unusual and immediate demands in conjunction with support requirements. Consequently, all personnel may be called upon to perform whatever duties are required for adequate performance of support requirements for the mission and operational capabilities. Any permanent/ongoing changes will have to be negotiated between the parties, for incorporation into this agreement.
- 10.02 CHANGE OF ADDRESS

Employees are responsible for notifying the Company of their proper mailing address and current telephone number. Laid off employees are also responsible to notify the Company of their proper mailing address and current telephone number to maintain recall rights. The Company shall be entitled to rely upon its records and shall be held harmless for any action that may arise out of said reliance.

10.03 RESIGNATION

Employees are requested to give at least a two (2) week notice of intent to resign.

10.04 BULLETIN BOARDS

The Company agrees to provide a bulletin board for posting of Union publicity. Material posted shall be limited to notices of Union meetings, Union newspaper items, Union newsletters, Union recreational and social activities, and any other Official Union business. Such bulletin board shall be maintained by the Shop Steward, or alternate Steward, in the Steward's absence.

10.05 NON BARGAINING UNIT PERSONNEL

Non bargaining unit personnel may temporarily (for a maximum of 1 month, unless mutually agreed upon by both parties) perform the work of or with unit employees, provided such work does not result in layoff, reduction of hours or earning opportunities or benefits. Such temporary work may be performed under the following conditions:

- a. For the purpose of instructing and training employees.
- b. Under emergency conditions. The term "emergency" as used in this provision is defined to mean any unforeseen combination of circumstances, which would require immediate action.
- c. Up to two (2) hours on any shift when an employee fails to report to work, and other qualified employees are not available in the classification.
- d. Supervisor may perform Bargaining Unit work when a temporary increase in workload or employee absences may cause the work schedule to be delayed, causing operational problems.
- e. Lack of necessary skills required to complete a specific task.

10.06 SHUTDOWNS

In the event of operational shutdown due to a base closure due to acts of God; i.e., fires, hurricanes, floods, earthquakes, employees will be entitled to sixteen (16) hours pay per year. This pay will be available each year of the labor agreement and is not subject to carryover or payout. If there is a temporary shutdown of operations and no work is available, employees may take vacation, personal paid time, or time off without pay.

10.07 EDUCATION ASSISTANCE

Employees will be able to participate in the Company sponsored Educational Assistance Program. Such participation will be subject to qualifications and budgetary limitations. The Elbit Systems of America / M7 current policy may be obtained at the Human Resources office in San Antonio.

10.08 NEW TECHNOLOGY

The Company and the Union agree that it is to their mutual benefit and sound economic and social goals to utilize the most efficient machines, processes, systems, methods and/or materials. In this way, the Company will be able to compete effectively in the marketplace, and, thereby, provide economically secure jobs for its employees. It is the Company's policy when possible to assure that training is available for its employees so that they may have the opportunity to acquire the knowledge and skills required by the introduction of new technology.

In order that employees can better prepare themselves for the skill requirements of the future and in its fulfillment of its obligation to provide information to the Union, the Company will provide notification to the Union full-time Business Representative or his / her designee of the Company's plans for the introduction of new technology which may affect the employees. This notification will inform the Union of anticipated schedules of introduction of new technology, and will identify areas of skill impacts and any training programs associated with those impacts. The Union, and its representatives, will protect the confidentiality of Company sensitive and proprietary information disclosed in the notification. The Company will provide employees in the affected classification(s) in the bargaining unit the opportunity to volunteer for the training. The Company will select employees based on factors such as ability, skill, dependability, efficiency and qualifications to attend training and perform the work involved. If such factors are relatively equal, the most senior employee will be selected.

10.09 SUCCESSORS

The provisions of this Agreement shall be binding upon the Company and its successors, assigns or future purchasers.

10.10 REPLACEMENT OF LOST OR STOLEN TOOLS

It is understood and agreed between the parties that the Company will replace tools and tool boxes that are shipped to an employee TDY (at any location) or deployed to an overseas location and the tools or tool box becomes lost, damaged, or stolen while in the control of a third party shipper for up to \$3,500.00. The company will also pay for the cost of the liability insurance to cover the tools being shipped. The following conditions must be followed:

1. An inventory of all tools to be shipped must be made by the employee and signed off by the Site Supervisor or Regional Manager.
2. Such inventory shall state condition of tools and tool box.
3. Pictures must be taken of the employee's tools and tool box.
4. Employees must cooperate with the Company in investigating the loss or damage.

5. If, through no fault of the employee, tool boxes and tools are damaged or lost during a required move, or stolen from a secured work area, the employee will be reimbursed up to the above rate.

11.00 – SAFETY

11.01 SAFETY

The Company and the Union shall use every effort to assure compliance with established State, Federal, and U.S. Army safety and health rules and regulations. The Union will designate its steward as the representative to any safety committees.

There shall be a joint Company-Union Safety Committee meeting composed of one representative from each job classification with the Company Safety Manager. The Union will select a representative from each job classification. The committee shall meet regularly on a monthly basis on company time. Emergency meetings of the Committee may be called at the request of either the Company or Union to address safety issues or other emergencies.

Committee duties shall include recommendations for improvements in safety and health; provide safety training as needed, as well as other duties as may be agreed upon. Minutes of the Committee meetings shall be maintained by the Company and copies provided to the Union.

The Company will provide the appropriate First Aid, CPR equipment and Medical Services to treat victims of accidents and / or health hazards on its work premises and work detachment premises at all times. The Company will provide all required training for adequate designated employees for First Aid and CPR required in treating victims prior to Emergency Medical Services arrival.

If an employee(s) believes that a condition on the job or job assignment(s) presents a clear safety and / or health hazard to personnel, the employee may refuse to perform the work operation or job assignment exposing the employee(s) to such hazard(s) until the condition is corrected and / or hazard eliminated. The employees' first obligation in such cases is to immediately stop all operations relating to the condition and immediately inform the employee's Supervisor or the Company Safety Manager of the condition. Under no circumstances will any person(s) coerce any employee to continue an unsafe operation.

In the interest of continued safety of individuals and their fellow employees any employee returning to work following a medical leave of absence or documented inability to perform the assigned duties and responsibilities, may be required through Government regulations or by the Company to undergo a medical examination by a doctor of the Company's selection, paid for by the Company. If the diagnosis or examination is not satisfactory to the employee, the employee may request another diagnosis or examination by a doctor of the employee's choosing. If a disagreement still exists, an additional doctor, mutually agreed upon by the Company and the Union, will be required for the employee's examination.

If the third doctor's diagnosis/ analysis concurs with the employee's doctor, the Company shall pay for the services of the mutually agreed upon doctor. If the diagnosis/ analysis of the third doctor does not concur with the employee's doctor, the employee who gave rise to the dispute shall be responsible to pay for the services of the mutually agreed doctor.

Employees entitled to free physical examinations as a condition of employment will receive the examination during their normal duty hours without loss of pay. The Company will provide a copy of the results to the employee upon written receipt.

All examinations related to employment, whether required by virtue of employment with the Company or requested/directed by the Company, (Medical exams, Respiratory exams, Chest x-rays, Physical exams, CDL license testing, License exams. etc.) shall be at the Company's expense and the employee shall be paid by the Company for all time spent while submitting to any examination. The Company shall make provisions for all exams to be taken during the employee's normal hours of work. The Company may select a physician from the nearest locality of the individuals work site.

12.00 - LAYOFFS AND RECALL

12.01 When it becomes necessary to reduce the number of employees in a classification, probationary employees shall be laid off first, and then if the need to lay off other employees still exists, the employees in a job classification shall be laid off in accordance with reverse seniority.

12.02 LAYOFF AND REGRESSION

In the event of a layoff, the Company agrees to give a two (2) week notice, when possible, to the employees affected. The Union will be notified of a layoff in advance of the layoff.

At the location where the layoff occurs, an employee laid off pursuant to 12.01 of this Article, may bump a less senior employee in an equal paid classification or a lower paid classification, if the bumping employee has more seniority than the employee that he will bump and is qualified to perform the work. If the employee is eligible to bump into more than one (1) classification, he may choose the classification in which to bump. If an employee takes layoff in lieu of exercising his right to bump another employee, that employee will lose his right to displace another employee based on his seniority or recall rights.

12.03 RECALL

Employees laid off will be recalled as follows:

- a. Laid off/or displaced employees at the site will be recalled, by job classification, in the inverse order of their layoff.
- b. The Company will send recall notices, by certified mail, to the employee's last official address. The Company will also notify the Union of the recall and of those being recalled.

The employee has three (3) working days after receipt by the employee of the notice to accept re-employment, the employee will have up to ten (10) working days to report for work, unless extended by the company.

- c. If no laid off employees in a job classification, who are recalled, accept re-employment, then laid off employees outside the job classification, who are qualified in the classification, will be recalled as in Section 12.03a above.
- d. Subject to Article 14, new employees will be hired if no laid off employees, who qualify for the job classification, accept re-employment as outlined in this section.

13.00 - COMPLETE AGREEMENT

- 13.01 The parties acknowledge that during the negotiations which resulted in this Agreement, each had the right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from collective bargaining and that the agreements arrived at by the parties are set forth in this Agreement. Therefore, the parties, for the life of this Agreement, agree that the other shall not be obligated, except as provided in this Agreement, to bargain collectively with respect to any subject referred to or covered in this Agreement. Furthermore, the parties waive the right and each agrees that the other shall not be obligated to bargain collectively with respect to any subject matter not referred to or covered by this Agreement, even if such subject may not have been known or contemplated of any of the parties at the time this Agreement was negotiated or signed.

14.00 – PROMOTIONS / TRANSFERS

14.01 PROMOTIONS

A promotion means the advancement of an employee from one job classification to another job classification with a higher rate of pay.

14.02 JOB VACANCIES

The Company and the Union clearly recognize the Company's right to determine staffing levels within the Company. The Company therefore maintains the right to assign personnel within the Company and to determine when there is a permanent job vacancy. When the Company determines that a permanent job vacancy exists, the Company will post the vacancy prior to hiring from outside the bargaining unit. The Company will post all job vacancies within the unit provided no employee has recall rights to the open position as defined in Article 12.00, Section 12.03. The job vacancy will be posted for five (5) working days. The posting notice shall state the job classification, the pay rate, special training, experience or certification required (if any) and the closing hour and date of the posting period. The posting notice will be posted on the Company bulletin and the Chief Steward shall be notified. Employees who desire to bid for the posted vacancy may do so by completing a mutually agreed to form and submitting it to the Site Manager prior to the close of the posting period.

14.03 **SELECTION**

Within five (5) working days after the close of the posting period, the Site Manager shall determine which of the bidders are qualified (minimum requirements) to perform in the posted position. The position will be awarded to the senior bidder that meets the minimum requirements of the job.

The successful bidder shall be assigned to his/her new job within ten (10) working days after the job has been awarded.

If there are no qualified bidders, the Company has the right to fill job vacancies by new hires or rehires. If the job vacancy is not filled within sixty (60) days after the posting is closed, the vacancy will be reposted in accordance with 14.02 herein.

14.04 **NEW JOB PERFORMANCE**

When an employee is awarded a posted job, and fails to satisfactorily perform the duties of the position within sixty (60) days after assuming the position, the employee will be returned to the position last held prior to award of such promotion.

The Company may temporarily upgrade an employee to perform in a higher classification. The employee shall receive the rate of the higher classification if he works for a minimum of one (1) hour in that classification. If an employee is assigned temporarily to a lower paid classification such employee shall not suffer a reduction in pay rate.

15.00 - DISCHARGE AND DISCIPLINARY ACTION

15.01 The Company shall have the right to discipline employees for just cause by reprimand, suspension without pay or discharge for violation or infraction of the Company rules. The Company agrees to notify the Union, in writing, of any action taken under this section. The Company will follow progressive discipline, except in those cases where suspension or immediate termination warrants.

15.02 The disciplined employee will have a Steward present.

15.03 A documented verbal shall not be used for purposes of progressive discipline after a period of three (3) months.

15.04 A letter of reprimand shall not be used for purposes of progressive discipline after a period of six (6) months.

15.05 A letter of suspension shall not be used for purposes of progressive discipline after a period of eighteen (18) months.

15.06 An incident of workplace violence shall have no time limitation.

16.00 – SENIORITY

16.01 PROBATIONARY PERIOD

Any employee who has been in the employment of the Company for ninety (90) consecutive calendar days shall be considered a Seniority Employee of the Company. During the probationary period the employee shall be subject to layoff, discipline or discharge at the sole discretion of the Company, and such action shall not be subject to the grievance procedure.

DEFINITIONS:

- a. Seniority is defined as including the whole span of continuous service with the present contractor, or successor, and with predecessor contractors, in the performance of similar work at the same Federal facility.
 - 1. When two (2) or more employees have the same seniority date as herein provided, the employee having the lowest last four (4) numbers of his/her social security number shall be considered having the least seniority for tie breaking purposes.
- b. Seniority will not be broken for:
 - 1. periods of approved absence with leave
 - 2. periods of layoff due to lack of work
 - 3. periods of absence due to injury or illness
 - 4. periods of one (1) year or less for an Overseas Assignment

Periods of absence set forth in 2 and 3 shall not exceed twenty-four (24) months. In the case of occupational injuries, continuous employment will be for the length of the disability.

16.02 LOSS OF SENIORITY

All seniority of any employee shall terminate if the employee:

- a. Resigns.
- b. Is discharged for just cause.
- c. Is on layoff status in excess of twenty-four (24) months.
- d. Is barred by the customer's written order or whose security clearance has been revoked and is not legally reinstated. This paragraph is subject to the conditions noted in Article 09.00.
- e. Refuses recall.
- f. Accepts full time employment with another Vendor while on approved leave of absence without the company's knowledge.
- g. An employee who has established seniority rights within the bargaining unit and who is transferred to a position not covered by this agreement shall retain seniority for a period of ninety (90) calendar days.
 - 1. An employee who is permanently transferred to another Company facility will lose bargaining unit seniority rights.

2. EXCEPT employees who accept an Overseas Assignment of one (1) year or less.

16.03 SENIORITY LIST

A seniority list will be maintained by the Company and will be made available to the Union semi-annually. The Company will also furnish a list to the Union Chief Steward reflecting new hires or rehires, their classification, date of hire, and termination or layoff dates, when such events occur. The Union will treat the seniority list as a Company Proprietary Document.

17.00 - TEMPORARY DUTY ASSIGNMENTS (TDY)

- 17.01 Employees shall first be selected by the Company for temporary duty assignments away from the site by senior eligible qualified volunteers from the classification(s) needed to support the mission. The Company reserves the right to make exceptions to the selection process where the mission dictates. When the mission dictates such exceptions the Shop Steward will be informed of the reasons.

Employees who are on or have scheduled vacation which begins during the temporary assignment are ineligible for the assignment. However, in the absence of qualified volunteers, these employees may volunteer for the assignment provided their vacation can be rescheduled and taken during the current vacation year or carry over the vacation time to the next year in accordance with Article 24.02 (5).

An employee who has accepted or is currently assigned to a TDY mission will not be eligible for a subsequent TDY mission until the original mission is either completed or canceled.

Employees will be given as much notice of any impending TDY mission as is possible.

Employees who volunteer for or decline the mission may not subsequently alter their decision except in the case of a bona fide emergency or to prevent the least senior employee from being involuntarily assigned. If there is more than one volunteer, the senior qualified volunteer will be assigned the TDY mission. In no case will the reselection delay deploying the TDY mission.

If the assignment is not made from senior qualified volunteers as stated above, the least senior qualified employee may be assigned if the employee meets the requirements of the first paragraph in 17.01.

Employees who are temporarily assigned away from the site, to which they are permanently assigned to perform work for the Company, will have their transportation provided for by the Company. Such employees will be reimbursed for travel expenses in accordance with the Joint Travel Regulations provided the employee complies with said regulations. The Joint Travel Regulations will be made available to the Union upon request. Any additional cost for reasonable lodging above the rates listed in the JTR, if approved by a Regional Manager will be paid by the Company upon presentation of the receipts by the employee.

While an employee assigned to such Temporary Duty Assignment (TDY) is traveling to that Temporary Duty Assignment (TDY) assignment and returning to his/her regular workstation

from such assignment, he/she shall be paid, at the regular rate for all travel in accordance with the following. If traveling by commercial airlines, the employee shall be allowed actual travel time from home to the destination worksite or quarters. Upon return, the employee will be allowed actual travel time from the worksite or quarters to home. The Company reserves the right to determine the reasonableness of travel time. If the employee travels by personally owned vehicle (POV) or company provided vehicle, and the use of such conveyance is Company-directed, the actual time of travel from departure to arrival at the worksite or quarters will be used for the travel time. For travel by POV or Company provided vehicle, travel shall not exceed twelve (12) hours in a twenty-four (24) hour period. Travel time is considered time worked for the purpose of computing overtime.

Employees accepting TDY Assignments outside of CONUS will need to complete the ESA Elbit Systems of America / M7 Aerospace, LLC Foreign Service Agreement which covers the working conditions for the TDY Assignment.

- 17.02 Employees on TDY assignment will earn eight (8) hours of paid time off for TDY assignments of ten (10) consecutive days or more. If TDY assignment extends beyond thirty (30) consecutive days, the employee will earn an additional eight (8) hours of paid time off.

Employees assigned to a TDY mission shall be responsible with acquiring and maintaining a Corporate Credit Card in accordance with the Company's Corporate Credit Card Program. Employees will be reimbursed travel expenses as soon as administratively feasible, not to exceed 30 days from approved expense report submittal to Supervisor, provided the employee has submitted their expense report in accordance with the Company policy.

- 17.03 Government guidelines shall determine whether deployment is in a Hazardous Duty area and, if so, the Hazardous Duty pay associated with such assignment.

18.00 - ADJUSTMENT OF GRIEVANCES

- 18.01 "Grievances" shall mean, and be limited to disputes or difference between the Company and the Union, or employees so represented, with respect to the interpretation or application of any specific provision of this Agreement. Both parties agree to use their best efforts, including informal meetings involving Management, Supervision, Shop Steward, and the Grievant, to resolve matters without resorting to the grievance procedure except that any such meetings shall not extend the time limits set forth in this Article. In the event such informal methods do not resolve the grievance, all grievances shall be reduced to writing and processed in accordance with the following steps:

All grievances beyond Step one involving employee claims shall be in writing on grievance forms and shall be signed by all employees claiming rights there under.

In an effort to adjust employee grievances by mutual agreement, they shall be presented in the following order and within the following time limits;

a. STEP ONE

The employee(s), with their Steward if available, shall promptly bring a grievance to Site

Supervisor/Site Manager or designee. In the event an employee is unavoidably absent due to illness or injury or unavailable due to vacation or other approved reasons, the employee's Union representative may bring the grievance to the Site Supervisor. If such grievance is not settled within five (5) working days then:

b. STEP TWO

A written grievance must be signed by the Steward and set forth a statement of grievance and the article or section of the agreement which is claimed to be violated, and taken up by the Shop Steward with the Regional Manager or Program Manager or his / her designee, and a meeting will be scheduled within five (5) subsequent working days. If no agreement has been reached within ten (10) working days, the grievance may be moved to Step Three.

c. STEP THREE

If not satisfactorily settled as outlined in Step Two above, the written grievance may then be presented to the Director of Maintenance or Programs or designee no later than seven (7) working days after the receipt by the Union Representative of the decision rendered in Step Two hereof. The Director of Maintenance and/or designated company representative shall meet with the Union Representative or designee, If a settlement is reached it will be reduced to written form on the grievance form and the matter shall then be considered closed. If the Director of Maintenance fails to provide a written decision within this time limit, the grievance remedy shall be advanced to Step Four.

d. STEP FOUR

The Company's Labor Relations Representative or designee, and the Business Representative of the Union or his /her designee shall meet in person or by telephone within ten (10) working days after receipt of the grievance after step three. A written reply from the Company will be given to the Business Representative or his designee within fourteen (14) working days after the meeting. If no agreement has been reached within fourteen (14) working days, either party may submit the grievance or dispute to arbitration as covered in the Article 19.00.

18.02 All settlements must be consistent with the terms and conditions of the Agreement. Time limits may be extended by mutual agreements of both parties.

Any aggrieved employee and Union representative shall have the right to be present at any stage of the grievance procedure in which the grievance is being considered. No employee may leave the job, take up, or settle a grievance without requesting permission from the immediate supervisor. Such permission will be granted provided it does not retard or interfere with operations or create a hazardous condition. If permission cannot be granted, time limits will be waived until permission is granted. Witnesses called by either party may attend the grievance meeting at any step, subject to the same provisions above outlined for attendance of an aggrieved employee.

In cases involving suspension or discharge, Step One will be waived and the matter taken up

with the Site Manager within five (5) working days following such action by the Company.

POLICY GRIEVANCES

It is understood that the Chief Steward may file grievances on behalf of the Union's interests under this agreement. Therefore, if a grievance pertains to the Company's interpretation of the intent and purpose of the application of a specific article and section of this agreement, the grievance may be filed by the Chief Steward on behalf of the Union. Further, if a grievance relates to policy and affects numerous employees, the grievance shall be consolidated and filed by the Chief Steward on behalf of a group of employees. Otherwise, grievances shall be filed and signed by the employee involved or affected.

- 18.03 Authorized Stewards shall have the right to examine time sheets and other records pertaining to the computation of compensation of any individual or individuals whose pay is in dispute or other records pertaining to a specific grievance. Compensation will be paid for reasonable time spent discussing or investigating grievances during the Shop Steward's normal work schedules.

19.00 - ARBITRATION PROCEDURE

- 19.01 The party choosing to arbitrate shall give written notice to the other party setting forth the matter to be arbitrated. If said notice is not served within the fourteen (14) day period specified in Step Three of Article 18.01c, it shall be deemed that the grievance has been satisfactorily adjusted and the right to arbitrate waived.
- 19.02 In the event the Union or the Company submits a grievance to arbitration, a representative selected by the Union shall meet with a representative selected by the Company within five (5) work days of receipt of the above notice and attempt to agree on an arbitrator. In the event the parties cannot agree on an arbitrator within five (5) working days, the parties will petition the Federal Mediation and Conciliation Service for a panel of seven (7) arbitrators.

In the latter case, the petitioner has the first right to strike a name; the other party shall then strike a name. This procedure shall continue alternately until one name remains.

- 19.03 The decision of the arbitrator shall be final and binding on all parties. However, the arbitrator shall not have jurisdiction or authority to add to, subtract from, modify or in any way change the provisions of this agreement. The expense and fees of the Arbitrator shall be borne equally by both parties.

20.00 - HOURS OF WORK

The pay week will begin at 12:01 a.m., Saturday and end at 12:00 midnight the following Friday. Each employees' schedule shall consist of five (5) work days per week—(Monday, Tuesday, Wednesday, Thursday, and Friday). The work week and the pay week are considered to be one in the same for the purposes of computing overtime. To accommodate flight operations (a maximum of one time each month) or scheduled maintenance (a maximum of one day each

month), with a minimum of seven (7) days' notice an employees' schedule may be changed. No employee will be required to work more than two (2) consecutive weekends unless operations require the employee to do so and sufficient notice is provided.

- 20.01 All bargaining unit work schedules shall have two (2) paid fifteen (15) minute break periods. There shall be one (1) unpaid thirty-minute meal period for each shift. Schedules other than those outlined above may be arranged by mutual agreement by the parties.
- 20.02 A daily work schedule may begin on one calendar day and end on another.
- 20.03 Seven (7) days' notice will normally be given for schedule changes. However, when the company is made aware in advance of the need to revise an employees' schedule to meet operational needs, the employee will be notified as soon as practicable.
- 20.05 At the discretion of the Company when the customer designates a no-fly day, family day, and Christmas Shut-Down, with Company approval, employees will have the option to work their normally scheduled shift for the day or take vacation, personal time, or leave without pay.
- 20.06 The starting and stopping times of the various shifts will be as follows:

First Shift	0600 to 1430
Second Shift:	1400 to 2230
Third Shift:	2200 to 0630

Starting times may be adjusted for operational requirements, up to two hours, with stop times adjusted accordingly.

The Company shall not alter the employees assigned work schedule to avoid the payment overtime.

20.07 FLEX TIME

1. The parties agree that work schedules may need to be temporarily altered to meet the needs of employees from time to time. To accommodate absences that are anticipated an employee may request to alter his/her regularly scheduled hours of work within a workweek. For example, an employee may plan to work two extra hours on Monday in order to leave two hours early for a personal commitment on Tuesday. Work schedule modifications may only occur with notification and approval of the respective supervisor. Request for non- emergency flextime shall not be unreasonably denied if the employee provides supervision with twenty-four hour (24) notice. This section shall not be construed or used to avoid the payment of overtime.

2. To accommodate absences that are anticipated, an employee may request to alter his/her regularly scheduled hours of work within a workweek. For example, an employee may plan to work two extra hours on Monday in order to leave two hours early for a personal commitment

on Tuesday. Work schedule modifications may only occur with notification and approval of the respective supervisor. Request for non-emergency flextime shall not be unreasonably denied if the employee provides supervision with twenty-four (24) hour notice. This section shall not be construed or used to avoid the payment of overtime.

20.08 SHIFT PREFERENCE

In each affected job classification, employees may exercise seniority within the job classification to bid a shift preference at the following times each year: January 1, April 1, July 1 and October 1. The posting will be available on the 15th of the month preceding, and shall remain posted for 7 calendar days. The Company will, as soon as practical, post the shift roster. The parties recognize that operational needs may require requisite qualifications be spread among the various shifts and that, in some cases, a shift bid may be denied in good faith. The Company will, at all times, endeavor to recognize the principle of seniority.

Employee(s) within the same classification on different shifts who agree to exchange shifts for a period of time shall be allowed to swap shifts with pre-approval of management.

21.00 – OVERTIME

21.01 There shall be no guarantee of overtime or a certain number of hours worked per week.

21.02 Overtime, at one and one-half (1½) times the regular straight time rate, will be paid for:

1. Time worked in excess of forty (40) hours worked in a workweek
2. For the purpose of computing overtime the work week and the payroll week shall be one and the same.
3. All hours worked will be used in the computing of overtime.

21.03 Overtime, at two (2) times the regular straight time rate, will be paid for all work performed on a holiday (Plus holiday pay).

21.04 There shall be no duplication or pyramiding of overtime or premium payments.

21.05 The Company agrees to assign overtime among senior employees by classification. To this end, the following procedure will be followed:

1. When the Company determines that daily overtime work is required, qualified employees presently at work on the shift in the classification(s) needed to perform the work who have the most seniority will be offered the work first. Should the employee decline, the next senior qualified employee in that classification and shift presently at work will be offered the work, and this sequence will be followed until the required number is obtained. Should the required number not be obtained in a voluntary manner because all employees presently at work decline to work the overtime assignment, the Company shall assign the work to the qualified employee on the shift in the classification with the least seniority,

and this employee shall perform the work assignment.

2. In those cases where it is predetermined that overtime will be required, all qualified employees in the classification shall be offered the work by seniority, and if the required number cannot be obtained voluntarily, those employees with the least seniority will be required to perform the overtime.

- 21.06 For overtime work occurring at the end of a shift, the Company will give as much notice as possible with at least one (1) hour notice of required overtime work.
- 21.07 For scheduled overtime work, employees will be notified of such requirement by the end of their shift on Thursday preceding such scheduled overtime work.
- 21.08 The parties recognize that requirements placed upon the Company by the Government may preclude compliance with the overtime notification set forth in this article as it pertains to Article 21, sections 21.05 and 21.06. In such cases the Company will notify the Steward and provide as much notice as possible to the affected employee(s).

22.00 - EXCUSED ABSENCE

- 22.01 Employees may, with Company approval, be granted excused absence without pay for a good cause stated in a written request submitted at least one week in advance of said absence except in emergency situations. Continuous service credit and seniority shall accumulate during all leaves of absence described in this section unless otherwise noted.

22.02 MILITARY SERVICE, DUTY AND PAYMENT

Any employee of the Company who is inducted into or recalled to military service of the United States and who by reason of such service is entitled under the law to be regarded as a veteran, shall, upon his discharge and his / her receipt of a certificate of the satisfactory completion of his / her military obligation, be accorded all rights of The Uniformed Services Employment and Reemployment Rights Act of 1994.

22.03 ABSENCE AND PAYMENT FOR JURY DUTY

Full time seniority employees who are required by proper court order or summons to be absent from work in connection with jury duty will be paid for a regular scheduled eight (8) hour shift, minus the court remuneration, for a period of thirty (30) days in a calendar year.

22.04 TEMPORARY ABSENCE FOR DISABLING ILLNESS, INJURY

Full time seniority employees having ninety (90) days or more of continuous service credit and who are found and certified by a physician to be unable to perform their regular assigned duties with the Company because of disabling illness or injury other than for Workman's Compensation, shall receive a leave of absence without pay, but with service credit and seniority accumulating while such condition continues. If the disability continues beyond twenty-four (24) months and the employee has not returned to work, the employee's service credit and seniority will be broken and terminated.

22.05 Employees tardy because of delayed entry at the gates or due to gates being closed by the military will not be counted as tardy and will be allowed to complete the remaining portion of their scheduled work shift.

22.06 UNION LEAVE

Leaves of absence without pay will be granted by the Company on two weeks written request of the Union to persons designated by the Union for Official Union business or to attend conventions, educational or other functions of the Union. Seniority and benefits will accumulate during such leave. Not more than one (1) employee shall be on such leave at any one time.

22.07 FMLA

The parties agree to be in compliance with the Family Medical Leave Act (FMLA) of 1993 as mandated by federal law and any State law requirements, regardless of the number of employees within the bargaining unit.

- a. Seniority will accumulate during all paid FMLA leaves.
- b. No employee shall be required to utilize paid vacation for any FMLA absence for which the employee does not request to receive such pay.
- c. Employee(s) may use accrued Paid Personal Time before being placed on unpaid FMLA leave.

23.00 – HOLIDAYS

23.01 The following eleven (11) holidays will be recognized at the International Association of Machinists and Aerospace Workers' sites:

New Year's Day
Martin Luther King's Birthday
President's Day
Memorial Day
Independence Day
Labor Day
Columbus Day
Veterans Day
Thanksgiving Day
Day after Thanksgiving
Christmas Day

23.02 Any additional observed government holidays will be recognized as holidays provided the Company is reimbursed by the customer.

- 23.03 Full pay for eight (8) or ten (10) hours depending on assigned shift at the base rate, plus premiums for all hours paid shall be paid to employees for each of these holidays regardless of the day of the week upon which the holiday falls or for any day for which holiday pay is due under this Article.
- 23.04 Whenever one of the above holidays fall on a Sunday, the Monday immediately following shall be observed, if officially declared holiday and generally observed by the Military at the respective site. Whenever one of the holidays falls on Saturday, the Friday immediately preceding shall be observed if officially declared a legal holiday and generally observed at the respective site.
- 23.05 If one or more of the above holidays occurs while an employee is on an authorized vacation or PPT, holiday pay will be substituted for a vacation or PPT day.

24.00 – VACATION

24.01 Vacations

Definitions

- (1) The term "seniority" as used in this Section, shall be the factor in determining choice of vacation time.
- (2) Pay for each week of vacation for a full-time employee means pay for forty (40) hours at the employee's base rate of pay; plus any premiums a "full-time" employee means an employee who is regularly scheduled to work five (5) or more standard daily shifts per week. In the event of termination or annual payout, leave will be paid at the employees' base rate of pay.
- (3) Earned vacation credits, as used in this Article, shall vest as they are accrued bi-weekly.

24.02 Vacation Benefits for bargaining unit employees on the active payroll of the Company are as follows:

- (1) Less than 60 months of service, an employee shall be entitled to eighty (80) hours of vacation.
- (2) From 60 to less than 120 months of service, an employee shall be entitled to one hundred and twenty hours of vacation.
- (3) From 120 to less than 300 months of service, an employee shall be entitled to one hundred and sixty hours of vacation.
- (4) From 300 months or more of service, an employee shall be entitled to two hundred hours of vacation.
- (5) Up to one year of accrued vacation hours may be carried over each year based on the employee

accrual rates defined in sections (1) through (4) above. Unused accrued vacation hours in excess of the maximum accrual hours as of the final pay period in the calendar year will be paid out to the employee at their base rate.

- (6) All employees will be encouraged to use their accrued vacation leave prior to the expiration of the government contract.

24.03 An employee who has earned a vacation with pay which has not been used at the time he terminates, is terminated, enters the Armed Forces, is laid off, or who dies shall receive such pay for such unused vacation as he has earned.

24.04 Scheduling of Vacation

- (1) Earned vacation may be taken in consecutive weeks or in one (1) week increments. In addition, with prior approval, vacations may be taken in one-day increments provided the vacation requested is approved at least twenty-four (24) hours in advance.
- (2) It is the policy of the Company to approve scheduled vacations when they least interfere with production. Consideration will be given to the employee's personal plans and preference for a suitable time which is acceptable and in keeping with his seniority, except that no more than one preferred vacation period or date per employee may be scheduled on the basis of seniority in any one calendar year. The Company shall endeavor to honor vacation requests as scheduled. If a conflict exists, the appropriate Supervisor shall use his best efforts to solve them.
- (3) Employees who have exhausted their PPT may use earned vacation in one-hour increments for the same purposes as would have been approved for PPT. Notification and approval of such vacation usage will be in accordance with PPT Article 28.00.

25.00 – BEREAVEMENT

25.01 Regular status employees are eligible for bereavement leave. Four (4) work-days leave shall be paid in the event of death of an immediate family member of the employee. One additional day is provided for the death of a Spouse or Child.

25.02 Immediate family is considered to be:

Spouse, domestic partner, child, mother, father, grandmother, grandfather, mother-in-law, father-in-law, son-in-law, daughter-in-law, in loco parentis (in place of a parent; one who substantially performed rights, duties, and responsibilities of a parent, i.e., foster parent, step-father, step-mother), grandchildren, step-child, brother, step-brother, sister, step-sister, brother-in-law, sister-in-law, or anyone you have legal guardianship over (i.e. foster children) of the employee.

25.03 Documentation may be required.

26.00 - SHIFT PREMIUM / RATES OF PAY

- 26.01 A shift premium of seventy-five (\$0.75) per hour will be paid to employees working on 2nd shift and one dollar (\$1.00) per hour will be paid to employees working on 3rd shift.
- 26.02 Base Rate Structure - A listing of rates of pay by job classifications are set forth in Appendix "A" of this Agreement.
- 26.03 Call-In Time - An employee reporting for work in the absence of notice not to report, or an employee called in to work on one of his / her scheduled days off, or an employee who is recalled after completing a day's assignment and has clocked out and left the facility, shall receive not less than four (4) hours pay at the regular rate; provided, however, that any amount paid for hours actually worked shall be credited against such minimum guarantee. An employee that leaves work because of incapacity due to industrial injury will be paid eight (8) hours pay at their current rate(s).
- 26.04 Effective Date(s) – All pay increases will be effective on June 1 of the appropriate year.
- 26.05 A pay period is comprised of two (2) work weeks. Employees are paid biweekly on the Friday following completion of a pay period. Special pay days may be established, at the Company's option, when recognized holidays fall on a regular pay day. Direct Deposit is mandatory for all employees. Pay stubs are issued on the Fridays, following completion of a pay period.

ARTICLE 27.00 - BENEFIT PLANS

- 27.01 The Company will sponsor and make available to full-time employees, beginning on the first day of employment, group insurance plans specified in the following paragraphs. The offered group insurance plans may be modified from year-to-year for cost containment, improve coverage, legally required or carrier imposed changes. Part-time employees will receive the cash equivalent of the health and welfare benefits specified in the prevailing Wage Determination applicable, or which may become applicable, to the Company in lieu of eligibility for group insurance plans.

Employee contributions will be made through payroll deduction and are effective the dates indicated below. In order to continue coverage(s), active employees that are off work are obligated to pay contributions at the same interval and amounts as would have been deducted from their paycheck due each payday.

Open enrollments will be conducted each year and during the hiring process.

SUMMARY OF EMPLOYEE BENEFITS

Monthly Premiums for HDHP with HSA will be at an 80/20% split for Employee only coverage (\$107.90); a 70/30% split for Employee & Spouse (\$339.87), Employee & Children (\$307.50); and Family (\$485.53) elections. Any premium increases in 2020 and 2021 will be at the same percentage split used for 2019 rates. The employee share of any premium increases

in 2020 and/or 2021 will not be more than a 10% increase above the 2019 and 2020 premium rates.

Monthly employee premium deductions for 2019 are listed below.

The Company and the Union, by mutual agreement, may modify the coverage provided in an effort to contain cost and improve coverage.

	Preferred HSA Plan	
Coverage	2019 Monthly Premium	
Employee only	\$107.90	
Employee & Spouse	\$339.87	
Employee & Children	\$307.50	
Family	\$485.53	

MEDICAL - HDHP w/HSA

The Company will make an HSA contribution to the employees' established HSA account that are enrolled in a HDHP and have an open Health Savings Account. For employees in a paid status as of January 1, 2019 and January 1, 2020, the Company agrees to provide an HSA up-front deposit of \$1,500/\$4,000 for 2019 and 2020 as listed below. Employees hired during the year will receive a bi-weekly, pro-rated portion of the yearly HSA deposit. There will be no HSA deposit in 2021.

Coverage Status	1/2019	1/2020	2021
Employee Only	\$1,500	\$1,500	\$0.00
Employee & Spouse/Child(ren) & Family	\$4,000	\$4,000	\$0.00

PLAN DESIGN ELEMENT	ESA Preferred w/H.S.A. (Union) Blue Cross Blue Shield
IN NETWORK	
Deductibles (Single/Family)	\$2,000 / \$6,000
Preventive Care	0% Covered 100% by the Plan
Coinsurance	20%
Inpatient Services	Ded + 20%
Outpatient Services	Ded + 20%
Copays (PCP/Specialist)	Ded + 20%
Urgent Care	Ded + 20%
ER Services	Ded + 20%
Out-of-Pocket Maximum (Single/Family)	\$6,450 / \$12,900
Lifetime Maximum	Unlimited
PPO Out-of-Network	
Deductibles (Single/Family)	\$4,000 / \$12,000
Coinsurance	50%
Out-of-Pocket Maximum (Single/Family)	\$13,200 / \$26,400
Pharmacy	
Retail - 30 day	
Generic	Ded + 20%
Preferred Brand	Ded + 20%
Non-Preferred Brand	Ded + 20%
Home Delivery - 90 day	
Generic	Ded + 20%
Preferred Brand	Ded + 20%

Non-Preferred Brand	Ded + 20%
Preventive Care Rx	
Generic	0% - Paid 100% by Plan
Preferred Brand	0% - Paid 100% by Plan

Vision and Dental Premiums shown will remain the same for the life of the Agreement.

VISION

Tier	Monthly Employee Premium
Employee	\$4.88
Family	\$13.17

DENTAL

Dental Core Plan

Tier	Monthly Employee Premium
Employee	\$7.00
Employee + Spouse	\$17.00
Employee + Child(ren)	\$17.00
Family	\$29.50

Dental Enhanced Plan

Tier	Monthly Employee Premium
Employee	\$14.00
Employee + Spouse	\$34.00
Employee + Child(ren)	\$34.00
Family	\$59.00

The Company will furnish the following group insurances at no cost to the employee. Employees are automatically enrolled:

- (A) Basic Life insurance in the amount of \$30,000.
- (B) Basic Accidental Death and Dismemberment (AD&D) insurance in the amount of \$30,000.
- (C) Business Travel Accident insurance.
- (D) Short-Term Disability insurance at sixty (67%) percent of base pay as defined in the Summary Plan Description.
- (E) Long Term Disability Insurance at 60% of base pay defined in the Summary Plan Description.

An employee may purchase and will pay one hundred percent (100%) of the premiums of the following group insurances

- (A) Supplemental Employee Life Insurance
- (B) Dependent Life Insurance
- (C) Voluntary Accidental Death and Dismemberment (AD&D) for employee and/or family

Section 2 - FLEXIBLE BENEFIT CREDIT

The Company will provide each covered full-time employee with the amount of the Flexible Benefits Credits specified below. These credits will be provided on a pre-tax basis under Internal Revenue Code Section 125. Employees may use these credits to purchase coverage for themselves and eligible dependents from any of the Group Insurance Plans offered under the **Elbit Systems of America / M7** Flexible Benefit Program including Medical, Dental, Vision, Life Insurance, Accidental Death and Dismemberment Insurance, Personal Accident Insurance, Short Term Disability and Long Term Disability Insurance. Pre-tax credits may not be used to purchase Dependent Life Insurance. Any coverage costs in excess of the Company provided credits will be paid by the employees via pre-tax payroll deductions. Any excess credits will be paid to the employee as additional taxable income.

(A) Health & Welfare Contribution

1. The Company will continue providing contributions as stated below for health and welfare benefits until such amount is changed in accordance with this Article.

Effective April 15, 2018 - \$6.30 per hour
Effective January 1, 2019 - \$6.40 per hour
Effective January 1, 2020 - \$6.50 per hour
Effective January 1, 2021 - \$6.60 per hour

An employee must work and/or be paid for a minimum of forty (40) hours in a bi-weekly Pay Period to receive flexible credits for that Pay Period. Employees may opt out of Benefits coverage for any of the items and shall receive payment for the cost not paid for such benefits up to the maximum amount of the Health and Welfare Benefit rates.

27.02 ELBIT SYSTEMS OF AMERICA/M7 CONSOLIDATED 401(K) SAVINGS PLAN

Bargaining Unit employees may participate in the Elbit Systems of America Consolidated 401(k) Savings Plan in accordance with the Summary Plan Description. There will be no Company discretionary or matching contributions to the Plan on behalf of the bargaining unit employees.

27.03 UNIFORMS/SAFETY SHOES

Each December 1, the Company will provide a total reimbursement of up to \$500.00 combined for uniforms, wet weather gear, cold weather gear and safety shoes/boots. The employee must provide a receipt for items purchased. Employees will be reimbursed expenses as soon as administratively feasible, not to exceed 30 days from approved expense report submittal to Supervisor.

27.04 IAM NATIONAL PENSION PLAN

If the employee is paid only for a portion of an hour, contributions will be made by the Employer for the full hour.

(A) The Company (Employer) shall contribute to the I.A.M. National Pension Fund, National Pension Plan, for each day/hour or portion thereof, to a maximum of forty (40) hours per work week for which employees in all job classifications covered by this Agreement are entitled to receive pay under this Agreement as follows:

\$3.20 per hour effective April 15, 2018

\$3.50 per hour effective June 1, 2018

(B) The Company shall continue contributions, for all hours paid, based on a forty (40) hour workweek while an employee is off work in pay status due to paid vacations or paid holidays.

(C) Contributions for a new, temporary, probationary, part-time and full-time employee shall be payable from the first day of employment.

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

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

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

(G) When employees in the bargaining unit are required to be away from work to serve as Union representatives in any official capacity, the employee shall be given authorized absence during the period of absence and the Company shall continue to make contributions to the IAM National Pension Fund on behalf of the employee during the period of absence, such leave shall not exceed four (4) years.

28.00 – PERSONAL PAID TIME (PPT)

- 28.01 A full-time employee will accumulate PPT at the rate of \$2.16 hours per pay period. Part-time employees shall accrue one-half the amount of PPT leave credit provided a full-time employee.
- 28.02 An employee with unused PPT leave available will continue to accumulate such PPT leave from year to year, with a limit of eighty (80) hours each year.
- 28.03 All Paid Personal Time hours shall be credited to the employee's account. Paid Personal Time may be utilized for sickness, medical appointment, or personal reasons in minimum increments of one (1) hour. Any additional time after the initial one (1) hour increment may be taken in one tenth (.1) of an hour increments.
- 28.04 When an employee desires to use Paid Personal Time for reasons other than illness, injury, or inclement weather, such time off must be requested in advance for approval consideration.
- 28.05 Earned and unused PPT will have no monetary value.
- 28.06 Paid Personal Time includes the employee's base rates of pay plus all premiums.

29.00 – EFFECTS OF LAW

- 29.01 In the event that now or hereafter there is any State or Federal Law or any directive order, rule or regulations made pursuant, thereto, which is in conflict with any provision or provisions of any agreement between the parties, the same shall supersede such provision or provisions and thereafter shall govern and control the relations and conduct of the parties so long as such law, directive, order, rule or regulations shall remain in force and effect. In the event that this or any other Agreement existing between the parties hereto, now, or thereafter requires the approval of any Government authority before becoming effective, the same will and shall be subject to such approval. Furthermore, it is mutually agreed that within thirty (30) calendar days after such provision or provisions become unlawful, the parties shall meet to discuss a modification of such provision or provisions to comply with the law. In all other respects the provisions of this Agreement shall continue in full force and effect for the duration of this Agreement.
- 29.02 This Agreement expresses the complete understanding of the parties on the subject of wages, hours of labor, and conditions of employment. However, this Agreement may be amended in writing by mutual agreement at any time.

30.00 - DURATION

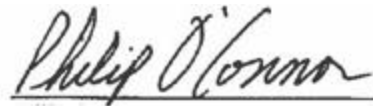
30.01 This Agreement shall be effective and shall continue in full force and effect through midnight, the 15th day of April, 2021, and therefore be automatically renewed from year to year, unless the party desiring termination or modification of the Agreement serves written notice, by certified mail, upon the other party at least sixty (60) days prior to the expiration date of the Agreement. This Collective Bargaining Agreement covers the sites listed on the Cover sheet and Paragraph 1.01.

For: IAM&AW

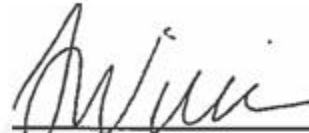
For: Elbit Systems of America /
M7 Aerospace


Jody Bennett
Chief of Staff IAM & AW


Tony Wick
Grand Lodge Representative
IAM & AW



Philip O' Connor
SR Human Resources Business Partner



Teresa Williams
Director of Total Rewards / Benefits



Mark Talluto
Director of CLS Military Programs



William "Buck" Butler
Program Manager -
Army Fixed Wing -Transport

APPENDIX A –WAGE RULES

(Rates prior to April 2018 CBA)

Location	Job Classification	Current Wage	2/1/2015	2/1/2016	2/1/2017	2/1/2018
Dobbins AFB, Atlanta, GA	Aircraft Mechanic	\$34.80	\$35.67	\$36.56	\$37.48	\$38.60
Ft Belvoir, VA	Aircraft Mechanic	\$34.79	\$35.66	\$36.55	\$37.47	\$38.59
	Tool/Parts	\$23.76	\$24.35	\$24.96	\$25.59	\$26.35
Simmons AAF, Ft Bragg, NC	Aircraft Mechanic	\$31.02	\$31.80	\$32.59	\$33.41	\$34.41
	Avionics Tech	\$32.52	\$33.33	\$34.17	\$35.02	\$36.07
	Tool/Parts	\$21.58	\$22.12	\$22.67	\$23.24	\$23.94

Location	Job Classification	Current Wage	2/1/2015	2/1/2016	2/1/2017	2/1/2018
Maguire AFB, NJ	Aircraft Mechanic	\$33.51	\$34.35	\$35.21	\$36.09	\$37.17
	Avionics Tech	\$37.49	\$38.43	\$39.39	\$40.37	\$41.58
Andrews AFB, MD	Aircraft Mechanic	\$35.04	\$35.92	\$36.81	\$37.73	\$38.87
	Avionics Tech	\$36.73	\$37.65	\$38.59	\$39.55	\$40.74

Site 625 Robert Gray AAF	2/1/2014	2/1/2015	2/1/2016	8/1/2016	8/1/2017
Classification					
Lead Meehanic	\$31.94	\$32.90	\$33.80	\$34.27	\$35.64
Aircraft Mechanic	\$29.07	\$29.94	\$30.76	\$31.19	\$32.44
Aircraft Quality Assurance Inspector	\$30.28	\$31.19	\$32.05	\$32.50	\$33.80
Avionics Technician/FCC FAA	\$30.19	\$31.09	\$31.95	\$32.40	\$33.70
Ground Support Equipment Mechanic	\$24.07	\$24.79	\$25.48	\$25.84	\$26.87
Material Coordinator	\$22.07	\$22.74	\$23.36	\$23.69	\$24.64

APPENDIX B –WAGE RULES

Location	Job Classification	6/1/2018	6/1/2019	6/1/2020
		4.00%	3.00%	3.00%
Ft. Hood, TX	Aircraft Mechanic 1	\$30.13	\$31.03	\$31.96
	Aircraft Mechanic 2	\$33.87	\$34.89	\$35.94
	Aircraft Mechanic 3	\$35.43	\$36.49	\$37.58
	GSE Mechanic	\$27.94	\$28.78	\$29.64
Andrews AFB, MD CLT	Aircraft Mechanic 1	\$35.95	\$37.03	\$38.14
	Aircraft Mechanic 2	\$40.42	\$41.63	\$42.88
	Aircraft Mechanic 3	\$42.37	\$43.64	\$44.95
McGuire, AFB, NJ CLT CLS	Aircraft Mechanic 1	\$34.38	\$35.41	\$36.47
	Aircraft Mechanic 2	\$38.66	\$39.82	\$41.01
	Aircraft Mechanic 3	\$43.24	\$44.54	\$45.88
Fort Belvoir, VA CLT	Aircraft Mechanic 1	\$35.70	\$36.77	\$37.87
	Aircraft Mechanic 2	\$40.13	\$41.33	\$42.57
	Aircraft Mechanic 3	\$41.69	\$42.94	\$44.23
Pope AAF, FT Bragg NC CLT	Aircraft Mechanic 1	\$31.83	\$32.78	\$33.76
	Aircraft Mechanic 2	\$35.79	\$36.86	\$37.97
	Aircraft Mechanic 3	\$37.51	\$38.64	\$39.79
DOBBINS, Atlanta, GA	Aircraft Mechanic 1	\$35.71	\$36.78	\$37.88
	Aircraft Mechanic 2	\$40.14	\$41.34	\$42.58
	Aircraft Mechanic 3	\$41.70	\$42.95	\$44.24

WAGE RULES (continued):

Job classifications for AM1, AM2 & AM3 will be reflective of the duties and employees occupying these positions will no longer receive additional premiums with an exception of the Lead.

Current employees receiving special premiums will be grandfathered in at their current pay rate to include any applicable non-shift premiums. The AM3 job classification includes specialized experience positions (ex. Avionics Maintenance).

Employees upon successful completion of the required years of service will automatically advance to the next level of Aircraft Mechanic (AM).

Employees promoted to Lead will be paid at a rate of one dollar and fifty cents (\$1.50) per hour more than the AM3 job classification.