

ARTICLES OF AGREEMENT

May 1, 2008 - April 30, 2011

ARTICLES OF AGREEMENT
Between the
KENNEDY TANK & MANUFACTURING
COMPANY, INC.
833 East Sumner Avenue
Indianapolis, Indiana

(hereinafter referred to as the “Employer”)

and the

INTERNATIONAL BROTHERHOOD OF
BOILERMAKERS, IRON SHIP BUILDERS,
BLACKSMITHS, FORGERS AND HELPERS
OF AMERICA AND ITS LOCAL NO. 374

(hereinafter referred to as the “Union”)

EFFECTIVE
May 1, 2008 thru April 30, 2011

This Agreement, governing wages and working conditions in contract, fabricating and repair shops, shall govern the relations between the Union and the Employer.

ARTICLE 1 RECOGNITION, SCOPE AND PURPOSE
OF AGREEMENT

Section 1. The Employer recognizes the Union as the sole Bargaining Agent for all of its production and maintenance employees in the performance of all work coming within the terms of this Agreement. Excluded are all office and clerical employees and all guards, professional and supervisory employees.

Section 2. The parties to this Agreement recognize that stability in wages and working conditions and competency of workmen are essential to the best interest of the industry and the public, and agree to strive to eliminate all factors which tend toward destabilizing these conditions.

The parties further agree to cooperate fully in carrying out the intent and purpose of this Section.

ARTICLE 2 HIRING OF EMPLOYEES - UNION
SECURITY

Section 1. New employees will be hired on the basis of their qualifications, but the Employer will be governed by Article 6 pertaining to classifications and wage rates.

Section 2. Union Shop. All employees shall be obligated to become members of the Union sixty (60) days after the date of the execution of this Agreement, the effective date of this

Agreement, or the date of their employment, whichever is later, as a condition of continued employment. New employees shall be advised of this requirement at the time of their employment and nothing herein shall prohibit an employee from making application for or joining the Union sooner than sixty (60) days. Union members shall be required to maintain their membership in good standing in the Union as a condition of continued employment.

Section 3. Forfeiture of Employment. An employee who fails to become a member of the Union or fails to maintain his membership therein in accordance with the preceding provisions hereof will forfeit his right of employment, and the Employer agrees that upon being notified by the Union in writing as to the failure of an employee to join the Union or maintain his membership therein it will discharge such employee immediately upon such notification. For this purpose the requirements of membership and maintaining membership shall be consistent with Federal Law.

The Employer, upon receipt of written authorization from employees, will each month deduct an amount of money equal to the Union's regular and usual initiation fees and its regular and usual dues. The following form of authorization will be used:

AUTHORIZATION TO MAKE DEDUCTIONS

I hereby authorize my employer, Kennedy Tank & Manufacturing Co., Inc., to deduct from any wages earned by me an amount equal to the regular and usual initiation fee and the regular and usual monthly dues each month, as prescribed by the

Constitution and By-Laws of, and to pay such amounts as become due to the proper officers of International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, Local 374, of Hammond, Indiana. I hereby assign such amounts when due to said Local 374.

This authorization shall be irrevocable for one (1) year or until termination of the current collective agreement between my Employer and Local 374, whichever occurs sooner, and I direct that this authorization shall be automatically renewed and be irrevocable for a like period and for successive like periods upon the effective date of each future collective agreement between said parties, unless written notice of revocation is given by me to my Employer and said Local 374 not more than twenty (20) days and not less than ten (10) days prior to the expiration of any such period.

Signed this _____ day of _____, 20_____.

CLOCK NO. _____.

SIGNATURE _____.

ADDRESS _____.

SOCIAL SECURITY NO. _____.

ARTICLE 3 CESSATION OF WORK – LOCKOUT

Section 1. During the life of the Agreement, neither Local Union No. 374 nor the International Union will authorize or ratify a strike, work slowdown or work stoppage except because of a violation of this Agreement by the Employer, and then only after strict compliance with Article 16 of the International Union Constitution, in force at the date of the signing of this Agreement.

Section 2. Any employee entering into an unauthorized or unratified work stoppage may be discharged; only questions as to whether an employee participated in an unauthorized or unratified work stoppage are subject to resolution under the grievance procedure provided herein.

Section 3. The Employer agrees that there will be no lockout for any cause during the life of this Agreement by Local Union No. 374 or the International Union. Discharge of an employee for infraction of the company rules shall not be considered as a lockout of such employee.

Section 4. In the event that there is a strike, work stoppage or picketing conducted by the Union in connection with a labor dispute in the Employer's field construction work, the Union will not direct said strike, work stoppage or picketing against the Employer's production and maintenance work and the employees in the production and maintenance bargaining unit shall be obligated to report for work in the ordinary manner, notwithstanding any such strike, work stoppage or picketing in connection with a labor dispute in the Employer's field construction work.

ARTICLE 4 AGENT OF UNION AND RESPONSIBILITY

Section 1. It is further understood and agreed that Local Union No. 374 shall designate the local representative who is duly authorized and will be consulted in all matters pertaining to the application of this Agreement.

Section 2. Under no circumstances shall the Shop Committee or any employee make any arrangements with Foremen or Management that will change or conflict with any Section or terms of this Agreement in any way.

Section 3. Nothing contained herein shall be construed as limiting or abridging the right of the International Union to assign an International representative to work with or assist any Local Union, Local Agent or Employer in the negotiation or application of the terms and conditions of this Agreement

Section 4. Authorized Agents of the Union shall have access to the Employer's establishment during working hours for the purpose of adjusting disputes, investigating working conditions, collection of dues and ascertaining that this Agreement is being adhered to, providing, however, that there is no interruption of the Employer's working schedule and that they first report to the Employer's General Office.

ARTICLE 5 SHOP COMMITTEE

Section 1. The importance of the Union maintaining at all times

a Shop Committee consisting of qualified employees of the Employer, familiar with plant conditions, is recognized.

Section 2. The selection of the Shop Committee is recognized as a function of the Union. The Committee shall consist of not less than two (2) nor more than four (4) employees. These employees shall be paid their regular rate for time lost or consumed in the transaction of their duties, provided it should be necessary to transact such duties during their regular working hours.

Section 3. The Shop Committee shall act in the capacity of grievance committee and the names of the Committee members shall be posted on the bulletin board by the Union in the shop from time to time as the occasion warrants.

ARTICLE 6 WAGES

Section 1. The Employer shall operate on all work covered by this Agreement within the trade claims of the Union and under the jurisdiction of Local No. 374 at the following minimum wage scales, during the life of this Agreement:

	<u>5/1/2008</u>	<u>5/1/2009</u>	<u>5/1/2010</u>
Welders A	18.86-19.32	19.46-19.92	20.11-20.57
Welders B	16.57-18.27	17.17-18.87	17.82-19.52
Welders C	15.18-16.27	15.78-16.87	16.43-17.52
Welder Trainee	13.77	14.37	15.02
Leadman	18.86-19.52	19.46-20.12	20.11-20.77
Maintenance	17.77-19.17	18.37-19.77	19.02-20.42

Press Brake Operator	17.27-18.86	17.87-19.46	18.52-20.11
Roll Operator	17.27-18.86	17.87-19.46	18.52-20.11
Truck Driver	15.92-18.27	16.52-18.87	17.17-19.52
Quality Control	16.77-17.77	17.37-18.37	18.02-19.02
Shear Operator	16.27-18.86	16.87-19.46	17.52-20.11
Machine Operator	16.27-18.27	16.87-18.87	17.52-19.52
Spray Painter	15.52-16.77	16.12-17.37	16.77-18.02
Sandblaster*	13.27	13.87	14.52
*(Employees with the sandblaster classification have the right to work before assigning others to it)			
General Shop Helper	13.07-16.02	13.67-16.62	14.32-17.27
Receiving Clerk**	13.07-16.02	13.67-16.62	14.32-17.27
**(New classification effective May 1, 2008)			
Yard Helper	12.62-15.27	13.22-15.87	13.87-16.52

Section 2. New and inexperienced employees may be started at forty-five cents (\$.45) per hour less than the foregoing regular rates provided such employees so hired shall receive an increase of fifteen cents (\$.15) per hour each thirty (30) working days for a period not to exceed ninety (90) working days. This provision shall not apply to the above Welder Classifications.

Section 3. All Welder Trainees shall remain in this classification for a probationary period of ninety (90) working days. At the end of this probationary period, or earlier at the option of the Employer, the employee, if deemed by the Employer to be qualified, shall be reclassified as a Welder A, B, or C. If the employee is not deemed by the Employer to be qualified for the classification of Welder A, B, or C, the Employer at its option may terminate the employee or transfer the employee to a different classification. The ninety (90) working day probationary period described above may be extended by the mutual agreement of the Employer and the Union.

ARTICLE 7 HOURS OF WORK

The normal schedule of work shall be eight (8) hours per day on five (5) days per week Monday through Friday. The normal daily schedule shall not begin prior to 6:30 a.m., provided that the starting time may be changed by the Employer for operating reasons. If the work volume dictates a reduction of production hours, the company may reduce hours from a minimum of forty (40) hours to thirty-hours (32) hours for no more than four (4) weeks before implementing a lay off during any twelve (12) month period. Nothing in this article shall be construed as a guarantee of hours by the Employer.

ARTICLE 8 OVERTIME AND HOLIDAYS

Section 1. Time and one-half rate shall apply on all work performed in excess of forty (40) hours in any work week.

Section 2. Double time rates shall apply on all shop work performed on Sundays, and the holidays hereinafter enumerated.

Section 3. Holiday Provision. The Employer will grant ten (10) paid holidays under the following conditions:

Each employee with two (2) months or more seniority with the Employer shall receive holiday pay of eight (8) hours at his regular hourly rate of pay for the previous pay period for New Year's Day, Decoration Day, Fourth of July, Labor Day, Thanksgiving Day, day after Thanksgiving, day before Christmas, Christmas, the day before New Year's, and the employee's Birthday, provided:

- a) Such employee reports for work at the commencement of and works his full scheduled shift on both the regularly scheduled work days immediately preceding and following the holiday, unless absent because of an injury incurred on the job, which injury was incurred not more than thirty (30) calendar days prior to the holiday; unless said employee is excused from work by the Employer; unless he is absent on a funeral leave as provided in Article 20; or unless absent because of illness of the employee and provided that he furnished a physician's certificate of said illness.

An employee shall be excused from the requirement of the full scheduled shift before and/or after to the extent that he is late for not more than two (2) hours on said day or days provided that the lateness is caused by circumstances beyond the employee's control. The holiday pay of any employee who is late on the day before, or after the holiday, shall be reduced by the (actual) amount of time that the employee is late.

- b) The employee works when requested to work on the holiday in question.
- c) In regard to the Birthday Holiday, the employee shall be obligated to give the Employer at least two (2) working days advance notice of his birthday. Friday of the week following the birthday, as determined by agreement of the employee and the Employer, shall be deemed the Birthday Holiday for purposes of this Agreement. If more than one employee who gives such notice would be eligible on the same day, seniority preference shall be followed, and the eligible employees shall observe the Birthday Holiday on the succeeding Fridays or Mondays as determined by agreement of the employees and the Employer provided that no more than one (1) employee shall observe the

Birthday Holiday on the same day. If an employee fails to give the advance notice provided herein, the Employer shall schedule a day off for him, and it shall be deemed the Birthday Holiday.

- d) When any of the other holidays identified herein, falls on Sunday, it shall be deemed to have occurred on the immediately following Monday; and when any of said holidays falls on Saturday, it shall be deemed to have occurred on the immediately preceding Friday; provided, however, that when Christmas and New Year's fall on Saturday, Sunday, or Monday, said holidays shall be observed on Monday and Christmas Eve and New Year's Eve, respectively, shall be observed on the preceding Friday for all purposes under this Agreement.
- e) No work shall be performed on Christmas or Labor Day except to preserve life or property.
- f) If a paid holiday is worked, an employee working shall be paid at the regular overtime rate for the holiday in accordance with the overtime provision of this Agreement, in addition to the holiday pay.

Section 4. Lunch Periods Worked

Any employee assigned to work during a lunch period shall receive overtime and be allowed time to consume his lunch on Employer's time after completing such necessary or emergency work during his lunch period, however, only when the work requires the employee to work more than one (1) hour past the regular starting lunch time. If said employee works less than the hour, then he shall be entitled to his regular half-hour lunch time, but this time is on his own and not on the Employer's time. Any employee working twelve (12) hours or more in any shift will be allowed his regular half-hour lunch period and be paid for that lunch period.

Section 5. Duplication of Overtime Payments

Overtime payment shall not be duplicated for the same hours worked under any of the terms of this Agreement, and to the extent that hours are compensated for at overtime rates under one provision they shall not be counted as hours worked in determining overtime under any other provision.

ARTICLE 9 MINIMUM PAY AND REPORTING TIME

Section 1. An employee starting to work his regular shift or called to work after starting time of the shift shall receive not less than four (4) hours pay in lieu thereof.

Section 2. An employee required by the Employer to report for

work and not given work shall receive four (4) hours pay. In the event employees report to work and work is not available due to fire, failure of outside power, an act of God, or circumstances beyond the control of the Employer, employees who report to work will receive two (2) hours pay or work unless they have been previously notified not to report to work.

ARTICLE 10 SHIFT WORK

Section 1. On day or night shifts all work in excess of forty (40) hours in any work week shall be paid at time and one half rate. Sunday is to be considered overtime at the double time rate. Those working the second shift and third shift will receive forty cents (\$.40) additional per hour over the established rate.

Section 2. Third shift workers shall be advanced to second shift and second shift workers shall be advanced to day shift according to seniority if they so desire and they are qualified for the work available; it being understood that there shall be no dislocation in the balance of qualified personnel on the shift from which the advance occurs.

Section 3. If a shift is to be changed or a new shift established, the Employer shall post a notice thereof at least one week before such change or establishment of a new shift.

ARTICLE 11 SENIORITY

Section 1. The principle of seniority shall govern layoffs and recalls where the employee is qualified to perform the work required. An employee shall not be entitled to seniority rights

until he has been continuously employed for a period of sixty (60) working days, and then his seniority shall date back to the date of his employment.

Section 2. Daily and weekend overtime shall be assigned to the employees who have been performing the tasks involved in the overtime during the regular hours of work on the shift on which the overtime occurs. In the event additional employees are needed for the overtime, seniority shall govern the assignment, providing the employee is qualified to perform the work required. In assigning overtime under the preceding sentence, an individual who has failed, without good cause, to work a regularly scheduled work day in the previous three (3) work weeks, or has failed, without good cause, to work an overtime assignment the individual had accepted in that same period of time, shall not be eligible for an overtime assignment until all other qualified employees have first been offered the opportunity.

ARTICLE 12 EMPLOYMENT RELATIONSHIPS

Section 1. Continuity of service and the employment relationship shall be broken and terminated when:

- a) An employee voluntarily leaves the employ of the Employer.
- b) An employee is discharged for proper cause.
- c) Any employee who fails to report on his regular shift for three (3) consecutive shifts without notifying the Employer will, except in unusual and meritorious

circumstances, be considered as having voluntarily resigned.

- d) An employee has been laid off and fails to notify the Employer within five (5) days after a written notice of recall has been sent by registered letter to the address appearing on the Employer's records or fails to report for work within five (5) days after receipt of such notice. (The Employer's letter shall be considered as received if it is marked "No forwarding address".) The employee shall be responsible for keeping the Employer informed of his correct address.
- e) An employee fails to return for work at the termination of a leave of absence or furlough.
- f) Leave of absence, not to exceed three (3) months at one time for a reasonable cause, may be granted after the requested leave of absence in writing has been approved by the Shop Committee and Management jointly. Extension of leave of absence may be granted by mutual consent.
- g) Any employee who fails to report to work within his three (3) consecutively scheduled work shifts, after expiration of leave of absence will; except in unusual and meritorious circumstances, be considered as having voluntarily resigned.
- h) In all cases of increase or decrease in working forces, the following factor shall be considered where

relatively equal seniority governs: “ability to do the work available, as determined by the Employer.”

- i) An employee has been laid off for in excess of twelve (12) continuous months.
- j) An employee who fails, without good cause, to keep a scheduled appointment with a health care provider involving diagnosis or treatment with respect to an occupational injury or illness.
- k) An employee who fails to provide documentation of the authorization to work in this country in compliance with the Immigration Reform and Control Act of 1986.

Section 2. When an occupation of higher skill is permanently vacant, and a qualified employee or employees are at work, the most qualified employee will have the first opportunity to fill the vacancy; provided that where qualifications are relatively equal, seniority shall control. Qualifications shall be determined by the Employer.

Section 3. If the number of bargaining unit employees drops below forty-five (45) people and there is a layoff which results in a conflict within classification regarding seniority, management and the committee will meet to resolve.

Section 4. When forces are again restored, employees shall be called back in the same seniority order that applied when they were laid off.

ARTICLE 13 TEMPORARY TRANSFERS

When an employee is temporarily transferred for thirty (30) consecutive calendar days between the job classifications of General Shop Helper or Yard Helper and the job classification to which he is transferred pays a higher rate, he shall receive the higher rate. When an employee is temporarily transferred between said job classifications and the job classification to which he is transferred has a lower rate, his rate shall not be reduced.

Supervisors may be temporarily transferred to a union position with no change in their current seniority based on the following language; a maximum of one (1) former bargaining unit supervisor may be transferred back to the bargaining unit if the work falls between thirty-one (31) and forty (40) active employees. A maximum of two (2) former bargaining unit supervisors may be temporarily transferred back to the bargaining unit if the active work falls below thirty-one (31). Supervisors will be at the bottom of the seniority list for their classification for overtime assignments.

ARTICLE 14 TRANSFER IN LIEU OF LAYOFFS

Transfer of employees from one classification to another to prevent a reduction of forces is permissible when all persons affected are agreeable, and the employee is qualified. This, however, shall not deny any laid-off employee the right to exercise his seniority rights.

ARTICLE 15 PROMOTIONS

Section 1. Employees shall be given preference for promotions; seniority, ability and requirements of the job to be considered. Should job openings become available, the company shall post that opening in order that current employees shall have the right to bid on that job. Posting shall be in a conspicuous place within the company work area for a minimum period of one (1) week.

Section 2. It is understood that supervisory personnel will not perform the work of the bargaining unit on a regular full time basis, or for the purpose of replacing bargaining unit employees and depleting the bargaining unit.

ARTICLE 16 LONG-TERM EMPLOYEES

Any employee who has given long and faithful service and has become unable to adequately perform his regular work may be given such work as may be available at a rate commensurate with the work he performs.

ARTICLE 17 PAYDAY

Section 1. Employees shall be paid weekly on a designated day during working hours, and in no case shall more than one (1) weeks pay be held back in any one payroll period. Failure to pay wages during working hours on specified day, men shall receive overtime for waiting, except due to emergency beyond the control of the Employer.

Section 2. Employees who quit or are discharged from the service of the Employer shall receive their personal property within twenty-four (24) hours and their wages and vacation pay in full on the next regularly scheduled payday.

ARTICLE 18 INCENTIVE PLANS

Under no consideration shall piece rate systems be allowed.

ARTICLE 19 GROUP INSURANCE

Section 1. The company will provide medical, vision, and dental benefits through an insurance program designated by the company, with benefits agreed upon by the bargaining unit, for all employees and their dependents covered by this collective bargaining agreement.

Section 2. Effective June 1, 2008, the Employer shall provide Life and Accidental Death Benefits in the amount of \$15,000 for the employee only.

Section 3. The Employer shall continue to provide Weekly Indemnity in the amount of 60% of the Gross Wage based on a 40-hour week. Indemnification shall begin on the first day of disability as a result of an accident and on the eighth day of disability as a result of an illness. Total benefits shall not exceed forty (40) weeks and are for the benefit of the employee only.

Section 4. Effective June 1, 2008 the employee shall contribute/pay for the following monthly rates for group insurance:

1) Employee only	\$50.00
2) Employee, child, children	\$72.00
3) Employee, spouse	\$68.00
4) Employee, family	\$86.00

Year 2 (two) employee shall pay the year 1 (two) rate plus any increases over 11%.

Year 3 (three) employee shall pay the year 2 (two) rate plus any increases over 11%.

Section 5. The definition of Dependents shall include children to the age of 19 or to the age of 24 if the child is a full-time student.

Section 6. The Employer may in the future change the insurance carrier or administrator so long as benefits are not diminished.

Section 7. If federal legislation is enacted providing for national health insurance or universal health care coverage for employees, the Employer and the Union will meet to discuss the impact of such legislation on the parties' health care plan in effect at that time. If the parties agree that, as a result of such legislation, this Agreement should be reopened to discuss modifications to the parties' health care plan in view of such legislation, then the Agreement shall be reopened for that limited purpose. During any period of time that this Agreement is reopened as provided in the preceding sentence, the balance of the Agreement, including

the no-strike clause, shall remain in full force and effect and the Employer shall continue to provide for health care to the bargaining unit employees under the health care plan in effect at that time, provided that doing so is permitted by the legislation.

ARTICLE 20 VACATIONS

The Employer will grant vacations with pay to each employee at his regular straight time rate in the following manner:

Section 1. All employees having one (1) year or more of service but less than three (3) years shall be entitled to five (5) regularly scheduled work days of vacation with forty (40) hours straight time pay.

Section 2. All employees having three (3) years or more of service shall be entitled to ten (10) regularly scheduled work days of vacation with eighty (80) hours straight time pay.

Section 3. All employees having eight (8) years or more of continuous service shall be entitled to fifteen (15) regularly scheduled work days of vacation with one hundred and twenty (120) hours straight time pay.

Section 4. All employees having seventeen (17) or more years of service shall be entitled to twenty (20) regularly scheduled work days of vacation.

Section 5. Vacations will be taken according to seniority at any time between January first and December thirty-first of the calendar year, provided, however, that not more than two (2) employees shall receive their vacation at the same time and no

more than one (1) employee of the same operation shall receive a vacation at the same time except by special permission of the Employer.

All designations for vacation time off shall be submitted in writing prior to March 1 of the year. An employee may not thereafter designate a time that conflicts with another employee unless the latter agrees in writing. Denials shall be explained in writing.

Section 6. An employee's vacation benefit shall be reduced by one-twelfth (1/12) for each continuous period of thirty (30) days that he does not work during the vacation year unless the absence is the result of an industrial accident while working for the Employer in which event there shall be no reduction until after the expiration of six (6) months of absence.

Section 7. If a paid holiday as heretofore provided in this contract under Article 8 occurs within an employee's vacation period, then in that event, said employee shall receive one extra day's pay by reason of such holiday occurring within the employee's vacation period.

Section 8. For the purposes of this Article, the service time and vacation accrual for an employee whose seniority was terminated by termination or resignation and who was rehired after an absence of twelve (12) consecutive thirty (30) day periods shall commence at the date of rehire.

ARTICLE 21 FUNERAL LEAVE

In the event of the death of a member of any employee's immediate family, he shall be entitled to a leave of three (3)

consecutive calendar days, beginning on the day following the date of the death. For any of said days on which he would otherwise have worked, he shall receive eight (8) hours pay at his straight time hourly rate. Proof of the death in question shall be a manner satisfactory to the Employer, and the funeral leave shall be conditioned on the employee's making arrangements for the funeral, attending the funeral, observing a period of mourning, or attending to related matters. For purposes of the provision, the term immediate family shall include the employee's father and mother, spouse, brother and sister, the father and mother of the spouse of the employee, the child of the employee and the stepchild of the employee.

In the event of the death of an employee's grandparents, brother-in-law or sister-in-law, he shall be entitled to one (1) day's leave on the day of the funeral if he attends the funeral. If the employee would have worked on said day he shall receive pay therefore up to a maximum of eight (8) hours at his straight time hourly rate.

ARTICLE 22 UNIFORMS

In the event that the Employer provides uniforms for any employees in the bargaining unit it shall be obligated to provide them for all bargaining unit employees.

ARTICLE 23 COMPANY PENSION PLAN

- 1) The Employer shall contribute to the Plan the additional amount necessary to fund the benefits provided by the Plan.

- 2) The Standard Pension is as follows for retirement or separation from service:

<u>After</u>	<u>Standard Pension</u>
5/1/94	\$12.00

- 3) It is recognized that the Employer has the right, at any time, to terminate the Plan and convert the benefits to a legally acceptable form of annuity, or to freeze the benefit accruals for all participants who have fully vested. In the case of Plan termination, employees' obligation to contribute to the Plan shall cease. In the event the benefits of employees who are fully vested are frozen, such fully vested employees shall cease to have an obligation to contribute to the Plan.
- 4) a) Pursuant to the agreement of the parties, the Company Pension Plan was frozen effective May 1, 1996.
- b) Those employees with five (5) years or more of service as of April 30, 1996, were fully vested and are no longer required to make contributions to the plan.
- c) No bargaining unit employees hired on or after May 1, 1996, shall participate in the Company Plan.

**ARTICLE 24 BOILERMAKER-BLACKSMITH
NATIONAL PENSION TRUST**

Effective May 1, 2008, the Employer shall pay into the Boilermaker-Blacksmith National Pension Trust the sum of one-dollar-seventy (\$1.70) for each hour paid by the Employer to all employees who are covered by this Agreement. Effective May 1, 2009, the employer shall pay the sum of a dollar-seventy-five (\$1.75) for each hour paid. Effective May 1, 2010, the employer shall pay the sum of a dollar-eighty (\$1.80) for each hour paid.

The Employer agrees to and shall be bound by the Trust Agreement creating the Boilermaker-Blacksmith National Pension Trust and all amendments now or hereafter approved by the Board of Trustees, said Agreement and amendments are incorporated by reference and made a part of this Agreement as if affixed hereto.

NOTE: Contributions to the Boilermaker-Blacksmith National Pension Trust are calculated on hours paid but reported monthly on forms as hours worked at the corresponding rates indicated below:

<u>5/1/2008</u>	\$1.70 x # of Straight time hours	\$2.55 x # of time And one half hours	\$3.40 x # of Double time hours
<u>5/1/2009</u>	\$1.75 x # of Straight time hours	\$2.63 x # of time And one half hours	\$3.50 x # of Double time hours
<u>5/1/2010</u>	\$1.80 x # of Straight time hours	\$2.70 x # of time And one half hours	\$3.60 x # of Double time hours

ARTICLE 25 GRIEVANCE-MACHINERY-ARBITRATION

Section 1. Grievance Procedure

Grievances under this Agreement shall be processed in the following manner:

Step 1. Within five (5) working days after the grievance occurs, the aggrieved employee and a member of the Shop Committee shall present the grievance in writing to the foreman involved. The foreman shall answer the grievance in writing within two (2) working days after its presentation to him.

Step 2. If the grievance has not been satisfactorily resolved in Step 1 by the Shop Committee member and the foreman, it shall be presented to the Plant Superintendent or Production Manager in the absence of the Plant Superintendent, by the Shop Committee member and the aggrieved employee within five (5) working days after the two (2) working days provided in Step 1 for the foreman's answer. The Plant Superintendent or Production Manager shall answer the grievance in writing within five (5) working days after receiving the grievance.

Step 3. If the grievance has not been satisfactorily resolved in Step 2 by the Shop Committee and the Plant Superintendent or Production Manager, if designated in Step 2, it shall be considered and attempted to be resolved by a representative of the Union and the Shop Committee and another representative of management within twenty (20) working days after the Plant Superintendent or Production Manager's answer in Step 2 Two. In the event

the above procedure fails to resolve the grievance, the matter may be submitted in writing to arbitration as provided herein by the Union's written notice to the Employer of an intent to arbitrate. The notice shall be delivered within thirty (30) calendar days after the Employer's answer in Step 3.

Section 2. Arbitration Procedure

- a) In the event of timely notice of intent to arbitrate as provided in Article 24, Section 1, Step 3, the parties shall jointly request the Federal Mediation and Conciliation Service to submit to them a list of five (5) persons qualified to act as arbitrators. The parties shall alternately strike from said list until one name remains, which person shall be deemed the arbitrator. Both parties shall mutually agree on the place of the hearing.
- b) The arbitrator may interpret the Agreement and apply it to the grievance presented to him, but he shall have no authority to add to, subtract from, or in any way modify the terms of the Agreement. The decision of the arbitrator shall be final and binding on the Employer and the Union and the aggrieved employee. Each party shall bear its own expenses with respect to the preparation, presentation and attendance of witnesses at the hearing. Both parties shall bear equally the expenses and fees of the arbitrator.

Section 3. In the event that an employee is called into an office of management or supervision for the purpose of imposing discipline which is to be part of the employee's personnel file, he

shall on request be entitled to representation by the Shop Steward or a member of the Shop Committee.

**ARTICLE 26 MATTERS PERTAINING TO
MANAGEMENT**

Section 1. The management of the plant and direction of the working forces, the type of products to be manufactured, the location of plants, and schedules of production, the methods, processes, and means of manufacturing, the establishment of work and productions standards or the revision thereof, and of reasonable rules and regulations for the conduct of employees, and the enforcement thereof, and the supervision of work, together with the right to hire, discharge for proper cause, promote, demote, transfer, lay off, or assign work, is the exclusive function of management.

Section 2. Nothing contained herein; however, shall be construed as granting the right to discriminate against any employee. All employees shall have the right to register complaints, submit grievances, and to testify in any way without jeopardizing their employment.

ARTICLE 27 COMPANY RULES

The Employer agrees to supply each employee with a copy of the rules and regulations of the Employer, or amendments thereof, concerning the management, safety, fire protection, etc. These rules and regulations shall not be so devised as to abridge the rights of employees guaranteed by this Agreement.

ARTICLE 28 BULLETIN BOARDS

Section 1. Bulletin Boards will be maintained in the plant or shop for the purposes of posting announcements of Union meetings and other Union affairs. No such notice shall contain anything controversial, political, or in any way reflect upon the Employer or any employee.

Section 2. The Employees shall not solicit or collect donations of any kind in or upon the Employer's plant or property without the written consent of the Employer.

ARTICLE 29 AGREEMENT QUALIFICATIONS

If any of the terms or provisions of the Agreement are in conflict with the ordinances of the City of Indianapolis, the laws of the State of Indiana, or the United States of America, especially but not limited to the "Labor Management Relations Act, 1947", or in conflict with any orders, directives, rulings or regulations of any governmental authority or agency having jurisdiction of the subject matter of this Agreement or the parties hereto, then such conflicting provisions hereof, if any, are hereby canceled and declared void and inoperative, but all other provisions of this Agreement shall be and remain in full force and effect.

**ARTICLE 30 FIELD CONSTRUCTION PERSONNEL
PROVISION**

It is the intent of the Employer to avoid the situation in which fieldmen perform work in the plant where bargaining unit employees are assigned. The Employer recognized its obligation to plan the work in order to avoid this situation, emergencies excepted.

ARTICLE 31 SAFETY MEASURES, HEALTH AND SANITATION

All work of the Employer shall be performed under mutually approved safety conditions which must conform to State and Federal Safety Regulations. Pure and properly cooled drinking water shall be furnished to employees at all times. Should any employee, covered by this collective bargaining agreement be required to wear safety shoes (shoes with a steel toe and/or steel metatarsal protection), the Employer will pay said employees an allowance of fifty dollars (\$50.00) per year for such.

ARTICLE 32 MEDICAL TREATMENT AND EXAMINATION

Section 1. In case any employee has an industrial injury at his work and is compelled by the seriousness of such injury to lose time, he shall be paid for his full eight (8) hour shift, plus any premium that might be due from his shift, on the day of injury.

If the aforementioned injury or sickness is of a nature which permits the employee to return to work but which requires subsequent medical treatment, and if the employee is unable to arrange for such treatment outside of regular working hours, the Employer will reimburse him for the time lost from work while

receiving such treatment up to a maximum of eight (8) hours for any industrial injury or sickness.

Section 2. Employees may at any time be required to take a physical examination at the request and expense of the Employer. If upon examination, said employee is found to be suffering from any serious ailment, or disease, not caused by his present employment, he shall be placed on medical leave of absence without pay until he is able to return to his job and perform the work in a normal and average manner.

Section 3. The Employer will comply with the provisions of the Family and Medical Leave Act (FMLA) with respect to medical leaves of absence.

ARTICLE 33 CAMPAIGN ASSISTANCE FUND

Upon presentation of a signed authorization, the Employer shall withhold two (\$.02) cents per hour paid for the Boilermakers Campaign Assistance Fund (CAF). The Employer shall submit the collected Campaign Assistance Funds to the International Secretary-Treasurer's office no later than thirty (30) days after the end of the month in which the deduction accrued. Obtaining the signed authorizations shall be the responsibility of the Union. The Union shall hold the Employer harmless and agrees to defend the Employer fully in any litigation resulting from this activity, which is deemed to be a service to the Union by the Employer. The signed authorization shall remain in force until canceled in writing by the employee.

ARTICLE 34 PRONOUN

Whenever the pronoun “he” appears in this Agreement, it shall be construed to apply to both the male and female gender.

**ARTICLE 35 DURATION AND RENEWAL OF
AGREEMENT**

This Agreement shall become effective May 1, 2008, and shall remain in full force and effect until April 30, 2011, inclusive, and said Agreement shall further continue from year to year thereafter at the rates effective April 30, 2011 unless either party shall, at least sixty (60) days prior to April 30, 2011, or any subsequent anniversary date thereof, notify the other party to this Agreement of a desire to modify or terminate this Agreement. In the event such notice is given, the parties shall meet not later than fifteen (15) days after receipt of such notice.

The agreement may be opened annually for the specific purpose of addressing any increases or decreases in the group insurance only.

Should an understanding not be reached within thirty (30) days after such notice is filed, the Federal Mediation and Conciliation Service and the Indiana State Division of Labor will be so notified in accordance with the provisions of the Labor Management Relations Act, 1947.

Notice to Employer shall be addressed to Kennedy Tank & Manufacturing Company, Inc., 833 East Sumner Avenue, Indianapolis, Indiana 46227.