

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

VECTRUS SYSTEMS CORPORATION

AND

**THE INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS**

AND ITS

**LOCAL LODGE 2771
OF
DISTRICT LODGE 776**

**FOR EMPLOYEES ON THE
BASE MAINTENANCE CONTRACT FA3002-18-C-0003**

EFFECTIVE

October 18, 2021 – October 20, 2024

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PREAMBLE

This Agreement is effective, by and between Vectrus Systems Corporation (the “Company”), and Local Lodge 2771 of District Lodge No. 776 of the International Association of Machinists and Aerospace Workers, AFL-CIO (the “Union”), and together (the “Parties”).

ARTICLE 1.00 – INTENT AND PURPOSE

GENERAL CONDITIONS OF CONTRACT

Section 1 – General Provisions

- (A) In reaching this Agreement, the parties hereto have fully exercised and complied with any and all obligations to bargain and have fully considered and explored all subjects and matters in any way material to the relationship between the parties. In negotiating and agreeing to this contract, all matters which parties have raised in these negotiations, have been considered and disposed of.
- (B) Any practice not specifically incorporated into this Agreement shall not be binding upon the Parties.
- (C) It is understood wherever in this Agreement employees or jobs are referred to in the male or female gender it shall be recognized as referring to both males and females.
- (D) This Agreement can be changed or modified only by a document in writing signed on behalf of both parties hereto by their duly authorized representatives. Written agreements regarding interpretations or understandings may be made between the Company and the Business Representative and the Negotiating Committee that do not change or modify the Agreement.
- (E) The waiver of any conditions or breach of this Agreement by either party shall not constitute a precedent for any further waiver of such condition or breach.
- (F) Either party hereto shall be entitled to require specific performance of the provisions of the Agreement. It shall be the duty of the Company and its representatives and the Union and its representatives to comply with and abide by all of the provisions of this Agreement.

Section 2 – Recognition

The Company recognizes the Union as the sole and exclusive collective bargaining agent on behalf of all the full-time and regular part-time employees of the Company within the bargaining unit comprised the job classifications included in Appendix A who are employed by the Company at Sheppard AFB, Wichita Falls, TX on Base Maintenance Contract FA-3002-18-C-0003, excluding all employees in all job classifications not included in Appendix A.

Section 3 – Period of Agreement

- (A) This agreement shall be effective October 18, 2021. The Agreement shall remain in full force and effect to and including October 20, 2024 and thereafter from year to year until modified, amended, or terminated, as hereinafter provided. Not more than seventy-five (75) * days nor less than sixty (60) days prior to the expiration date of this Agreement, or prior to the expiration of any subsequent yearly period, either party may give to the other party written notice of desire for modifications or amendments. In the event of a failure of the parties to reach agreement upon modifications or amendments to the Agreement by October 20, 2024 or the terminal date of any subsequent yearly period for which this Agreement remains in full effect, either party at any time thereafter may terminate this Agreement by giving written notice to the other specifying the date of termination five (5) days in advance of such date.

*Where not otherwise specified, any reference to “days” in this Agreement refers to calendar days.

- (B) Any notice given under this section shall be deemed to be served when mailed postage prepaid, written notice, e-mailed or delivered in hand, to the Company’s Program Manager for its Base Maintenance Contract FA-3002-18-C-0003 for service upon the Company, and when similarly mailed, or delivered in hand, to District Lodge 776, in behalf of Local Lodge 2771, in Wichita Falls, TX for service upon the Union. The post-marked date, or the date of the e-mail, or the date of written receipt of personal service shall be the controlling date for all purposes under this Agreement.
- (C) After the Company and Union negotiation committees have concluded negotiations of amendments and modifications to the Agreement, all such amendments and modifications must be accepted or rejected as a whole (without acceptance or rejection of parts thereof) by the Company and the Union.

Section 4 – Rights of Management

- (A) Except as modified by a specific provision of this Agreement, the company reserves and retains all of its normal and inherent rights with respect to the management of the business, including (without limiting the generality of the foregoing) its right to establish or continue policies, practices, and procedures for the conduct of the business; to select and direct the working force; to establish, eliminate, change, or combine work schedules, and work assignments, which are not in conflict with the terms of this Agreement; to transfer, promote or demote employees, or to lay off, terminate or otherwise relieve employees from duty for lack of work or other legitimate reasons; to make and enforce reasonable rules for the maintenance of discipline; to suspend, discharge or otherwise discipline employees for cause, the right to control, modify, create, or direct job classifications in the content and qualifications thereof, including the establishment of new job classifications, provided however, no duties will be moved among the trades; and otherwise to take such measure as management may determine to be necessary to the orderly, efficient or economical operation of the business.

- (B) It is understood and agreed that any of the powers and authority the Company had prior to the signing of this Agreement are retained by the Company except those specifically modified, delegated or granted by this Agreement.
- (C) No Company rule, regulation, and/or policy shall be in conflict with the provisions of this agreement, nor shall the Union be restricted from contesting the implementation of any rule, regulation, and/or policy through the procedures defined in Article II of this agreement.

Section 5 – No Strike and No Lockout

- (A) It is the intent of the parties, in the interests of attaining a peaceful, orderly relations and efficient, uninterrupted operations, to set forth in this Agreement the obligations of the Company to the Union and the employees it represents, and to provide the exclusive procedures through which the Union, the Company, and the employees shall resort to secure redress for grievances arising from this Agreement.
- (B) The Union shall not cause nor permit its members to cause, nor shall any member of the Union take part in any strike, work stoppage, sit-down strike, stay-in, sympathy strike, unfair labor practice strike or slowdown in any Company location or any curtailment of work or restriction of production or interference with the operations of the Company.
- (C) The Union shall not cause nor permit its members to cause, nor shall any member of the Union take part in, any strike of any of the Company's operations, or non-informational picketing of any of the Company's plants or premises.
- (D) Any employee found guilty of violating this Article may be discharged or subject to other disciplinary action as the Company may consider appropriate subject to the grievance procedure.
- (E) The Company shall not authorize or direct a lockout during the period this Agreement is in effect.

Section 6 – Union/Agency Shop and Check Off

- (A) Membership in the Union is not compulsory. 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. If such condition of employment is not met, the employee's employment shall be terminated in compliance with standards permitted by the N.L.R.B. and court decisions relating to Agency shop requirements. Employees have the right to join, not join, maintain, or drop their membership in the Union as they see fit. Neither party shall exert any pressure on or discriminate against an employee in regard to such matters.
- (B) Each employee in the bargaining unit shall, beginning on the 31st day following the execution of this Agreement or the 31st day following his/her employment, rehire, reinstatement, reemployment, recall, transfer, or regression into the bargaining unit, whichever is later, may execute and deliver to the Company (with a copy to the Union) a

Union Dues or Agency Fees Deduction Authorization as provided for in this Article that shall authorize the Company to deduct from the pay of an employee who has elected to become a Union Member an amount of money equal to the Union's regular and usual initiation fee or reinstatement fee and its regular, uniform and usual monthly Union dues or from the pay of an employee who has elected not to become a Union member, monthly Agency fees to be remitted to the Secretary-Treasurer of the Local Lodge designated by the Union, or pay directly to the Union an amount of money equal to the Union's regular and usual initiation fee or dues as certified by the Secretary-Treasurer of the Local Lodge designated by the International Association of Machinists and Aerospace Workers. For the purpose of this agreement probationary employees may become members of the bargaining unit prior to the conclusion of their 90-day probationary period. However, they remain probationary employee in all respects. It is understood that Union dues or Agency fees are due and payable on the first payday of each month. Employees electing to use the Union Dues or Agency Fees Deduction Authorization shall be deemed to have met their obligation under this Article when the Company properly deducts Union dues or Agency fees from their paycheck on the first pay period of each month. Employees electing to pay their Union dues or Agency fees directly to the Union shall make Union Dues or Agency Fees payments to the Union by the end of the calendar day on which the employee is paid.

- (C) Any employee within the bargaining unit who is required to contribute to the Union as provided for in Paragraph (A) of this Section and who is subsequently transferred or promoted out of the bargaining unit or laid off shall not be subject to any of the provisions of this Section during the period of time such employee remains outside the bargaining unit or on layoff.
- (D) No employee within the bargaining unit shall be required to pay fees or dues covering any period during which the employee was not in the bargaining unit or was not on the Company's active payroll including layoff.
- (E) An employee within the bargaining unit shall be considered in good standing for the purpose of this Article when such employee tenders the amount of money equal to the Union's regular and usual initiation fee (due and payable only once per employee without regard to any interruption in service) or reinstatement fee and its regular uniform and usual monthly Union dues or Agency fees to an authorized agent of the Union or pays through authorized payroll deductions the Union's regular and usual initiation fee (due and payable only once per employee without regard to any interruption in service) or reinstatement fee and its regular uniform and usual monthly Union dues or Agency fees as are authorized by the employee to be withheld in accordance with this Article.

Once the Union becomes aware of the employee's delinquency and the Union notifies the employee of the delinquency the employee will have fifteen (15) calendar days to resolve the delinquency. If the delinquency is not resolved the Union shall notify the Company and the employee and the Company shall take lawful and appropriate action.

- (F) Employees may handle the matter of payment of Union initiation fees or reinstatement fees and Union Dues or Agency fees directly with the Union. In cases where deductions

are made from those who have already paid Union initiation fees or reinstatement fees and Union dues or Agency fees, the Union will make refunds directly to such employees.

- (G) Deductions shall be made for the accrued regular monthly Union dues or Agency fees of each employee in the bargaining unit for whom the Union Dues or Agency Fees Deduction Authorization has been received, beginning with the pay for the first full pay period in the month following receipt of such authorization, provided that sufficient earnings remain to cover Union dues or Agency fees after all deductions required by law are made, and such Union dues or Agency fees deductions shall continue in like manner monthly thereafter, except as qualified in this Article.
- 1) Deductions shall be remitted to the Secretary-Treasurer of the District Lodge 776 designated by the Union within 10 days following the first payday of each month. The Company will furnish the Secretary-Treasurer, at the same time, a list compiled in alphabetical order of those employees for whom deductions have been made and the amount of each deduction.
 - 2) When ceasing to deduct Union dues or Agency fees for any reason, the Company will submit the name(s) of such employee(s) in alphabetical order, and the reason for no deduction to the Secretary-Treasurer of the District Lodge 776 designated by the Union at the same time the monthly dues deduction list is remitted.

Section 7 – Separability

- (A) Should any part hereof or any provisions herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or a decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof and they shall remain in full force and effect.
- (B) The Company and the Union shall, within thirty (30) days, meet to negotiate the provision of the Agreement affected by such legislation or court decree. Any modification or changes to this agreement brought about by the above negotiations shall be in writing and signed by the parties hereto.

Section 8 – Security

- (A) 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.
- (B) The Union agrees that nothing contained in this agreement shall place the Company in violation of security requirements with the Government.
- (C) It is understood by and between the parties hereto that, as a necessary condition of employment, employees shall be subject to investigation for security clearances, special access requests, 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/withdrawal 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.

- (D) It is understood that there shall be no liability on the part of the Company for any release growing out of the denial/withdrawal of clearance and/or unescorted entry authorization by the United States Government. However, the Company will give consideration to assigning an employee in his job title to an area for which he is qualified and can perform the work without a clearance.
- (E) 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 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.

Section 9 – Bargaining Unit and Non-Bargaining Unit Work

- (A) Employees who are not members of the bargaining unit shall not perform work that is performed by members of the bargaining unit except as noted below:
 - 1) In extraordinary circumstances where the satisfaction of the Company's obligations and responsibilities as a contractor may be jeopardized when bargaining unit employees with the necessary skills are not immediately available.
 - 2) In emergencies – where conditions exist endangering life, limb or property.
 - 3) For the purpose of providing training to Bargaining Unit employees.
 - 4) To provide an occasional assist so long as it does not eliminate overtime opportunities for Bargaining Unit employees.
- (B) With the exception of Leads, employees who are part of the bargaining unit will under no circumstances perform any task involving the planning, organizing, or directing of any work by other bargaining unit employees, be responsible for facilities and/or property not directly associated with his individually assigned classification or any other supervisory/management related function.

Section 10 – Union Stewards

- (A) Upon execution of this Agreement, the Union shall promptly furnish the Program Manager, in writing, the names of the Union Stewards. Thereafter, the Union shall promptly advise the Program Manager, in writing, of any change in Stewards. No Steward will be recognized as such by the Company prior to receipt of written notice of notification.
- (B) Duties of Stewards: Steward duties include gathering information on alleged violations of the Agreement and the process of settlement of grievances as defined in the grievance procedure of this Agreement and coordinating other union activities. The Steward, upon approval of his/her supervisor, shall be authorized to devote up to four (4) hours per week

to perform steward duties without loss of pay. This time will be extended by management at the request of the Steward if special circumstances arise. One hour per week of this time may be used for a Stewards meeting, to be scheduled with company approval.

- (C) There will be four (4) stewards, one of which will be designated as Chief Steward. Stewards will be designated at the bargaining unit discretion and shall be from and assigned to each of the following locations:
 - 1) Bldg. 1402
 - 2) Bldg. 2384/HVAC
 - 3) Bldg. 1403
 - 4) Bldg. 1404/B2119
 - (D) The number and locations of Stewards may be adjusted by mutual agreement to compensate for facility and population changes.
 - (E) Stewards shall not handle any grievance arising outside of their respective areas unless the Steward assigned to an area is absent and is not expected to return to work promptly enough to handle the grievance. In which event, the Steward or Chief Steward assigned to the area nearest the area of the absent Steward will be permitted to handle grievances in such absent Steward's area.
 - (F) A Steward shall secure permission of his/her supervisor or assigned alternate before leaving his/her workstation, reporting back to his/her supervisor or assigned alternate upon return to his/her workstation. Permission will be granted unless operation activities are affected. Upon entering the work area of another Supervisor's responsibility, the Steward will contact the Supervisor or assigned alternate before attempting to contact any employee.
- The Company recognizes limitations upon the authority of the Steward and shall not hold the Union liable for any unauthorized acts, subject to the provisions of the No Strike-No Lockout Article of the Agreement. The company in so recognizing such limitations shall have the authority to impose proper discipline, including discharge, in the event a Steward has taken unauthorized strike action, slowdown, work stoppage, or other actions in violation of this Agreement.
- (G) Each new employee covered by this Agreement shall be referred to the Union Steward by the Supervisor in the activity to which such employee will be permanently assigned within three (3) workdays of reporting to work.
 - (H) Stewards and the Program Manager shall conduct monthly Labor/ Management meetings. Stewards and/or Business Representatives will provide the Program Manager with a meeting agenda at least one business day in advance of the meeting stating the issues to be discussed. If the Company has any issues to discuss, a company representative will present a meeting agenda at least one day in advance of the meeting stating the issues to be discussed to the Business Representative.

- (I) Each Steward shall charge their time to handle official union business to a special charge code set up in the Company time keeping system. This time will continue to be paid by the Company.
- (J) The Company agrees to notify the Union prior to implementation of any new policies that may affect this agreement.

Section 11 – Business Representatives and Union Officials

- (A) The accredited full-time representatives of the Union shall have access to the Company's operations to which they are assigned, for the purpose of contacting Stewards regarding employee complaints or grievances or matters arising out of the application of this Agreement. Such visits shall be subject to such regulations as may be made from time to time by the Company, the U.S. Military Services, and other government agencies. It is agreed that the Company will not impose regulations, which will render ineffective the intent of this provision. Prior to entering the Company's operations, the Business Representative shall notify the Program Manager to agree on the date and time he/she will be on the facility and the department(s) he/she wishes to contact.
- (B) A full-time Union Official or Business Representative may discuss any problems with employees (other than Stewards) on the employee's own free time. If further discussion of a complaint or grievance is necessary, the Union Representative may meet with any single individual providing that he first notifies the Program Manager. The contacts on Company time, which are provided for in this Section, will be no more frequent and no longer than the matter for discussion reasonably requires. No discussions will be held with supervision of any section unless the Program Manager has been notified and given an opportunity to be present.

Section 12 – Bulletin Boards and Posting Notices

- (A) It is agreed that the Union will be permitted to post on Five (5) bulletin boards provided by the Company:
 - 1) Notices of Union recreational affairs.
 - 2) Notices of Union elections and election results.
 - 3) Notices of Union appointments.
 - 4) Notices of Union meetings.
 - 5) Such other notices as may be mutually agreed upon by the Union and Company.
- (B) The Company will afford the Union a segregated area on the bulletin boards clearly identified as "Union Business" where only Union notices will be displayed. The Union shall not distribute or post, nor authorize its members to distribute or post, any material anywhere on the Company's property except as provided herein.

Section 13 – Information Provided to the Union

- (A) The Company will furnish to the Union Business Representative or his designee every quarter, one (1) copy of the seniority list, showing rate, classifications, work center, lead designations, and dates of hire.
- (B) One (1) copy of the seniority list will be retained in the Administrative Office, and one (1) copy will be given to the Union Business Representative or his designee.
- (C) Within five (5) days of a personnel change (new hire or terminations), the Company will furnish to the Union's Financial Secretary and the Chief Steward, a new seniority list.
- (D) Within five (5) days of the end of each month, the company will furnish to the Chief Steward a list of employees laid-off during that month in a mutually agreed to format.

Section 14 – Official Union Business

Any employee can request, by written application, a leave of absence without pay, not to exceed four (4) years, when elected or appointed to perform official Union business. In addition, a maximum of two employees may be granted up to ten (10) days absence without pay for the purposes of attending Union conventions or meetings, schedule permitting, as not to effect operations. Upon request additional days may be granted with the approval of the Program Manager. Such requests will not unreasonably be denied.

ARTICLE 02.00 – GRIEVANCES AND ARBITRATION

Section 1 – Definition of Grievance

The term "grievance" shall be defined as a dispute with respect to the interpretation or application of a specific provision of this Agreement. The term "working days" shall mean Monday through Friday but excluding Saturdays and Sundays.

For the purpose of this Agreement, a grievance is defined as a dispute between the Company and the Union or between the Company and any non-probationary bargaining unit employee covered hereby, with respect to the alleged violation of a specific provision of this Agreement. Grievances as herein defined shall be processed in accordance with the following procedure:

Section 2 – Grievance Procedure

STEP 1. Within five (5) working days of the event giving rise to the grievance or of the time the employee reasonably should have had knowledge of the event giving rise to the grievance, the employee may, with or without his Shop Steward, register the grievance in writing with his department manager. The submission must state the nature of the grievance, the specific provision(s) of the Agreement alleged to be violated and the specific remedy(s) requested. The department manager shall respond to the grievance, in writing, within ten (10) working days.

STEP 2. If the grievance is not satisfactorily resolved at Step 1, the Union may submit the grievance, in writing, to the Human Resources Manager or program HR Representative within ten (10) working days of receipt of the department manager's Step 1 response. The submission must state the nature of the grievance, the specific provision(s) of the Agreement alleged to be violated and the specific remedy(s) requested. Within ten (10) days of receipt of the submission, the Human Resources Manager or program HR Representative shall meet with the grievant and his Shop Steward and shall respond in writing within ten (10) working days of such meeting.

STEP 3. If the grievance is not satisfactorily resolved at Step 2, the Union may submit the grievance, in writing, to the Program Manager within ten (10) working days of the Human Resources Manager's Step 2 response. The submission must state the nature of the grievance, the specific provision(s) of the Agreement alleged to be violated and the specific remedy(s) requested. The Program Manager, or the Program Manager's designee, and appropriate staff shall meet with the grievant, the Shop Steward, and the Business Representative, or the Business Representative's designee. The Program Manager, or the Program Manager's designee, shall respond, in writing within ten (10) working days of such meeting.

In cases of suspension or discharge, the Union shall submit the grievance, in writing, directly to the Program Manager at Step 3, within seven (7) working days of the date the employee is informed of the suspension or discharge.

The time limits set forth above may be extended by mutual consent of the Parties, in writing. A failure by the Company to respond shall be treated as a denial of the grievance at that step.

STEP 4. In the event the grievance is not satisfactorily resolved at Step 3 of the grievance procedure, the Union may, within fifteen (15) working days of receipt of the Company's response at Step 3, in writing, notify the Federal Mediation and Conciliation Service, of the dispute and request a panel of seven (7) arbitrators, all of whom are members of the National Academy of Arbitrators. The Union shall simultaneously notify the Program Manager, in writing, of this submission. The arbitrator shall be selected by mutual agreement between the Company and the Union through the use of the strike-off method, with the Union striking first. In the event either the Union or the Company finds the panel to be unacceptable, the parties may request two additional panels of seven (7) arbitrators each, all of whom are members of the National Academy of Arbitrators.

The arbitrator selected shall have no power or authority to amend, alter, or modify this Agreement, but shall be limited to deciding whether or not a violation of an express provision of this Agreement has been committed. The arbitrator shall have no power or jurisdiction to base his award on any alleged practice or understanding not incorporated in writing as part of this Agreement. The arbitrator shall not have the authority to ignore or excuse any failure to comply with the time limits set forth in this Article, unless the parties mutually agree to extend the time limits. The arbitrator's award rendered in accordance with this Agreement shall be final and binding on the Company, the Union, and the employee concerned, except for fraud, exceeding jurisdiction, or for failure to base his decision and award on a specific provision(s) of this Agreement.

A date for arbitration will be set within forty-five (45) days from the date an Arbitration has been selected and approved by both parties. This does not mean the actual arbitration will be held within forty-five (45) days, rather a mutually acceptable date will be scheduled for the arbitration meeting within the forty-five days' notice.

The expense of the arbitration proceedings shall be borne equally by the Parties.

Section 3 – Basis of Seniority and Establishment of Seniority Rights

(A) Probationary Period:

All employees shall be considered probationary employees for the first ninety (90) calendar days of active employment. Throughout this period, supervision will evaluate the probationary employee as to such factors as, but not limited to, work habits, willingness to accept varied work assignments and training, safety, productivity, quality of work, attendance, and ability to work with others. Upon completion of his/her probationary period, the employee will be a regular employee whose seniority will be retroactive to his/her first day of employment. Supervisory determinations as to retention, reassignment, discipline, layoff, or termination of probationary employees anytime during the ninety (90) day probationary period are at the sole discretion of the Company, and such action shall not be subject to the Grievance and Arbitration Articles of this Agreement.

(B) Types of Seniority:

For purpose of this Article, there are two (2) types of seniority, which are defined as follows:

- 1) Site seniority is defined as continuous unbroken accumulated time each employee has spent under the services of the Company and predecessor private contractor(s) in the performance of similar work on the same basis on the Base Operations Support Services contract.
- 2) When two (2) or more employees have the same site seniority date the employee with the earliest birthdate (oldest) will be deemed to be the most senior.
- 3) Super-seniority represents a seniority class held by the Union Stewards and Chief Steward.

(C) Re-entering the Bargaining Unit:

If an employee is on leave of absence for the performance of Union duties in an elected or appointed position, he will continue to accrue site seniority while outside the bargaining unit.

(D) During periods of reductions in force employees designated as having super-seniority shall be considered the most senior employee in their assigned job classification, work center and technical specialty for purposes of applying the pertinent provisions of this Agreement.

- (E) On the date a new Steward assumes office replacing the Steward who was maintaining super-seniority, the former Steward's status will be determined by his/her actual seniority. That is, if there is a more senior employee on recall to the job classification and specialty occupied by the former Steward, the more senior employee will be recalled, and the former Steward will be subject to the layoff and displacement provisions of this Agreement.

Section 4 – Layoffs

- (A) When it is determined by the Company that a reduction in force is required, the Company shall designate the number of positions to be reduced by job classification within a work center and technical specialty as defined by the Company. The least senior employee within the designated job classification, work center and technical specialty will be designated for layoff.
- (B) A less senior employee cannot displace a more senior employee. In the event of a layoff, the employee who is designated to be laid off in accordance with (A) above shall have the right of displacement in the following order:
- 1) Displace the least senior employee in the same job classification and work center within a technical specialty.
 - 2) If a displacement opportunity as described in (1) above does not exist, the employee may displace the least senior employee in the same job classification in another work center within a technical specialty to which the employee is determined to hold seniority over another employee and meet minimum qualifications.
 - 3) If a displacement opportunity as described in (1) or (2) above does not exist, the employee designated for layoff may displace the least senior employee in an equal or lower paid job classification within the same work center and technical specialty to which the employee is determined to hold seniority over another employee and meet minimum qualifications.
 - 4) If a displacement opportunity as described in (3) above does not exist, the employee designated for layoff may displace the least senior employee in a lower paid classification within a technical specialty to which the employee is determined to hold seniority over another employee and meet minimum qualifications.
 - 5) Employees who are displaced may in turn displace the least senior employee in accordance with (1), (2), (3) and (4) above.
 - 6) No employee shall have the right to displace any other employees in a higher rated job classification than his/her own.
- (C) Where an employee designated for layoff is entitled to displace into more than one specialty in accordance with paragraph (B) above, the affected employee shall displace in the specialty occupied by the least senior employee.

- (D) Displacement rights must be exercised within five (5) working days after an employee is notified that a layoff will take place. The Company shall notify the employee of his/her displacement rights at the time of notification of layoff. Failure to indicate his/her election to exercise this displacement right within this time frame will be considered as acceptance of layoff.
- (E) Exceptions to the seniority provisions specified in Section 4 (B) of this Article can be made for up to thirty (30) days in order to retain employees who possess certifications required by the U.S. Air Force to perform a specific task or job to which they are assigned.
- (F) The Company will give employees affected by (A) or (B) above, at least thirty (30) days' notice of a reduction in force, except where circumstances beyond the Company's control prevent such timely notification.

Section 5 – Recalls

(A) General

An employee who is laid off or who displaces an employee in a lower paid job classification in accordance with Section (4) of this Article, shall retain recall rights in accordance with their site seniority as follows:

- 1) To the same job classification within the same work center and technical specialty held at the time of their layoff/displacement and,
- 2) To job classification within a technical specialty to which the employee had displacement rights in accordance with Section (4) of this Article but could not exercise solely because of insufficient seniority.

Employees who have been laid off shall retain the recall rights mentioned herein for a period not to exceed twenty-four (24) consecutive months from the date of layoff. Employees demoted to a lower paid position due to a reduction in force shall retain the recall rights mentioned herein as long as they remain on the active payroll in a lower paid position.

- (B) Employees who are laid off from the service of the Company due to a general layoff for a period not to exceed twenty-four (24) consecutive months shall retain and continue to accrue seniority for the provisions of this article, but not for the purposes of benefit accrual.

(C) Recall Notification

In recall from layoff, the Company shall mail written notice, or certified (return receipt requested) notice of recall to the appropriate employee. Recalled employees must respond within seventy-two (72) hours after receipt of notification, and must report for work within ten (10) work days unless extended by the Company.

(D) Address on File

All notices required under the provisions of this Article shall be sent to the employee at the last address filed by the employee with the Company.

(E) Address Requirement

Each laid off employee shall keep the Company informed in writing of the employee's current mailing address. Notice by the Company to the employee's mailing address listed with the Company shall be considered as fulfilling the recall notice requirements. An employee failing to comply with the provisions of this section shall be considered as having voluntarily resigned from the service of the Company.

(F) Layoff - Recall Listings

A copy of layoff listings and recall notifications will be provided to the Union Business Representative or his designee prior to their execution.

Section 6 – Loss of Seniority

(A) Seniority shall be lost, and employees shall have their names stricken from the seniority list under any of the following circumstances:

- 1) Discharge for just cause
- 2) Resignation
- 3) Failure to respond to recall notification within seventy-two (72) hours.
- 4) Failure to be recalled from general layoff within twenty-four (24) months after such layoff.
- 5) Failure to report to work upon expiration of an approved leave of absence. Exceptions may be made due to extreme circumstances beyond the employee's control.
- 6) Accepting other employment while on an approved leave of absence.
- 7) Unexcused absence from work for a period of three (3) consecutive workdays.
- 8) Refusal to take a Company paid Urinalysis Drug Test directed by management, as required by company policy.
- 9) Failure to return to active payroll for a continuous period of twenty-four (24) months due to an occupational or non-occupational physical or mental impairment.

Section 7 – Promotions

- (A) A promotion means the advancement of an employee from one job classification to another job classification with a higher rate of pay, and will be based on qualifications, the most qualified applicant will be offered the promotion. Where two or most highly qualified applicants are relatively equal on this subject, then seniority among them shall control.
- (B) There are three (3) types of promotions:
 - 1) Promotions to another job classification outside an employee's current classification.
 - 2) In Line promotion within employee's current job classification.
 - 3) Temporary promotions.
- (C) An employee within a work center assigned to a classification in a higher labor grade to replace another employee absent on vacation or for a temporary period shall be paid the same rate of pay as that held by the absent employee. Such temporary assignment shall not be considered a promotion within the meaning of this Article II, Section 8 above, and upon reassignment of such employee to his previously held classification at the end of the temporary period he shall not be considered a downgraded employee within the meaning of Article II, Section 4 of this agreement.
- (D) An employee assigned to replace a Lead who is absent on vacation or for a temporary period will be selected and paid in accordance with Article II, Section 9(e). Upon return of the absent Lead, the replacing employee will be returned to his original status.

Section 8 – Job Vacancies

The Union clearly recognizes the Company's right to determine manning levels within its work centers. The Company maintains the right to assign personnel within work centers and to determine when there is a job vacancy. When the Company determines that a job vacancy exists, the Company will post the vacancy prior to hiring from outside the bargaining unit or before permanently assigning an employee to fill the vacancy from outside the work center where the opening exists. The Company will post all job vacancies within the bargaining unit provided no employee has recall rights to the open position. The job vacancy will be posted for five (5) working days. The posting notice shall state the job classification, work center, technical specialty, the pay rate, experience or certification required, qualifications, the closing hour and date of the posting. The posting notice will be posted on all work center bulletin boards and a copy to the Union Business Representative or his designee prior to the posting. Employees may bid for the posted vacancy in accord with current company practice prior to the close of the posting period.

- (A) Within five (5) working days after the close of the posting period, the Company shall determine which of the bidders are qualified to perform in the posted position. The Company shall select the most qualified bidder. Where two or more bidders are relatively equally most qualified, seniority shall control.

The successful bidder shall be assigned to his/her new job within ten (10) working days after the job has been awarded. A successful bidder cannot bid for another posted vacancy for twelve (12) months after the date the new position is awarded to him/her unless the posted vacancy is a higher paying position than he/she currently occupies.

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 re-posted in accordance with first paragraph above, provided the employee originally deemed not qualified can demonstrate additional training or experience since initial application or there are new candidates for consideration.

- (B) The Company shall notify the Union of its intention to create a new job which is not currently covered under this agreement or to revise an existing classification. Said notice shall be provided to the Union in advance of the implementation of such new job or revision of an existing classification. The wage rate for new job classifications shall be established by mutual agreement.
- (C) The Company has the right to add, delete, consolidate, or reorganize work centers. The Company agrees it will provide the Union Business Representative or his designee a list of work centers and notification of changes prior to the implementation of the change.

The Union clearly recognizes the Company's right to periodically reallocate personnel across work centers. Employees affected by such reallocations and considered qualified by the Company to be reassigned to another work center will be considered for reassignment in seniority order with the most senior being offered first right of refusal. If all employees refuse, the least senior will be reallocated. The periodic reallocation of personnel in this manner will be accomplished without the application of the job posting procedure; however, the Union Business Representative or his designee will be notified prior to the reallocation.

- (D) New Job Performance:

When an employee is awarded a posted job and fails to satisfactorily perform the duties of the position within thirty (30) days after assuming the position, unless disqualified by the Company earlier, the employee will be returned to the position last held prior to award of such promotion. If the position has been eliminated or filled, the employee may exercise displacement rights. If the employee disqualifies himself, he/she will be returned to their prior job in the same manner. Should an employee either be disqualified or disqualify themselves during the thirty (30) day period, the Company will review previous bidders in the round of bidding that filled the job for promotion. The employee will not be permitted to bid on a job vacancy for a period of twelve (12) months from the date of return to the last position held.

- (E) Temporary Workers:

The Company may employ temporary workers. Temporary employees will not be used to displace full time employees or positions. The Company may employ temporary workers for periods up to 90 calendar days and such periods may be extended by additional

periods of up to 90 calendar days by mutual agreement with the union. Temporary employees shall be eligible for all wages granted to regular employees afforded under this Agreement. Temporary workers will not accrue any seniority time for the duration they are employed in a temporary position. Temporary employees will not receive Health and Welfare benefits or paid time off.

(F) Leads:

The term “Lead” does not designate a job classification but identifies an employee who has additional assigned duties to assist supervisors/managers, assign tasks, coordinate schedules and oversee work performed by other bargaining unit employees within each work center. The “Lead” coordinates operational requirements with operation work centers. The Company has the unilateral right to select and de-select Leads in its sole discretion.

The “Lead” will be appointed by the Company and will receive \$2.00 above the hourly base rate for all hours worked.

ARTICLE 03.00 – EMPLOYMENT CONDITIONS

Section 1 – Drug and Alcohol-Free Workplace

- (A) The Company’s “Drug Abuse and Controlled Substances” policy, including any modifications made by the Company from time to time, is incorporated into this Agreement and the Union waives any right to bargain over the decision to make changes or the effect of the changes on the bargaining unit.
- (B) Any disputes involving the application of the Company’s “Drug Abuse and Controlled Substances” policy shall be resolved through the grievance and arbitration procedures of this Agreement.
- (C) Employees must report to the Human Resources Manager any prescribed medication that they are taking that may present a safety issue or render the employee unable to perform the functions of the job. The employee must also provide a statement from the prescribing physician regarding the effect of the medication on the employee’s ability to safely perform the essential job functions prior to the employee returning to work. The Company shall determine whether and to what extent the employee is fit to continue to perform his job duties.
- (D) An employee may request the testing of a split sample if the initial sample produces a positive result. The employee will be responsible for the cost of the split sampling and the testing thereof. If the split sample produces a negative result, the employee will be returned to work with no loss of pay and reimbursed for the cost of the split sampling and testing.

Section 2 – New Technology

- (A) The Company and the Union agree that it is to their mutual benefit and a sound economic and social goal 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.
- (B) 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 Directing Business Representative or his 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, in its discretion, will select individuals for training. However, favoritism will not be a factor in selection for training.

Section 3 – Sanitary, Safety and Health Conditions

(A) General

The Company agrees to maintain sanitary, safe and healthful conditions in all its operations and working establishments in accordance with Federal law and the laws of the State, County and City of its place of operation.

(B) Safety Rules and Regulations

Employees shall be required to comply with all safety rules and regulations established by the Company and government agencies, and to wear such protective clothing or use such safety equipment as will be required and furnished by the Company. The Company will reimburse each affected employee up to \$200.00, once every twelve (12) months for purchase of ANSI certified safety shoes.

(C) Clothing and Safety Equipment

The Company shall provide all other required protective clothing and safety equipment to be utilized by the employee during his/her performance of jobs requiring such equipment usage. The Company shall provide a onetime reimbursement up to Two Hundred Dollars (\$200.00) for one pair of prescription safety glasses (polarized or clear)

Should the Company have reason to believe an employee covered hereby is physically or mentally unable to satisfactorily perform the duties of his/her job classification, such employee shall be required to take such medical examination as may be directed by the

Company. The Company shall pay for such examination. The Company will select the physician that will conduct the medical examination.

(D) Training

Training and certification for hazardous material handling will be accomplished in accordance with applicable Federal and State guidelines.

(E) The Company will reimburse employees for the cost of licenses required for their position or as approved by the Program Manager or their designee.

(F) The company agrees to maintain a Joint Safety Committee comprised of a minimum of one (1) management representative selected by the Program Manager and two union members identified by the Union. The identified members must agree to attend the meetings on a regular basis and to actively participate and adhere to all requirements of the Safety committee to remain a member of the committee. If the identified members are not fulfilling their roles to the satisfaction of the company, the company will contact the Business Representative to either a) address the issue with the employee or b) nominate another employee.

(G) The parties agree the following grooming standards shall apply:

- 1) Personal neatness, cleanliness and hygiene are the responsibility of each individual employee. Employees will be allowed to wear beards in a manner that does not violate established safety or OSHA standards.
- 2) Employees will wear their hair in a manner that does not violate established safety or OSHA standards.
- 3) Employees will be allowed to wear personally provided caps or hats so long as they do not include any inappropriate language or logos.

ARTICLE 04.00 – EMPLOYEE PRIVILEGES

Section 1 – Vacation

(A) Employees covered by this agreement shall accrue vacation based on their company Service or service date on this program, whichever is greater, and each anniversary date thereafter shall be the reference point for accrual of vacation. Paid vacation entitlement will be accrued, and vest as follows. Part-time employees will accrue pro rata based on the number of hours they are regularly scheduled to work.

Length of Service	Bi-weekly Accrual Rate	Annual Rate
0 - 4.99 year	3.08	80 hours
5 - 9.99 years	4.62	120 hours
10+ years	6.16	160 hours

A maximum of Three hundred twenty (320) vacation hours may be carried over to the following year.

- (B) Vacation pay shall be computed at the employee's straight time hourly working rate at the time of vacation.
- (C) Accrued, unused vacation is to be paid in full in the event of separation from the Company's payroll for any reason. The Company is not responsible for paying an employee for vacation accrued while that employee worked for a previous contractor.
 - 1) Employees who leave the payroll for the following reasons will be paid pro rata vacation pay at the rate of the appropriate vacation benefit as established in this Article for each completed week of credited service: Disability, retirement, entry into the armed forces or death. In the event of a death, the owed vacation pay will go to the deceased employee's estate.
 - 2) Vacation may only be scheduled on the employee's regularly scheduled workday(s) and may be scheduled for periods of one (1) workday(s) or increments of fifteen (15) minutes.
 - 3) Employee's request for regularly scheduled vacation (as opposed to using vacation while on leave) must be approved by the employee's Supervisor before such leave is taken.
 - 4) Vacation should be requested no less than five (5) working days in advance of the start of the requested vacation. If less than five (5) working days' notice is given by the employee, the Company shall still consider the request. When conflicts in requested vacation periods arise, the employees having the greater seniority shall be given the preference. However, an employee who has previously requested and had scheduled vacation approved will not be displaced by a more senior employee.
 - 5) The final vacation schedule shall be at the discretion of the Company to ensure continuous and efficient operations. All vacation time must be approved by the employee's direct supervisor.
 - 6) The maximum allowable length of vacation will be the amount of the employee's unused vacation at the end of the payroll period immediately preceding the vacation period requested.
 - 7) Employees shall be allowed to use their earned, unused vacation to make up work week shortages.
 - 8) Paid days of vacation shall be considered as time worked for the purpose of computing overtime pay.

- 9) Employees who request time off should record all available vacation (and, where applicable, Paid Sick Leave (PSL)) before recording leave without pay (LWOP).
- 10) In cases where an employee is recording vacation for time off of work that qualifies under the Family Medical Leave Act (FMLA) or any other leave law; vacation and all other leave laws will run concurrently as allowed.
- 11) Employees will not accrue vacation while on a leave of absence (five (5) or more days for any reason other than previously approved vacation requested in accordance with provision above).
- 12) In the event of a change of contractor, the Company shall be responsible to pay out all accrued, but unused vacation.

Section 2 – Sick Leave

- (A) For Paid Sick Leave (SL) purposes, a year is defined as the twelve (12) month period following an employee's date of hire.
- (B) All full-time employees are awarded seven (7) days (56 hours) of SL upon hire and on each subsequent sick leave year anniversary.
- (C) Unused sick leave will be paid out annually following the employee's sick leave year anniversary date as defined in (A). However, unused sick leave does not pay out at termination of employment.
- (D) At no time will an employee be entitled to more than 56 hours of SL per sick leave year or have more than 56 hours of SL on the books at one time.
- (E) SL is paid at the employee's straight-time hourly base rate of pay. One (1) day SL means eight (8) hours.
- (F) SL may be taken in increments of fifteen (15) minutes
- (G) For all foreseeable leave, Employee's must request to use SL at least seven (7) calendar days in advance. If the leave is not foreseeable, and the Employee is unable to request leave at least seven (7) calendar days in advance, the Employee must make the request for leave as soon as is practicable. Failure to do so may result in the denial of SL.
- (H) Employees calling out sick must notify their Supervisor or Manager within one (1) hour prior to the start of their scheduled shift.
- (I) Paid sick leave will not be permitted to be recorded for time outside of the employee's normal work shift hours.
- (J) SL shall be considered as time worked for the purpose of computing overtime pay.
- (K) Employees who take three (3) or more consecutive days off from work due to any injury, illness or other permissible reason as identified under EO 13706 must provide

documentation from their healthcare provider or other permissible source, to the extent allowed by law, within 30 days of the first day the employee was absent for the aforementioned reason(s).

- (L) A full-time employee that is on a leave of absence when their sick leave anniversary date falls will receive their award for the following year upon their return to work.
- (M) In cases where an employee is recording SL for time off work that qualifies under the Family Medical Leave Act (FMLA) or any other leave law, SL and all other applicable leave laws will run concurrently as allowed.

Section 3 – Military Leave

- (A) Employees who enter the armed forces of the United States shall be granted an unpaid leave of absence for the period of such service in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA).
- (B) An employee who is absent from work due to absences as allowed for under USERRA shall be paid the difference between the employee's military rate and the employee's straight time hourly rate of pay for a period of up to fifteen (15) scheduled working days per calendar year. The entire base pay amount that is reflected on the Leave and Earning Statement (LES) will be considered and calculated against the regular base salary an employee would have received had they been working at Vectrus for the duration of the leave. Specific days that were worked while on military duty versus days that would have been worked for Vectrus will not be taken into consideration.
- (C) The employee must present a copy of the employee's orders to the Company as soon as they are received by the employee. Upon return from leave, the employee must present the LES to the Company so that the calculation of the difference in pay may be computed

Section 4 – Bereavement Leave

- (A) In the event of a death in an employee's immediate family, the employee will be granted up to four days bereavement leave with pay. Upon request, the Company shall grant a minimum of two (2) additional workdays off without pay.
- (B) Immediate family shall be defined as: father, mother, spouse, sister, brother, children, foster children, grandchildren, in-laws, grandparents, and step relationships to include child, mother, father, brother, sister and domestic partner.
- (C) The employee may use any earned, but unused paid time off for the unpaid days.

Section 5 – Leaves Without Pay

- (A) All requests for time off (paid or unpaid) must be submitted in advance to the Supervisor for coordination with HR and approval. The company considers all time out for five (5) or more consecutive days as a leave of absence with the exception of regularly scheduled vacation.

- (B) Employees are required to notify their supervisor in person or via telephone when calling out for the day or for a tardy due to illness, injury, or other emergency leave for any length of time. Supervisors should be notified as early as possible, but no later than one (1) hour prior to the start of the employee’s scheduled shift.
- (C) For time off that is not subject to applicable leave laws (i.e. FMLA, USERRA, etc.), employees may request and be granted an unpaid leave of not to exceed thirty (30) calendar days during the year, subject to operational requirements of the Company. The Company may, in its sole discretion and non-precedent setting basis extend leaves past thirty (30) days.
- (D) Employees are required to use all applicable earned, but unused paid time off (i.e. vacation and paid sick leave) before recording leave without pay (LWOP).
- (E) Approved leaves of absence will not jeopardize the employee’s standing with the Company.
- (F) Employees who are off work for anything other than previously approved vacation must notify their supervisor at least twenty-four (24) hours in advance of their return to regularly scheduled work.
- (G) Employees who take time off from work due to any injury, illness or other permissible reason as identified under Executive Order 13706, Paid Sick Leave (PSL) for Federal Contracts for three (3) or more consecutive days that required the care of a health care provider, must provide documentation from the healthcare provider, to the extent allowed by law, within 30 days of the first day the employee was absent for the aforementioned reason(s).
- (H) Employees who take time off from work due to any injury, illness, or other permissible reason as identified under the Family Medical Leave Act (FMLA), for five (5) or more consecutive days are required to provide documentation from the healthcare provider, to the extent allowed by law within fifteen (15) days from the request by the employer. Such documentation shall include a “fitness for duty” certification to return to work submitted prior to the employee’s return to work. Such documentation shall satisfy the requirements of Article 04.00, Section 2, above.

Section 6 – Holidays

- (A) The following eleven (11) observed Federal holidays shall be designated holidays for each calendar year:

New Years’ Day	Labor Day
Martin Luther King Jr.’s Birthday	Columbus Day
President’s Day	Veteran’s Day
Memorial Day	Thanksgiving Day
Juneteenth	Christmas Day
Independence Day	

- (B) Employees who are scheduled and work on one of the above Holidays shall be paid time and a half (1 ½) their base rate plus eight (8) hours Holiday pay.
- (C) During the term of this Agreement, if the government designates an additional Federal holiday and it is incorporated into our contract by our Contracting Officer, it will be observed as a holiday.
- (D) A recognized holiday falling on a Saturday will be celebrated on the prior Friday; a recognized holiday falling on a Sunday will be celebrated on the following Monday. All other recognized holidays will be celebrated on the date of each holiday.
- (E) If holiday falls within a scheduled vacation period, the employee will record holiday pay, and not a vacation day.

Section 7 – Break and Lunch Periods

- (A) Each employee shall take a one-hour (1) lunch break without pay daily, unless the employee's supervisor pre-approves skipping on a particular day or directs that a meal period be skipped on a particular day. The lunch break may not be used at the start of a workday, or at the close of a workday.
- (B) Employees shall have two fifteen (15) minute breaks each workday. One break can be in the first half of the shift and one can be in the second half of the shift. Breaks can be combined if they do not affect work schedule, but cannot be used during the last thirty (30) minutes of the workday.

Section 8 – Jury Duty

- (A) Employees summoned for jury duty will provide notice to the Company as soon as possible.
- (B) Vectrus employees will be compensated for time lost from work when required to serve jury duty or to serve as a witness in a case in a court of law to which he is not a party, either directly or as a member of a class, and where such absence is in response to a legally valid subpoena. Compensation will be the difference between the employee's regular base salary (computed at the base rate for a 40-hour week for full time employees) and the amount received from the court. The Company will not consider the monies received for mileage, meals, and other expenses from the court in the calculations. Compensation will not be provided for any time that the employee is not in court, to include travel time.
- (C) An employee must report for work on any day the employee is not needed at the court to serve of if the employee is excused with four (4) or more hours remaining in his/her normal work shift, consistent with applicable law. However, if the employee is scheduled to work a second or third shift and has served a full day of jury duty, the employee does not need to report to work. Employees paid for a full shift of jury duty will not be eligible to work or overtime on that day unless call-in or call-back provisions apply.

Section 9 – Temporary Duty Assignment (TDY)

- (A) Any travel for the convenience of the Company must be approved by the Program Manager prior to an employee deploying on travel.
- (B) All travel must be in accordance with the Vectrus Finance Travel Policy which is included by reference to include booking and filing for reimbursement via the authorized channels.
- (C) While an employee assigned to such TDY is traveling to that TDY assignment and returning to his 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. 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.
- (D) Travel time is considered time worked for the purpose of computing overtime.
- (E) Employees on TDY will have their transportation provided for by the Company. Rental cars will be provided by the Company at the ration of one car per three employees unless vans are used. Use of a POV will be paid at the JTR rate. For travel by POV or Company provided vehicle, travel shall not exceed 400 miles in a twenty-four (24) hour period.
- (F) All travel hours will be paid at one and half (1 ½) times the employee's hourly rate in addition to holiday pay that takes place on a holiday.
- (G) Subsistence - When on TDY, you will be reimbursed for meals, lodging, and incidentals based on the current Joint Travel Regulation (JTR) rate for the geographic location in which you are TDY. Reimbursement will not exceed the permissible JTR rate for the TDY location. Any additional cost for reasonable lodging above the JTR rates must be approved by the Company designated representative.
- (H) Non-Workday Travel - Whenever traveling on a non-workday, to or from TDY assignment, reimbursement will be at your regular rate of pay for each hour of travel provided travel was authorized.
- (I) Workday Travel - Whenever traveling on a scheduled work day, reimbursement will be at your regular rate of pay for eight (8) hours of travel or for your actual work day, whichever is greater.
- (J) Employees will be selected for TDY's on a volunteer and rotational basis. If there are not enough volunteers for the deployment, non-volunteers will be selected by seniority (with least senior who is qualified assigned first).
- (K) Travel outside of SAFB as part of normal workday duties that is within a reasonable distance and would not require an overnight stay, is not considered to be TDY Travel.

Section 10 – Severe Weather/Base Closure/Family Day

- (A) In the event of a delayed reporting due to severe weather conditions or other base closure issued by Sheppard Air Force Base (SAFB), nonessential employees, as determined by the Company, will not report for work as per SAFB reporting guidelines. If the Company is prevented from working because of base closure due to weather conditions, the Company will reimburse employees for time missed, if the Company is so reimbursed by the customer. Affected employees are employees that are scheduled to work within the time of the delayed reporting notice.
- (B) Mission Essential Employees required to work during a severe weather closure will be permitted to use this time in addition to their hours worked.
- (C) Employees will not be denied work because of a Command or Wing designated Goal Day, Family, UTE, or other company declared liberal leave day. Those that wish to work will be permitted to do so. Employees that do not wish to work may at their option with Program Manager Approval, make use of available vacation, sick, or personal leave or they may take LWOP.

ARTICLE 05.00 – PAY PROVISIONS

Section 1 – Wages

- (A) Definitions
 - 1) An employee's "base rate," for purpose of this Agreement, shall be the straight time hourly rate of pay applicable to that employee's classification.
 - 2) The base rate for purposes of this Agreement is the base rate identified as such in Appendix A for each job classification.
- (B) Schedule of job classifications and wage rates is attached as Appendix "A."

Section 2 – Overtime

- (A) Overtime, at one and a half (1-1/2) times the base rate will be paid for time in excess of forty (40) hours paid in a workweek.
- (B) The Company reserves the right to require employees covered in this Agreement to perform overtime work in order to meet the requirements of the government contract with the Air Force. When such overtime is required employees shall be given as much advance notice as reasonably possible.
- (C) No overtime will be worked by an employee unless it has been authorized by the proper supervisory personnel of the Company.
- (D) The Company will make a reasonable attempt to equally distribute overtime between employees working in the same work center, in the same technical specialty within the same job classification.

- (E) Work in process resulting in overtime does not need to be reassigned for purpose of overtime distribution equalization.
- (F) There shall be no duplication or pyramiding of overtime payments.

Section 3 – Hours of Work

- (A) The standard workday will consist of twenty-four (24) consecutive hours beginning at 0001 hours and ending at 2400 hours (the calendar day).
- (B) The workday shall consist of eight (8) hours, except for those employees participating in an alternate workday and/or workweek schedule. Those employees who request an alternate work schedule as an accommodation are not entitled to a pay premium.
- (C) The standard workweek shall begin at 0001 hours on Saturday and end at 2400 hours Friday.
- (D) Five (5) days, Monday through Friday shall constitute the normal workweek. However, the Company reserves the right to engage, alter, or rotate personnel to work five (5) consecutive days other than those constituting the normal work week for the purpose of seven (7) day coverage.
- (E) Determination of starting time and hours of work shall be made by the Company and such schedules may be changed from time to time to suit varying conditions of the business and to assure efficient and timely operations.

Section 4 – Report Time and Call-Back Time

(A) Report Time:

- 1) An employee reporting for work in the absence of notice from management to not report into work (ex: early decision to close the base) shall receive not less than two (2) hours pay at the regular rate. However, any amount paid once the employee reports into work for hours actually worked shall be credited against such minimum guarantee. Example: If an employee reports to work and was not notified to stay home, and the employee actually ends up working four hours, two of those hours worked are part of the two hours for non-notification. The employee is paid four hours at regular rate, not six hours.

(B) Call-Back Time:

- 1) Personnel reporting physically into the work site or responding by phone, as a result of being on-call will receive a minimum of 2 hours' pay. If additional calls or the initial request results in the on-call employee working over the 2-hour minimum they will be compensated for actual hours worked. The 2-hour guarantee does not reset if the additional calls are received after they have already reported in the physical work site. If the on-call person is able to resolve the call from home and receives additional calls, the 2-hour minimum does reset.

- 2) Employees will be informed of their on-call week one week in advance. Employees on call will be paid a premium of \$2.75 per hour for all hours worked during their on-call period.
- 3) Employees not on call that receive a phone call requesting assistance from non-management personnel are not considered on call and do not receive the premium pay. As such, they are not required to answer the phone or provide assistance. If they chose to assist, they will enter actual time worked and not the 2-hour minimum in UKG for payment against the proper charge code. If they are unable to answer the phone call and assist, there is no disciplinary action against them as they are not on call.

Section 5 – Health & Welfare Benefits

The Center for Medicare and Medicaid Services (CMS) does not allow Medicare-eligible employees to decline company medical coverage if the employees receive any financial (or other) incentive for opting out of the company health plan.

This means that beginning on January 1, 2022, all Medicare-eligible employees who are not enrolled in another medical plan that is primary to Medicare will be automatically enrolled in the Vectrus HDHP 4500 medical plan, unless the employee selects one of the other medical plans offered by Vectrus; or can provide proof of enrollment in another medical plan that is primary to Medicare. The Vectrus medical plan will become primary over any of the employee's other medical plans. This is for medical only; employees are not required to take dental or vision coverage.

Should an employee be automatically enrolled in the company medical plan, the opt out amounts that Vectrus provides will no longer continue to be paid to that employee.

Employees may participate in the Company Benefit Program (which may include, but is not limited to, medical, dental, vision, disability, life insurance, 401(k) plan, and the Employee Assistance Program (EAP)) following date of hire. The Company maintains the right to pass through improvements, modifications, or changes to these plans at any time. Any elimination contemplated to these plans will only be as a result of the Company no longer offering the specific plan. Should these situations arise, the Company will notify the Union prior to taking such action.

- (A) Beginning on January 1, 2022 and for the duration of this Agreement, the Company will pay 80% of the monthly premiums for medical, dental, and vision coverage that the employee may elect. The employee will be responsible for 20% of the monthly premiums for medical, dental, and vision coverage that the employee may elect. Notice regarding the rate for the upcoming plan year will be presented by the Company as part of Open Enrollment (OE) Communication.
- (B) Employees declining coverage in a company medical plan will receive the bi-weekly opt-out amounts listed below (employees who are Medicare eligible and do not have proof of enrollment in an alternate medical plan that is primary to Medicare will be enrolled in the company's cheapest medical plan option and responsible for the applicable cost. Employees who are not enrolled in an alternate medical plan that is primary to Medicare

have the option to decline the opt-out benefit to avoid being forced into a company medical plan):

MEDICAL	\$200.00
DENTAL	\$0.00
VISION	\$0.00

Should employees decline coverage within their allotted new hire period and later change their mind (and elect coverage within the same new hire period), the Company reserves the right to recoup the opt-out amounts that were paid to the employee for the period they now (retroactively) have medical coverage for.

Opt-out payment entitlements will coincide with benefit eligibility. Opt-out payments will not occur for periods of time of time which the employee is not eligible for medical benefits, to include but not limited to, the new hire waiting period, expiration of eligibility due to a leave of absence, and/or non-payment while on leave of absence.

Employees who decline medical coverage outside of their new hire period or open enrollment as a result of a qualifying event (e.g., leave of absence) will be entitled to the opt-out payment once their enrollment in the Company plan ends under the provisions of the plan.

- (C) The Company shall provide a 401k Plan with a four percent (4%) Company contribution.
- (D) The Company will pay the premium for Short Term Disability (STD) insurance at 66.66% up to a max of \$750.00 per week.
- (E) The Company will pay the premium for life insurance and Accidental Death & Dismemberment (AD&D) for all employees at one (1) times the employee's annual salary, with a minimum \$80,000, and a maximum \$150,000.
- (F) The Company offers enrollment in other Vectrus voluntary products.

Section 6 – Uniforms

Uniforms shall not be required unless directed by the Air Force. If uniforms are required of employees, the costs shall be borne by the Company.

Any employee in an active payroll status as of October 1st will be paid one hundred dollars (\$100) a year. This amount is to include any cold weather gear the employee chooses to purchase. No previous Sheppard BMC contractor clothing may be worn at any time. Payments will be made as soon as practicable after October 1st of each year.

Section 7 – Tools

The Company will provide all required tools.

Section 8 – Corrective Action

Discipline and Discharge

- (A) The Company may discipline an employee up to and including discharge for just cause. The disciplinary steps are: (i) Written, Verbal Warning; (ii) First Written Warning; (iii) Final Written Warning (with or without a suspension); and (iv) Discharge. The principles of progressive discipline shall be followed, provided, however, that the Company may determine which types of conduct call for initial discipline at different steps depending on the severity of the violation.
- (B) No discipline more than twelve (12) months old will be considered by the Company for any purpose.
- (C) Employee(s) shall have the right to Union Representation during any interview that may be disciplinary in nature or lead to any discipline. Employee(s) shall be notified of these rights prior to any such interview taking place. The Steward must be promptly notified by the employee and will be given the opportunity to attend such interview(s) so long as his presence does not unreasonably delay the interview(s).
- (D) Any Disciplinary Action issued to an employee by the Company shall be issued within twenty (20) working days following the knowledge by the Company of the occurrence of the alleged violation. In all cases the employee will be notified of the alleged violation within five (5) working days of the knowledge by the Company of the occurrence of the alleged violation. If needed, the Company may request additional time with the reason for the extension. Such disciplinary action is subject to challenge by the Union or employee to whom the action is issued in accordance with Article 2, Section 2.
- (E) It is understood that no disciplinary actions can be administered unless the Company provides evidence of the specific infraction or violation at the time when disciplinary action is presented.
- (F) In all cases the appropriate steps for the violation committed will be followed.
- (G) Inasmuch as the Company performs work for the U.S. Government and in accordance with its service contract, the Company is responsible for the conduct of its employees. The U.S. Government may direct the Company to remove certain employees. It is understood that the Company may terminate any employee if directed to do so by the U.S. Government and such direction shall be final and determinative as to employment status under the provisions of its service contract or if the U.S. Government denies the employee access to any of the work sites.
- (H) If any bargaining unit employee covered by this Agreement is denied entry or permission to work on this installation or loses or has his required "Clearance" suspended, such employee shall have his employment terminated. The employee shall have a period of sixty (60) days commencing with the day of termination to regain such permission or required "Clearance." If the employee is successful in that regard, he shall be returned to the first available position for which he is qualified, and he shall maintain his seniority.

- (I) Pursuant to the Worker Adjustment and Retraining Notification Act (Title 29 U.S. Code, Section 2103), the parties understand that all employees have been hired by the Company to fulfill the Company's service contract with the U.S. Government, and employment is therefore limited to the duration of the Contract. It is further understood that the employees' employment will terminate upon completion of the service contract if the Company's contract is not renewed.

Section 9 – Work Rules

- (A) The Company has the right to promulgate and modify work rules, including rules regarding attendance. Violation of such rules will be cause for discipline, up to and including discharge.
- (B) The union may grieve the reasonableness of a new work rule within ten (10) working days of the date of the publication of the new or modified work rule. Any such grievance must be filed at Step 3 of the grievance procedure.

Section 10 – Terminations

Employee Initiated Terminations

- (A) Should the employee voluntarily depart prior to completion of the assignment period, the employee agrees it is their sole responsibility to fund return travel to his home of record, for his person, family, and personal effects, if applicable.
- (B) Should recovery be necessary, the employee hereby grants the Company the option to recover any outstanding advances or monies due the company from:
1. Payroll wages due
 2. Accrued leave earned and not yet paid
 3. Pending reimbursements
 4. Personal check

Employer Initiated Terminations

- (A) Should the employee be terminated for reasons enumerated in this Agreement, the employee will be reimbursed for the respective Off Contract Travel expenses incurred, consistent with the limitations set forth in this Agreement.

Section 11 - Tuition Assistance Reimbursement

Employees will be reimbursed according to the Company's Tuition Assistance Policy.

Section 12 – Duration

This Agreement will be in full force and effect from **October 18, 2021** to and including **October 20, 2024** and will continue from year to year thereafter unless written notice of desire to negotiate changes or revisions or terminate this Agreement is served by either party upon the other at least sixty (60) days prior to the date of expiration by written notice.

Vectrus Systems Corporation



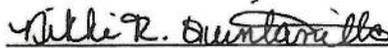
James Christman
Operations Manager



John Jordan
Program Manager

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Labor Relations Manager



Nikki Quintanilla
HR Representative



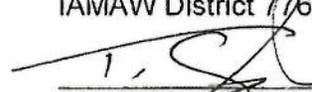
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Venola Scott
Portfolio Human Resources Manager/Business Partner
AETC, AROSC and MCFRE

**The International Association of
Machinists and Aerospace Workers
and its Local Lodge 2771 of District
Lodge 776**



Bud Dulworth
Business Representative
IAMAW District 776



Tim Sheppard
Negotiating Committee



Jerry Casey
Negotiating Committee

APPENDIX A

Position Classification	10/1/2020	One Time Equity Adjustment	10/18/2021	10/1/2022	10/1/2023	10/1/2024
			3.50%	3.50%	3.50%	3.00%
Alarm Monitor	\$17.77		\$18.39	\$19.03	\$19.70	\$20.29
Carpenter, Maintenance	\$23.51		\$24.33	\$25.18	\$26.06	\$26.84
Civil Engineering Technician Planner	\$30.95		\$32.03	\$33.15	\$34.31	\$35.34
Computer Operator III	\$22.96		\$23.76	\$24.59	\$25.45	\$26.21
Computer Operator IV	\$29.01		\$30.03	\$31.08	\$32.17	\$33.14
Computer Operator V	\$32.88		\$34.03	\$35.22	\$36.45	\$37.54
Drafter/CAD Operator III	\$25.34		\$26.23	\$27.15	\$28.10	\$28.94
Electrician, Interior	\$30.59		\$31.66	\$32.77	\$33.92	\$34.94
Electrician, Exterior	\$30.59	\$32.55	\$33.69	\$34.87	\$36.09	\$37.17
Electrician, Power Prod	\$30.59		\$31.66	\$32.77	\$33.92	\$34.94
ET III -Electronic Industrial Controls Technician	\$31.09		\$32.18	\$33.31	\$34.48	\$35.51
Electronics Technician Maintenance II	\$29.31		\$30.34	\$31.40	\$32.50	\$33.48
Electronics Technician Maintenance III	\$31.09		\$32.18	\$33.31	\$34.48	\$35.51
Technical Instructor - EM Specialist	\$30.19		\$31.25	\$32.34	\$33.47	\$34.47
Engineering Technician IV	\$28.51		\$29.51	\$30.54	\$31.61	\$32.56
Environmental Technician	\$28.14		\$29.12	\$30.14	\$31.19	\$32.13
Environmental Technician II	\$29.38		\$30.41	\$31.47	\$32.57	\$33.55
Environmental Technician III	\$30.97		\$32.05	\$33.17	\$34.33	\$35.36
Fuel System Distribution	\$25.26		\$26.14	\$27.05	\$28.00	\$28.84
General Maintenance Worker	\$23.51		\$24.33	\$25.18	\$26.06	\$26.84
Cartographic Tech - GeoBase Programmer	\$28.14		\$29.12	\$30.14	\$31.19	\$32.13
Heavy Equipment Operator	\$23.51		\$24.33	\$25.18	\$26.06	\$26.84
HVAC Mechanic	\$26.33	\$28.33	\$29.32	\$30.35	\$31.41	\$32.35
HVAC Mechanic / EMCS	\$26.33		\$27.25	\$28.20	\$29.19	\$30.07
ENV III - Industrial Water Quality Technician	\$30.97		\$32.05	\$33.17	\$34.33	\$35.36
Laborer, Grounds Maintenance	\$16.89		\$17.48	\$18.09	\$18.72	\$19.28
Locksmith	\$25.24		\$26.12	\$27.03	\$27.98	\$28.82
Maintenance Trades Helper	\$15.41		\$15.95	\$16.51	\$17.09	\$17.60
Pest Controller	\$24.12		\$24.96	\$25.83	\$26.73	\$27.53
Plumber I	\$23.51		\$24.33	\$25.18	\$26.06	\$26.84
Plumber II	\$25.93		\$26.84	\$27.78	\$28.75	\$29.61
Production Control Clerk I	\$21.75	\$23.52	\$24.34	\$25.19	\$26.07	\$26.85
Production Control Clerk II	\$24.17		\$25.02	\$25.90	\$26.81	\$27.61
Production Control Clerk III	\$26.95		\$27.89	\$28.87	\$29.88	\$30.78
Accounting Clerk III - Real Property Specialist I	\$19.55		\$20.23	\$20.94	\$21.67	\$22.32
Real Property Specialist II	\$24.26		\$25.11	\$25.99	\$26.90	\$27.71
Resource/Real Property Specialist III	\$27.06		\$28.01	\$28.99	\$30.00	\$30.90
Accounting Clerk III - Resource Specialist I	\$19.55		\$20.23	\$20.94	\$21.67	\$22.32
Resource Specialist II	\$22.46		\$23.25	\$24.06	\$24.90	\$25.65

Sheet-Metal Worker, Maintenance	\$29.46	\$30.49	\$31.56	\$32.66	\$33.64
Plumber II - Utilities, Maintenance	\$25.93	\$26.84	\$27.78	\$28.75	\$29.61
Warehouse Specialist	\$19.14	\$19.81	\$20.50	\$21.22	\$21.86
Welder, Combination, Maintenance	\$24.51	\$25.37	\$26.26	\$27.18	\$28.00

(A) Individual classification increases before general wage increases upon ratification

- 1) HVAC Mechanic - \$2.00
- 2) Production Control Clerk I - \$1.77
- 3) Electrician, Exterior - \$1.96

(A) Leads will receive an additional \$2.00 per hour worked. Super Leads, as designated by management discretion, will be paid an additional \$4.00 per hour above their base rate of pay.

(B) Shift premium will be \$1.00 per hour for the entirety of the shift for employees required by the Company to work shifts other than the 07:30 - 16:30 shift

(C) Plumbers designated at the Company's discretion as a Master Plumber shall receive an additional \$2.00 per hour above the Plumber's regular hourly rate.

(D) When performing welding duties, the General Maintenance Worker with a welding skill set, will receive an additional \$4.00 per hour. When the GMW is assigned to on-call, he is not to perform welding duties unless deemed mission essential. Approval to perform welding duties while on-call requires prior approval from the Program Manager or Operations Manager.

(E) When performing GeoBase Programmer duties, the Computer Operator with a GeoBase Programmer skill will receive an additional \$4.00 per hour above their Computer Operator base rate.

(F) When performing Mold Remediation duties applicable to Sheppard AFB, personnel with the required certifications and assigned to complete the duties will receive an additional \$1.00 per hour above their rate identified in Appendix A of this agreement. All Mold Remediation duties shall be assigned by the Supervisor.