

COLLECTIVE BARGAINING AGREEMENT

Between



M CUBED TECHNOLOGIES, INC.

--- and ---



TEAMSTERS LOCAL UNION 326

January 18, 2016 – January 17, 2021

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PREAMBLE

THIS AGREEMENT, made and entered into this, 18th day of January, 2016, by and between M CUBED TECHNOLOGIES, INC., hereinafter called the Company or Employer, and TEAMSTERS LOCAL UNION 326, hereinafter called the Union or Local Union, affiliated with the International Brotherhood of Teamsters.

ARTICLE 1 RECOGNITION

SECTION 1.01 The Company recognizes the Local Union as the sole and exclusive bargaining representative for all full-time and regular part-time production, shipping and receiving, quality control and maintenance employees employed by the Company in its Newark, Delaware facility, or any other production facility of the Company within the jurisdictional boundaries of Teamsters Local 326, included those categories enumerated in the NLRB Certification in Case No. 4RC-20790 excluding all other employees, all office clerical employees, and all supervisors as defined in the National Labor Relations Act.

SECTION 1.02 The term "employee" and "employees" whenever used in this Agreement shall refer only to persons in the bargaining unit covered by this Agreement as defined in Section 1.1 of this Article. Applicants for employment shall not be deemed employees of the Company.

ARTICLE 2 SUCCESSORS AND ASSIGNS

SECTION 2.01 This Agreement and any Supplements or Riders hereto, hereinafter referred to collectively as "Agreement" shall be binding upon the parties hereto, their successors, administrators and assigns.

SECTION 2.02 It is understood by this Section that the Employer shall not sell, lease or transfer such operation or portion thereof to a third party to evade this Agreement.

SECTION 2.03 The Employer shall give notice of the existence of this Agreement to any purchaser, transferee, lessee, assignee, etc. of the operation covered by this Agreement or any part thereof. Such notice shall be in writing with a copy to the Local Union.

ARTICLE 3 DISCRIMINATION

SECTION 3.01 The parties hereto agree to continue to apply the provisions of this Agreement to all employees without regard to race, color, sex, age, religious creed or national origin, physical or mental disability, disabled veteran, or Vietnam-era veteran status, marital status, genetic information, sexual orientation, or other classifications protected by applicable law. The Employer will make reasonable accommodations for the known physical or mental disabilities of an otherwise qualified applicant for employment to the extent required by law. The parties further agree to abide by the provisions of all applicable anti-discrimination legislation.

SECTION 3.02 References to any specific gender in the Agreement shall be deemed to apply equally to both sexes, and shall be interpreted as "employee".

SECTION 3.03 The Company and the Union will promote, at all times, a work place environment that is free from harassment and intimidation and neither shall retaliate against any employee for exercising their rights under this Agreement. All employees of the Company are expected to treat other employees with dignity and respect at all times.

ARTICLE 4 UNION SECURITY, CHECKOFF AND CREDIT UNION

SECTION 4.01 All present employees who are members of the Local Union on the date of execution of this Agreement shall remain members of the Local Union in good standing as a condition of employment. Union membership for purposes of this Agreement is required only to the extent that employees must pay either (i) the Union's initiation fees and periodic dues or (ii) service/agency fees which in the case of a regular service/agency fee payer shall be equal to the Union's initiation fees and periodic dues, and in the case of an objecting service/agency fee payer shall be the proportion of the initiation fees and dues corresponding to the portion of the Union's total expenditures that support representational activities. All present employees who are not members of the Local Union and all employees who are hired hereafter shall become and remain members in good standing of the Local Union as a condition of employment on and after the successful completion of the employee's probationary period, or on and after the 31st day following the effective date of this Agreement, whichever is the later. An employee who has failed to acquire, or thereafter maintain, membership in the Union as herein provided, shall be terminated seventy-two (72) hours after the Employer has received written notice from an authorized representative of the Local Union, certifying that membership has been, and is continuing to be, offered to such employee on the same basis as all other members and further, that the employee has had notice and opportunity to make all dues or initiation fee payments. This provision shall be made and become effective as of such time as it may be made and become effective under the provisions of the National Labor Relations Act, but not retroactively.

If any change in the law renders the above provision unenforceable, the Company agrees the Union will be entitled to the maximum union security permitted by law, not to exceed the level of union security provided above.

When the Employer needs additional employees he shall give the Local Union an opportunity with all other sources to provide suitable applicants, but the Employer shall not be required to hire those referred by the Local Union. Violations of this Subsection shall be subject to the grievance procedure.

SECTION 4.02 The Company agrees to deduct from the pay of all employees covered by this Agreement the dues, service/agency fees, uniform assessments and/or political action committee contributions of the Union, and agrees to remit to said Union all such deductions, upon receipt of a written authorization form by the employee, and no deduction shall be made which is prohibited by applicable law. Such deductions are to be made from the second pay each month and shall be forwarded by the Company to the Secretary-Treasurer of the Union on or before the first business day of the following month.

If an employee does not earn enough wages or any wages during the second week, the Company shall deduct any requested dues, fees, or assessments on a monthly basis until such time as the fees make them current. The Union shall provide the Company with any amounts requested. The Company shall add to the list submitted by the Local Union the names of all regular new employees hired since the last list was submitted and delete the names of employees who are no longer employed.

In the event that the Company has been determined to be in violation of this Article, after receipt of seventy-two hours written notice of specific delinquencies, any such delinquent amounts shall accrue interest at the rate of 10% per month or part thereof. Errors or inadvertent omissions relating to individual employees shall not constitute a violation.

SECTION 4.03 The Company agrees to deduct on a weekly basis, from the base wage rate, for the Dexsta Federal Credit Union an amount specified by any employee who is working under this Agreement, and who has signed and delivered to the Company the proper legal authorization for such deductions. An individual may withdraw from the Credit Union deduction plan any time during the year.

SECTION 4.04 The Union and its members shall indemnify and save the Company harmless against any and all claims, suits, demands, or other forms of liability that might arise by reason of this Section.

ARTICLE 5 GRIEVANCE PROCEDURE

SECTION 5.01 A "grievance" is hereby jointly defined to be any controversy, complaint or claim that there has been a violation, misinterpretation or misapplication of the provisions of this Agreement.

SECTION 5.02 Any grievance shall be resolved in accordance with the following procedure:

Step 1. The aggrieved employee, and the shop steward shall first meet with the Company designated supervisor, to discuss the matter, in an effort to resolve the matter informally, in accordance with applicable law and consistent with the terms and conditions of this Agreement.

Step 2. Within ten (10) working days after the grievant knew or should have known of the first occurrence of the event or condition giving rise to it, the unresolved grievance shall be reduced to writing and submitted to the grievant's supervisor, or his designee, with a copy to the Union. The grievance shall state the facts of the matter, the contract provision(s) in question, and remedy requested, without prejudice to the Union's right to amend such contents before the step 2 meeting is concluded. The designated representative(s) of the Company shall meet with the grievant, the shop steward, and the designated representative(s) of the Union within ten (10) working days after the grievance is submitted at Step 2. The grievance shall be answered in writing, by the Company, within five (5) working days after it is discussed at the meeting of Union and Company representatives at Step 2.

Step 3. If the Parties are unable to reach a mutually satisfactory settlement of the dispute or grievance at the expiration of the Step 2, then within ten (10) working days after receipt of the Company's written response at Step 2, or within fifteen (15) working days after the Step 2 meeting, whichever comes first, the matter may be referred to the American Arbitration Association for the selection of an impartial arbitrator and the arbitration shall proceed pursuant to the Labor Arbitration Rules of the American Arbitration Association. In the case of a termination or suspension, the Parties agree to the expedited process as outlined by the American Arbitration Association and a decision to be reached within seven (7) days of the conclusion of the hearing. The Parties agree that time is of the essence in connection with the grievance procedure. Accordingly, the union's failure to refer the matter to arbitration within the time limits set forth in Step 3 shall constitute a waiver of further review of the Company's Step 2 decision.

SECTION 5.03 The arbitrator shall hear and decide only one case at a time. He or she shall be bound by and must comply with all the terms and conditions of this Agreement, and shall have no power to add to, subtract from, or alter in any way any of the terms and conditions of this Agreement. The award or decision of the arbitrator, in addition to granting such other relief as the arbitrator may deem proper, may contain provisions commanding or restraining acts and conduct of the parties. If either party shall default in appearing before the arbitrator, he shall be empowered nevertheless to take the proof of the party appearing and render an award thereon. The costs of arbitration shall be borne equally by both parties.

The parties agree that any employee discharge that is subject of a grievance and a request for arbitration shall be expedited and resolved by an arbitrator within ninety (90) days of the employee's dismissal. To accomplish this purpose, the parties agree to select a panel of not more than three (3) arbitrators who will agree to conduct and resolve all discharge cases within ninety (90) days of the employee's dismissal. Within 24 hours of the conclusion of the hearing, the arbitrator shall reduce his decision to writing, summarizing the rationale for arriving at that decision, and forward via overnight carrier and/or email said decision to the Company and the Union. The arbitrators shall be used in revolving order with each arbitrator not considered 'used' until he/she has heard and rendered a decision on a case.

SECTION 5.04 Within the limits imposed on the Arbitrator in this Article, and as provided by law, the decision of the Arbitrator shall be final and binding upon both parties. If either party to this Agreement fails to comply with such an award of the Arbitrator, the other party has the right to take all legal action to enforce compliance.

SECTION 5.05 Any employee may elect to represent himself or herself in Steps 1 and 2 of this procedure, but only the Union may invoke Step 3. However, any grievance resolution in which the Union does not actively participate shall not constitute a precedent for any future case and/or dispute.

SECTION 5.06 If an employee does not wish to have active participation by a union representative in a Step 1 or Step 2 meeting, the employee shall sign a waiver of Union representation, a copy of which shall be furnished to the Union.

SECTION 5.07 The Company agrees not to enter into any agreement or contract with his employees covered by this Agreement, individually or collectively, which in any way conflicts with the terms and provisions of this Agreement. Any such agreement shall be null and void.

SECTION 5.08 The Union shall submit to the Company the name of the duly authorized chief shop steward, stewards and alternates. Such chief shop steward will be allowed a reasonable period of time during which he may investigate or process a bona fide grievance. Any such absence from attention to work responsibility shall be subject to the following limitations.

- a) It shall be permitted only in connection with a grievance or potential disciplinary action.
- b) The shop steward shall inform the supervisor that he is leaving the work area.
- c) If relief is required the supervisor will inform the shop steward to remain at his job until relief is secured, but in no event will the shop steward be delayed in excess of thirty (30) minutes.
- d) The Company is not required (but may agree upon request) to pay for more than thirty (30) minutes of time spent investigating or processing grievances on any given work day.
- e) All time spent in handling grievances on regular shift shall be considered working hours in computing daily and weekly overtime.

SECTION 5.09 It is mutually agreed that the Local Union will, within two weeks of the date of the signing of this Agreement, serve upon the Employer a written notice listing the Union's authorized representatives who will deal with the Employer, make commitments for the Local Union generally, in particular, those individuals having the sole authority to act for the Local Union. The Local Union may from time to time amend its listing of authorized representatives by mail.

The Company will make reasonable efforts to advise the Union representative of R&D work being performed by temporary employees on production equipment that may appear to be bargaining unit work.

ARTICLE 6 GENERAL

SECTION 6.01 Supervisors or non-bargaining unit employees will not engage in bargaining unit work that would result in reducing any employee's working hours below forty in any week, cause layoffs, or eliminate the need for new hires.

SECTION 6.02 No bargaining unit employee shall be requested or required to provide or post a bond of any type.

SECTION 6.03 Should the Company provide time clocks for employee use, all time clocks shall be located near the primary employee entrance.

SECTION 6.04 The Company shall provide a smoking hut or install umbrellas or canopies over the picnic tables used by employees. For employee convenience, the Company shall maintain a minimum of two (2) picnic tables at all times.

ARTICLE 7 SENIORITY

SECTION 7.01 "Seniority" shall be defined as an employee's length of continuous service since his/her most recent date of hire. A new employee shall be a probationary employee for the first ninety (90) calendar days. At the completion of the probationary period, the employee's seniority shall be established as of his starting date of work. Probationary employees may be discharged for any reason, except for the purpose of evading this Agreement or discriminating against Union members, at any time prior to the completion of the probationary period without recourse.

SECTION 7.02 The Company shall prepare and maintain a list of employees arranged according to their seniority. A copy of the seniority lists shall be submitted to the Union and the Steward. Seniority lists shall be updated every six (6) months.

SECTION 7.03 Seniority shall be lost and employment with the Company shall be terminated if:

- (a) The employee quits.
- (b) The employee is discharged for just cause.
- (c) The employee fails to notify the Company within three (3) calendar days (excluding Saturdays, Sundays and holidays) after being notified by registered or certified mail to return to work from recall that he intends to return to work, or fails to report for work within fourteen (14) calendar days after being so notified unless otherwise mutually agreed.
- (d) The employee is absent for three (3) consecutive working days without properly notifying the Company unless a reason acceptable to the Company is given. Management may consider extenuating circumstances when determining corrective action for a no call/no show (for instance, if the employee is in a serious accident and is hospitalized) and has the right to exercise discretion in such cases.
- (e) The employee is on layoff, disability or workers' compensation for a period of one (1) continuous year.

An employee on the seniority list who is absent because of illness or injury shall continue to accrue seniority so long as there is a reasonable likelihood that he or she will return to work.

SECTION 7.04

- (a) Vacancies and new job opportunities, within the classifications covered by this agreement, shall be posted for bid by bargaining unit employees (including probationary employees). The company shall not fill any

vacancy or new job opportunity on a temporary basis for more than four (4) weeks without posting the job for bid. Posting shall be in a conspicuous place for a period of five (5) full working days with a description of the duties, qualifications, current schedule and rates of pay for the job. Copies of all postings, as well as the completed bid sheet, shall be forwarded to the Local Union within 3 business days of the completion of said bid.

- (b) The qualified employee with the highest seniority who bids shall receive such vacancy or job opportunity. Qualifications for the position shall be established by the Company, shall be directly related to the performance of the job, and shall be included in the job posting. The Company has the right to cancel any position posted for bid or awarded but not filled within 60 days of the posting date. If the Company decides to cancel the bid or not transfer the employee awarded the bid after 60 days, the Company will begin paying the employee the awarded position rate until such time as the bid or award is cancelled or the employee is transferred to the new position. If the employee accepts a bid award and is not transferred to the new position within thirty (30) calendar days, the employee may bid on other jobs.
- (c) The successful applicant shall be given a reasonable period for orientation and training (not to exceed 30 days). If the applicant fails to meet minimum requirements, as determined by the company, the employee shall be returned to their former or similar position and wage rate, if necessary by displacing the employee who filled their former position. The employee may request to be returned to their former position but only if he/she provides the Company with written notice within thirty (30) days of filling the new position. Employees who were previously disqualified from bidding for a position shall not be considered for promotion or transfer to that position unless the employee demonstrates that the circumstances that previously rendered the employee disqualified for the position have been corrected.
- (d) Any employee who accepts a bid created from a vacancy or new job and then becomes qualified must remain in that position for a minimum of six (6) calendar months from the date of the bid award and may not accept another bid until the end of the 6th calendar month. This does not include bumping due to the elimination of a position.

SECTION 7.05 In the event that no employee is qualified to fill the vacancy, the Company shall have the option of hiring a qualified employee from outside or selecting the employee with the qualifications which it deems closest to those necessary for filling the job subject to Section 7.04 (c) above.

SECTION 7.06 In the event the Company determines a reduction in the workforce is necessary, the least senior employee in the affected classification shall be laid off first, provided that the remaining employees are capable of filling the remaining assignments. Such employee may elect in turn to displace a less senior employee in any equal or lower classification, provided he or she has the basic qualifications for the position, and can

perform all of the functions of the position without training. Recalls shall be in the reverse order of layoffs.

SECTION 7.07 Employees enlisting or entering the military service of the United States shall be granted all seniority rights and privileges provided by law.

SECTION 7.08 When time and resources make it reasonable to do so, the Company may make available developmental opportunities for employees who express an interest and demonstrate an aptitude to successfully perform a higher level job or equivalent level job.

SECTION 7.09 At the Company's sole discretion, if more than one (1) employee wishes to be trained for a developmental opportunity, seniority will be considered as a determining factor for assignment.

ARTICLE 8 SEPARABILITY AND SAVINGS CLAUSE

SECTION 8.01 If any Article or Section of this Agreement or of any Supplements or Riders thereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement and of any Supplements or Riders thereto, or the application of such Article or Section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

SECTION 8.02 In the event that any Article or Section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations upon the request of either party, for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. If the parties do not agree on a mutually satisfactory replacement within sixty (60) days after the beginning of the period of invalidity or restraint, either party may invoke the arbitration procedure.

ARTICLE 9 DISCHARGE OR SUSPENSION

SECTION 9.01 The Company shall not suspend or discharge an employee except for just cause. Written notice of such suspension or discharge shall be given by the Company to the employee, with a copy to the Union. Verbal counseling that is not documented in writing, given to the employee and the union and placed in his personnel file, does not constitute formal disciplinary action.

SECTION 9.02 An employee's right to appeal a warning letter or written reprimand will be protected if, within ten (10) working days of the date such letter is sent to the employee and the union, a written protest is made to the Company by the Union. Appeals of warning letters will not be heard at arbitration until the grievant has been given disciplinary time off or has been discharged, and then only if the Company relies, in whole or in part, on the warning letter to justify or support the suspension or discharge.

SECTION 9.03 The parties agree that a discharge or suspension shall not be subject to the Grievance Procedure or arbitration as provided in this Agreement, unless the employee shall have filed a grievance under Article 5 within ten (10) working days of the written dismissal or suspension notice.

SECTION 9.04 The Company shall comply with the principles of progressive discipline, provided that more serious offenses call for more serious discipline, regardless of disciplinary history. Offenses that may result in discharge without prior notice include:

- a. Calling or participating in any unauthorized strike, work stoppage, walkout, or sabotage.
- b. Being under the influence of, and/or consumption of, alcohol or drugs during working hours or while on Company property, including lunchtime.
- c. Having possession of alcohol or a controlled substance while on Company property.
- d. Theft of property, equipment or material located on Company grounds.
- e. Falsification of Company records.
- f. Physical assault or threat of violence on Company property.
- g. Being absent for three (3) consecutive scheduled working days without properly notifying the Company.
- h. Willful destruction or vandalism of property, equipment or material located on Company property.
- i. Having possession of, or entering the Company's plant or property with firearms or other weapons designed for bodily harm.
- j. Severe or pervasive harassment or discrimination.
- k. Knowing or willful disclosure of the Company's confidential information to a third party (unless the disclosure of information has been approved in advance, in writing, by Company management).

SECTION 9.05 Where the Company takes disciplinary action against an employee, it must do so within ten (10) working days after the reason for such action becomes known to the Company. If the Company wishes to extend this time limit, it shall provide notice to the union with the reason for the extension, and the union may challenge such extension if it does not agree the reason is good and defensible.

SECTION 9.06 The warning notice or suspension as herein provided shall not remain in effect for a period of more than two (2) years from the date of such warning notice or suspension.

SECTION 9.07 The Employer shall not install or use video cameras in areas of the Employer's premises that violate the employee's right to privacy such as bathrooms or places where employees change clothing, observe breaks or provide drug or alcohol testing specimens.

SECTION 9.08 Any disciplinary action based on attendance issues shall be consistent with an attendance policy agreed upon between the parties, made known to employees through posting or other equally effective form of distribution. The terms of such policy shall be as set forth in Appendix A, unless otherwise agreed between the Company and the Union.

SECTION 9.09 Suspensions and/or any disciplinary time off shall be converted to hours rather than days for equality among shifts. *(8 and 12 hour shifts shall be 24 hours. 10 hours shifts shall be 20 hours.)*

ARTICLE 10 NO STRIKE / LOCKOUTS / PROTECTION OF RIGHTS

SECTION 10.01 It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action nor shall such employee be permanently replaced if any employee refuses to perform any service which his Employer undertakes to perform as an ally of an Employer or persons whose employees are on strike, and which service, but for such strikes, would be performed by employees of the Employer or person on strike.

SECTION 10.02 Employees shall not be charged for accidental loss or damage under any circumstances. This includes, but is not limited to, accidental loss or damage to product or equipment.

SECTION 10.03 The Company shall not require, request or suggest that any employee or applicant for employment take a polygraph or any other form of lie detector test.

SECTION 10.04 In the event of notice to an Employer of a garnishment or impending garnishment the Employer may not take any disciplinary action or may not discharge any employee by reason of the fact that his earnings have been subject to garnishment.

SECTION 10.05 The Company and the Union agree that there shall be no strike, picketing, lockout, sickouts, or slowdown during the length of this contract, except only if a party has failed to live up to an Arbitrator's lawful Award, or the company has knowingly failed to make proper contributions to Health and Welfare or Retirement plan.

ARTICLE 11 UNION RIGHTS

SECTION 11.01 The Company agrees to provide suitable space and a bulletin board in the plant for official Union business. Postings by the Union on such boards are to be confined to official business of the Union. A courtesy copy of any posting shall be provided to the Company just prior to posting, and no material derogatory to the Company may be posted.

SECTION 11.02 Any employee member of the Union acting in any official capacity whatsoever shall not be discriminated against for his lawful acts as such officer of the Union so long as such acts are authorized by the Union and do not interfere with the conduct of the Company's business, nor shall there be any discrimination against any employee because of Union membership.

SECTION 11.03 Authorized agent(s) of the Union shall have reasonable access to the Company's establishment during working hours for the purpose of adjusting disputes, investigating working conditions and ascertaining that the agreement is being adhered to, provided, however, that there is no interference with production or work assignments. No group meetings shall occur during such visitations without the approval of the Company. The authorized agent(s) of the Union in such cases shall notify the Company upon his arrival at the facility and upon his leaving the facility, including signing the Company's visitor log, and shall follow established safety rules. In production areas, an authorized agent of the union is to be escorted by a member of management.

SECTION 11.04 Authorized agents of the Union must have received an acceptable pre-screening result, via the Restricted Party Screening process, prior to entering a Company facility. Until receiving an acceptable screening result, authorized agents of the union will only be allowed access to the facility's main lobby (including the adjoining conference room and bathroom) and may not enter any other area within the facility. On an annual or as-needed basis, the union will submit a list of all authorized agents of the union to be proactively screened via the Restricted Party Screening process and the Company agrees to complete the Restricted Party Screening process, and advise the union of the results, within one (1) working day of the submission. All expenses relating to the Restricted Party Screening process will be the responsibility of the Company.

ARTICLE 12 MANAGEMENT RIGHTS

SECTION 12.01 Except as otherwise limited or restricted by a provision of this Agreement, the Employer has and shall retain the full right to manage the business and direct the work force. These management rights shall include, the management of the business; to plan, control, increase, decrease, change or discontinue operations in whole or in part; to introduce new or improved methods, techniques, and/or equipment; to hire, suspend, transfer, discharge, or discipline covered employees for good cause; to lay-off employees for lack of work, and terminate casual and probationary employees during the trial period without recourse; to add to or reduce the number of shifts; to establish or change work schedules to meet customer demands; to schedule overtime hours to be worked; to determine the number and qualifications of employees to be employed; to define, establish or change descriptions for jobs it now has or may create in the future; and assign existing employees to meet current work needs; to hire third party, temporary and/or contract workers on an as-needed basis; and to adopt and from time to time modify, rescind, or change reasonable safety rules and work rules so long as such rules are not inconsistent with any existing provision of this Agreement, and to enforce such rules. The failure of Management to exercise any rights contained herein shall not be constituted as a waiver of those rights.

ARTICLE 13 WORK ASSIGNMENTS

SECTION 13.01 The Company will not hire full-time independent contractors or contract workers to perform work performed by bargaining unit employees as defined in Certification of Representative Case No. 4RC-20790. On a temporary basis, the Company

may engage independent contractors or contract workers to complete specific projects where qualified bargaining unit labor is not available. In addition, the Company shall have the right to relocate or transfer work provided that it complies with the National Labor Relations Act.

ARTICLE 14 SHOP STEWARDS

SECTION 14.01 The Company recognizes the right of the Union to designate shop stewards and alternates and a chief shop steward and alternate. The chief shop steward shall enjoy super seniority in the event of layoff.

SECTION 14.02 The authority of the shop stewards and alternates so designated by the Union shall be limited to, and shall not exceed, the following duties and activities:

1. The investigation and presentation of grievances in accordance with the provisions of the collective bargaining Agreement.
2. The transmission of such messages and information which shall originate with, and are authorized by the Local Union or its officers, provided such messages and information:
 - (a) Have been reduced to writing, or
 - (b) If not reduced to writing, are of a routine nature and do not involve work stoppages, slowdowns, refusal to handle goods, or any other interference with the Company's business.

SECTION 14.03 Shop stewards and alternates have no authority to take strike action, or any other action interrupting the Company's business.

SECTION 14.04 Stewards shall not give orders to employees nor countermand the orders of Management.

The Company recognizes these limitations upon the authority of shop stewards and their alternates, and shall not hold the Union liable for any unauthorized acts. The Company in so recognizing such limitations shall have the authority to impose proper discipline, including discharge, in the event the shop steward has taken unauthorized action, slowdown, or work stoppage in violation of this Agreement. Disputes shall be subject to Article 9 hereof.

One shop steward shall be entitled to attend contract negotiations and arbitration hearings and be compensated for all hours involved, to a maximum of straight time hours in the steward's regular shift.

ARTICLE 15 HOURS OF WORK AND OVERTIME

SECTION 15.01 The work day is a consecutive twenty-four (24) hour period which begins at the normal starting time of each department's first shift. The work week is a

consecutive seven (7) day period beginning with the start of each department's first shift on Monday.

SECTION 15.02 All regular employees shall have a regular established starting time, subject to change as provided for in herein. Except as provided in Article 15.07, any employee who reports to work, as assigned by management, shall be guaranteed a minimum of a full day's work and/or pay based on his applicable work schedule. The Company will provide at least two (2) weeks notice, if practical, prior to any change in the work shift. The assignment or working of overtime shall not constitute a change in shift. Any new or changed work schedule shall consist of consecutive work days within a work week.

SECTION 15.03 During weeks when employees work three (3) shifts of twelve (12) hours for a total of thirty-six (36) hours, employees shall be compensated for forty (40) hours at the regular straight time hourly rate.

SECTION 15.04 The Company shall provide two (2) fifteen (15) minute paid breaks to each employee during each shift. Employees are not permitted to leave Company property during any paid break, unless given written permission by their immediate supervisor. The Company shall provide each employee scheduled for an 8-hour shift (8 actual working hours) with a thirty (30) minute unpaid meal period. Provided, however, the Company may direct an employee on an eight (8) hour shift to work all or part of his lunch period, in which event the employee shall receive twenty (20) minutes to eat on the Employer's time and the employee may not be dismissed early, but must be worked to the employee's quitting time, producing a minimum of overtime pay equal to the employee's assigned meal period. The Company shall provide each employee, scheduled for a 12-hour shift (11-1/2 actual working hours), with a thirty (30) minute paid meal period. Employees who work in excess of twelve (12) hours in a shift shall be entitled to a third fifteen (15) minute paid break.

SECTION 15.05 The Company may schedule overtime in order to meet production/shipping requirements and employees are expected to work such overtime. However, overtime of which employees are not notified by noon of the day in question (midnight in the case of the 5:00 p.m. to 5:00 a.m. shift), or noon Thursday for weekend overtime, shall be entirely voluntary, unless there is a bona fide emergency beyond the control of the Company. Overtime shall be offered, and awarded, in seniority order to the most senior, qualified individual. Overtime does not need to be offered to individuals on approved vacation, personal time or bereavement.

SECTION 15.06 Premium pay of 1-1/2 times an employee's individual hourly rate shall be paid for all hours worked in excess of twelve (12) hours in one (1) day or forty (40) hours in one week. For purposes of this section only, the term "hours worked" shall include (a) all paid time off as specified in this Agreement, and (b) any regularly scheduled hours during which no work is available (due to shortened workweek, emergency closing, etc.).

SECTION 15.07 When an employee reports to work as scheduled but a Company closure is required due to an emergency beyond the control of the Company, the employee shall receive a minimum of four (4) hours pay.

SECTION 15.08 Employees called in to work prior to their regular starting time shall not be dismissed prior to their normal quitting time. Employees recalled after leaving the plant property at the end of their normal shift shall receive a minimum of four (4) hours pay which shall be calculated with all other hours worked in that day and workweek for purposes of overtime compensation.

SECTION 15.09 Overtime payments are not pyramided or duplicated for the same hours worked. In cases where more than one overtime rate would apply, the highest overtime rate will be paid.

SECTION 15.10 Employees who are scheduled to work but are unable to report for any reason shall notify the Company at least forty-five (45) minutes before the start of the shift. If it is physically impossible to meet this requirement (e.g., emergency hospitalization), the employee shall notify the Company as soon as possible.

SECTION 15.11 Any employee who misses work as the result of an injury that requires treatment by a doctor, must present a doctor's certificate to the Employer, if requested, prior to his scheduled starting time on the day upon which he returns to work, certifying that the employee is physically capable of performing his normal duties. If the Company challenges the fitness of the employee, they may send that employee to a doctor of their choosing at the Company's expense for all expenses not covered by the employees insurance or workers compensation. The third (3rd) doctor procedure outlined in SECTION 18.03 will be followed in the event of a disagreement between the two (2) doctors.

SECTION 15.12 Any employee who misses three (3) consecutive workdays as a result of sickness must present a doctor's certificate to the Employer, if requested, prior to his scheduled starting time upon the day on which he returns to work, certifying that the employee was in fact treated by the doctor for an illness or injury and that he is presently physically capable of performing his normal duties.

SECTION 15.13 In the event of a snowstorm, natural disaster, or emergency situation, the Company may direct employees to a phone number which will determine the Company's ability to provide work for the bargaining unit.

ARTICLE 16 NEW OR CHANGED JOBS

SECTION 16.01 If the Company creates a new position that is covered by this Agreement as outlined in Section 1.01, the Company and the Union shall negotiate the wage rate. Negotiations shall commence upon proper written notice from either party to the other party.

In the event agreement cannot be reached within sixty (60) days after date such negotiations commence, the matter may be submitted to arbitration, in accordance with Article 5, for final disposition. The Arbitrator shall have the authority to determine the disputed wage rates. Rates agreed upon or awarded shall be effective as of the date the job is put into use.

ARTICLE 17
TEMPORARY TRANSFERS

SECTION 17.01 The Company may temporarily assign employees to jobs other than their regular jobs subject only to the following conditions:

- (a) If an employee is temporarily assigned by the Company to a job for which he is qualified, carrying a higher rate of pay than his regular straight time hourly rate, he will receive the higher rate during such assignment, with a guaranteed minimum of one (1) hour pay per occurrence.
- (b) When an employee works in a lower hourly rated classification, the employee will receive the wage rate for his regular classification.
- (c) For the purposes of training to qualify for a job other than the employee's regular classified job, an employee may, from time to time, be temporarily assigned to another job. Such training will not be used in lieu of filling a vacant position. During such training the employee will receive his regular rate of pay.
- (d) Based on the requirements of the operation, the Company will fill temporary transfers with a qualified employee. If current operations are not negatively affected, seniority and current job availability will be considered if two (2) or more employees qualify and may be interested in that position.

ARTICLE 18
EXAMINATION AND IDENTIFICATION FEES

SECTION 18.01 Physical, mental or other examinations required by a government body or the Employer shall be promptly complied with by all employees: provided, however, the Employer shall pay any portion of the cost for such examinations that is not covered by the employees' health insurance policy. The Employer shall not pay for any time spent in the case of applicants for jobs, and shall be responsible to other employees only for time spent at the place of examination or examinations where the time spent by the employees exceeds two (2) hours, and in that case, only for those hours in excess of said two (2) hours. Examinations are to be taken at the employee's home domicile and are not to exceed one (1) in any one (1) year, unless the employee has suffered serious injury or illness within the year or unless mutually agreed to by the Union and the Employer. Employees will not be required to take examinations during their working hours unless paid by the Employer, for all time involved.

SECTION 18.02 The Employer reserves the right to select its own medical examiner or physician, and the Union may, if it believes an injustice has been done an employee, have said employee reexamined at the Union's expense.

SECTION 18.03 If the two (2) physicians disagree as to the employee's physical or mental condition, such two (2) physicians shall mutually select a third impartial physician within seven (7) days, whose opinion shall be final and binding on the Company, the Union and the employee. Such third impartial physician shall be required to physically examine the employee and all of the employee's previous relevant medical records and history, including the findings of the first two (2) physicians, as well as any argument or

relevant evidence either the Company or the Union wishes to submit (including personal observation of the job and related working conditions if requested by either party) and based upon such examination, evidence and observation to give his opinion as to whether or not the employee is physically or mentally capable of performing work. Neither the Company, the Union, nor the employee will attempt to circumvent the decision. Disputes concerning back pay shall be subject to the grievance procedure. The expense of the third physician shall be equally divided between the Employer and the Union.

SECTION 18.04 Should the Employer find it necessary to require employees to carry or record full personal identification, such requirement shall be complied with by the employees. The cost of such personal identification shall be borne by the Employer.

ARTICLE 19 WAGES

SECTION 19.01 The hourly wage rates for all bargaining unit employees shall be determined as follows;

(a) Starting wage rates for each bargaining unit job classification shall be as set forth in Appendix B, and shall be the minimum wage rate for all employees.

(b) Wage rates for each bargaining unit employee on the Company's payroll as of the date this Agreement is executed and shall be as agreed to in writing between the parties.

(c) Starting wage rates for each bargaining unit classification, as well as individual wage rates for each bargaining unit employee, shall be increased by two percent (2.0%) upon signature of the contract and retroactive to August 3, 2015, by two and one-half percent (2.5%) effective the Monday date closest to August 1st for years two, three and four of the contract, and three percent (3.0%) effective the Monday date closest to August 1st for year five of the contract. In addition, all bargaining unit employees actively employed on the signing date of this Agreement will receive a lump sum payment of \$1,000.00 (gross) within thirty (30) calendar days of the signing date of this Agreement.

SECTION 19.02 For employees working on 12-hour shifts, there shall be a shift differential of \$1.80 per hour for the "B" shift (weekday nights) and "C" shift (weekend days), and \$2.50 per hour for the "D" shift (weekend nights). For employees working on 8-hour shifts, there shall be a shift differential of 50 cents (\$.50) if the employee's normal starting time is between the hours of 12:00 pm noon and 4:59 pm. If an 8 hour employee's normal starting time is between the hours of 5:00pm and 12:00am midnight the employee shall receive a shift differential of one dollar (\$1.00). Any applicable differential shall be added to an employee's base rate before computing any applicable overtime or holiday premium rate.

SECTION 19.03 All employees covered by this Agreement shall be paid in full on Thursday of each week. Not more than one (1) week's pay shall be held on any employee.

When the regular payday occurs on a holiday, the Employer shall pay the employees on the regular workday immediately preceding the holiday.

Each employee shall be provided with an itemized statement of gross earnings and an itemized statement of all deductions made for any purpose.

When, through no fault of their own, an employee(s) is not paid in full by the end of their shift as provided above and the amount due exceeds \$50.00, each employee so affected shall be compensated at the rate of \$10.00 per day from the defined payday until their full amount is delivered to them. If the amount of the shortage is less than \$50.00, the Company will add that amount to the next regular paycheck or be subject to the penalty already noted for each day following that defined payday. This provision shall not apply if the delay is the result of an Act of God beyond the control of the Company or any payroll service it may utilize. If at no fault of the Company an employee requests a replacement paycheck (for example, due to loss or damage), the employee will be required to pay the fee of \$25.00 which is the fee for payroll company/banking institute at the time of the signing of this Agreement. That fee shall be deducted from the employee's next paycheck. The same fee of \$25.00 shall apply for any employee that cashes their paycheck prior to the defined payday.

ARTICLE 20 HEALTH AND WELFARE

SECTION 20.01 The Company shall provide health and welfare insurance benefits, including medical, dental and vision benefits, to all full-time bargaining unit employees, their spouse and eligible dependents on the same terms and conditions as it offers such benefits to the Company's non-bargaining unit full-time regular employees at its Newark, Delaware facility. For purposes of this section, full-time employee shall mean employees who work on average at least thirty (30) hours per week.

SECTION 20.02 The cost of the health insurance coverage shall be shared by the Company and the employee through weekly payroll deductions. Employee weekly premium amounts for medical insurance will be equal to 20% of the total monthly cost to the Company. The monthly employee contribution premium for dental insurance during the term of this Agreement will not exceed 35%, and the monthly employee contribution premium for vision insurance will not exceed 100%. Employee contributions shall be on a pre-tax basis to the extent permitted by law under a Section 125 plan.

If for any reason an employee does not have a paycheck for up to four weeks, the health care deductions shall be made in the next payroll when the employee does have wages, at which time the entire contribution amounts due will be deducted. If an employee does not have a paycheck for more than four weeks, the employee is responsible for paying their portion of the premium on a monthly basis. The Company shall notify the employee in advance of the monthly amount due and payable on the 1st of each month.

SECTION 20.03

(a) If an employee is injured on the job, the Company shall continue to maintain the employee's medical benefits for up to twelve (12) months after the date of injury, or until the employee returns to work, whichever comes first. Employees are responsible for submitting payment of their monthly premium amount to the Company

prior to the first day of the applicable benefit month or their medical benefits shall be terminated.

(b) If an employee is on an approved short-term disability or long-term disability leave of absence, the Company shall continue to maintain the employee's medical benefits for up to twelve (12) months after the date of injury, or until the employee returns to work, whichever comes first. Employees are responsible for submitting payment of their monthly premium amount to the Company prior to the first day of the applicable benefit month or their medical benefits shall be terminated.

(c) An employee who is seniority listed but not working shall be considered "inactive". Inactive employees are ineligible for the company benefits plan except under circumstances as in (a) or (b) of this section, or as may be required by COBRA.

SECTION 20.04 An employee who shows written proof that they are covered by their spouse's medical benefits plan may elect not to participate in the company plan. Those employees shall receive payment of \$250 at quarterly-intervals with a maximum of \$1,000 paid per calendar year. Eligible employees will receive payment within fourteen (14) days after the end of a quarter, provided they are employed on the last day of the calendar quarter. New hires may enroll in the pay in lieu of benefits program on the first day of a calendar quarter following the date they are eligible for medical benefits.

SECTION 20.05 Except as mandated by applicable law or the Company's insurance carrier, the present benefits and benefit levels in the medical, dental and vision care plans, or substantially equivalent coverage, will be continued for the life of this Agreement. Any changes in medical, dental or vision care benefits, and/or benefit levels, or provided for any other employees of the Company during the term of this Agreement shall be offered to the bargaining unit covered by this Agreement as a group, subject to the terms and conditions for switching coverage as imposed by the insurer. The bargaining unit as a group has twenty-one (21) calendar days from the date the Company provides the written offer of the new coverage to the bargaining group to accept or decline any changes in the medical, dental or vision benefits, and/or benefit levels. Employees covered by this Agreement are not individually allowed to accept or decline any changes in medical, dental or vision care benefits, and/or benefit levels.

SECTION 20.06 Any controversy, claim, complaint, grievance or dispute arising out of or relating to the provisions of this Article shall be subject to Article 5 herein establishing procedures for grievances and arbitration, except that disputes over coverage and claims shall be resolved between the employee and the carrier.

ARTICLE 21 RETIREMENT PLAN

SECTION 21.01 The Company shall continue in effect for all bargaining unit employees for the duration of this Agreement a 401k plan.

SECTION 21.02 New employees shall be automatically enrolled in the 401k plan upon hiring, but shall be permitted to opt out of the plan at any time.

SECTION 21.03 In the event the Company changes the 401k plan ,the company shall provide the union with two (2) weeks notice of any changes to the plan.

ARTICLE 22
EDUCATIONAL ASSISTANCE PROGRAM

SECTION 22.01 Recognizing that skill and knowledge is critical to a Company's success, an educational assistance program is offered to all bargaining unit employees on the same terms and conditions that apply to all other employees of the Company.

ARTICLE 23
TOOL PURCHASE PROGRAM

SECTION 23.01 The Tool Purchase Program shall be offered to all bargaining unit employees on the same terms and conditions that apply to all other employees of the Company.

ARTICLE 24
VACATION

SECTION 24.01 Annual vacation time with pay will be accrued by all full-time employees on the basis of length of service with the Company and on the following terms:

<u>Years of Service</u>	<u>Hours Earned Per Month</u>	<u>Maximum Hours Per Calendar Year</u>
Upon eligibility through completion of 3	6.67 hrs. (6 hrs. 40 min.)	80
Start of 4 through completion of 9	10 hrs.	120
Start of 10	13.33 hrs. (13 hrs. 20 min.)	160

SECTION 24.02 For each day of vacation taken, an employee shall be compensated at the straight time pay rate in effect at the time the vacation is taken, and shall be paid for the number of hours for which they are normally compensated in their regular workday, and the same number of hours shall be deducted from their accrued vacation balance, with the following exceptions:

When an employee assigned to a 12-hour shift takes a full week of vacation on a scheduled 4-day workweek, the employee will receive 40 hours of pay at their straight time rate and 8 hours of pay at their overtime rate, and 48 hours will be deducted from their accrued vacation balance.

When an employee assigned to a 12-hour shift takes a full week of vacation on a scheduled 3-day workweek, the employee will receive 40 hours pay at their straight time rate for that week (36 hours scheduled plus 4 hour incentive). Any vacation time taken during a scheduled 3-day workweek will be deducted from the employee's accrued vacation balance at a rate of 1.11 hour for each scheduled hour of vacation taken.

Examples: If an employee takes the full 3-day week off for vacation, 40 hours of vacation time will be deducted from their accrued vacation balance. If an employee takes one (1) 12-hour vacation day, 13.33 hours of vacation time will be deducted from their accrued vacation balance.

SECTION 24.03 Employees shall qualify for vacation accrual in any month in which they work the majority of the scheduled working days in that calendar month.

SECTION 24.04 An employee who works at least 1,040 hours in a calendar year will automatically earn the full vacation balance for that calendar year subject to the requirement of Section 24.12 to repay unearned vacation if he or she is terminated prior to the end of the calendar year. However, an employee who is terminated, either voluntarily or involuntarily, will only be paid for the unused accrued vacation time that was accrued during the actual time worked. Both regular and overtime hours will be used to determine the 1,040 hours worked.

SECTION 24.05 Vacation accrual rate changes occur in the month during which an employee begins their 4th and 10th year.

SECTION 24.06 Newly hired employees cannot take vacation until after successful completion of the probationary period. However, vacation accrual will begin with the month in which employment commences, provided the employee works the majority of the scheduled working days in that month.

SECTION 24.07 The Company will post a vacation preference list in January of each year. Vacation time shall be granted based on seniority preference among those employees who make their vacation selection by March 15. Vacation selections subsequent to March 15 of each year shall be granted on a first come, first served basis.

SECTION 24.08 Employees may take vacation days in increments less than one (1) week, but vacation must be taken in either full-day or half-day increments.

SECTION 24.09 If an employee is assigned to a shift that qualifies for shift differential, the shift differential will be included in the vacation pay.

SECTION 24.10 Should an employee voluntarily terminate their employment, or be involuntarily terminated by the Company, they shall be entitled to all unused vacation accrued at the time of termination. Employees who have not successfully completed their probationary period shall not be entitled to any unused vacation at the time of termination.

SECTION 24.11 Any unused vacation days, as of the end of a calendar year will be assigned by the Company between January 1 and March 15 of the following year. This provision may be waived in cases where the employee has not had a reasonable opportunity to schedule available vacation time and will not apply to employees hired after July 1 of the preceding year.

SECTION 24.12 If necessary to permit an employee to take approved vacation time, the Company will advance the vacation time the employee will have earned by the end of that calendar year, provided they have signed an agreement to repay any amount not yet earned in the event of termination of employment prior to the end of the calendar year.

SECTION 24.13 An employee who chooses to use vacation because of an unexpected absence, and as a result has insufficient vacation time to cover a previously approved vacation, will be granted time off without pay for that purpose.

ARTICLE 25 PERSONAL/SICK DAYS

SECTION 25.01 Each full-time employee may accrue a maximum of five (5) paid personal/sick days per calendar year. Personal/sick days will be accrued at a rate of .42 days for any month in which the employee works or is on paid leave for a majority of the scheduled work days. At the end of each calendar year, if an employee has not used all of his/her personal/sick days, the employee will be paid for unused days. New employees will begin to accrue sick/personal days on the first day of employment, however, time accrued cannot be used during the probationary period. A day's pay shall be computed at the employee's straight time rate of pay multiplied by the number of hours in their regularly scheduled daily shift. If an employee is assigned to a shift that qualifies for shift differential, the shift differential will be included in the personal/sick pay. Employees with available personal/sick days must use them for any absence not covered by other paid leave, and may not elect to take unpaid leave.

ARTICLE 26 HOLIDAYS

SECTION 26.01 Employees covered by this agreement shall receive 8 hours of holiday pay for the following eleven (11) holidays: New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Day after Thanksgiving, Christmas, and four (4) additional days to be designated by the Company (either as scheduled holidays or personal choice holidays). The Company shall designate the additional days and distribute a Holiday Schedule to the employees and Union no later than March 1 of each year of the Agreement.

SECTION 26.02 All employees working on any of the above listed holidays shall be paid at two (2) times the regular straight time hourly rate for all hours worked in addition to the eight (8) hours holiday pay. Any overtime work on a holiday beyond the number of hours in the employee's regularly scheduled work shift shall be voluntary, and no employee who declines to work such voluntary overtime shall be subject to any form of discipline or retaliation, and no supervisor or manager shall perform the work such employee declines to perform. Holiday work shall be offered in seniority order on a voluntary basis.

SECTION 26.03 If an employee's vacation falls in a week in which a holiday recognized by this Agreement falls, the employee shall receive an additional day's vacation.

SECTION 26.04 Employees who are serving their probationary period are not entitled to holiday pay for holidays falling within the probationary period.

SECTION 26.05 In order to qualify for holiday pay, the employee must have worked his scheduled workday immediately preceding the holiday, as well as the immediately

succeeding workday, if required. In the event of a medical emergency, the Company will consider a doctor's note as a basis to excuse an employee from this provision.

SECTION 26.06 If any employee is assigned to a shift that qualifies for shift differential, the shift differential will be included in the holiday pay.

SECTION 26.07 An employee's normal shift hours on a holiday shall be counted as time worked for purposes of computing eligibility for overtime pay in that week.

SECTION 26.08 Holiday pay will not be paid to:

- (a) Employees on leave of absence.
- (b) Employees who have not worked during the thirty (30) day period immediately preceding the holiday.

SECTION 26.09 The Company will not schedule employees to work on New Year's Day, Easter Sunday, Thanksgiving, Christmas Day or New Year's Eve, except on a voluntary basis.

ARTICLE 27 BEREAVEMENT LEAVE

SECTION 27.01 In the event of the death of an employee's immediate family, the employee shall be paid a day's pay per day for the time lost, not to exceed three (3) days following such death. (A day's pay shall be computed at the employee's straight time rate of pay multiplied by the number of hours in their regularly scheduled daily shift.) Immediate family shall be defined as an employee's spouse, children, including stepchildren, grandchildren, brothers, sisters, including stepbrothers and stepsisters, parents (including stepmother, stepfather), grandparents, and relatives to the same degree of the employee's spouse. Any person which the employee has legal custodial guardianship and can provide documentation shall also be considered immediate family. Documentation must be supplied by the employee for any bereavement request.

SECTION 27.02 If additional time off is needed, employees may request vacation time, personal time, or a leave of absence.

SECTION 27.03 The employer may require satisfactory proof of death and of relationship to the employee.

ARTICLE 28 JURY DUTY

SECTION 28.01 In the event that an employee is called to serve jury service, the employee shall be paid at his base rate of pay for the regularly scheduled daily hours lost. When such employees report for jury service on a scheduled work day, they will not be required to work on their scheduled shift that starts on that particular day.

SECTION 28.02 Employees shall notify the Company within forty eight (48) hours after they receive jury notice.

SECTION 28.03 The Company's maximum obligation under this section is thirty (30) days pay per jury duty service call. Extensions may be granted based upon circumstances.

ARTICLE 29 SAFETY AND FIRST AID

SECTION 29.01 The Company shall provide a sanitary, safe and healthy work environment for all employees. To that end, the Company agrees to make all reasonable provisions for the safety and health of the employees during working hours. Failure to comply with this provision shall be subject to the grievance procedure.

SECTION 29.02 Employees are eligible to purchase one (1) pair of safety shoes during a rolling one-year period. The Company will reimburse a maximum of \$100.00 (per rolling one-year period) for the cost of a pair of safety shoes. If a newly hired employee purchases safety shoes within the first ninety (90) days of employment, in order to qualify for reimbursement, the employee must sign an authorization form agreeing that if the employee is terminated from the Company within the first ninety (90) days of employment, the cost of their safety shoes will be deducted from the employee's final paycheck.

SECTION 29.03 When employees are required by the Employer or a state or federal agency to wear safety or protective devices, including but not limited to, eye protection, hard hats, respirators, gloves and hearing protection, such devices and/or equipment will be provided by the Company at its own expense. The Company will provide replacements as needed by inspection of the existing issued personal protection equipment. The Company retains the right to choose the style and manufacturer of the personal protective equipment.

The Company will subsidize 100% of the cost per rolling one (1) year period (not including the cost for progressive lenses) for the purchase of prescription safety glasses. If a newly hired employee purchases prescription safety glasses within the first ninety (90) days of employment, in order to qualify for the subsidy, the employee must sign an authorization form agreeing that if the employee is terminated from the Company within the employee's first ninety (90) days of employment, the cost of the employee's prescription safety glasses will be deducted from the employee's final paycheck.

SECTION 29.04 All safety training shall be paid for time and shall be included as time worked for overtime compensation.

SECTION 29.05 The Chief Steward of the Union, or an alternate, shall be a member of any Plant Safety Committee.

SECTION 29.06 - Substance Abuse Policy

The Company and the Union recognize that the use and/or abuse of alcohol and drugs by employees during the performance of their duties present a serious threat to the safety and health of the employee(s). Therefore, the Company may upon probable suspicion, following any leave of thirty (30) days or more, or post accident, require an employee, as a condition of employment, to cooperate in a drug and /or alcohol test. All samples will be tested according to the Department of Transportation (DOT) 10-panel drug testing requirements. In addition, once during each month a number of employees, up to twenty-

five percent (25%) of the workforce, including management, may be selected at random, thru a third party random selection process, for drug and/or alcohol testing.

An employee who tests positive as a result of a drug and/or alcohol test shall be subject to termination.

Contractual time limits for disciplinary action, as set forth in this Agreement, shall begin on the day which the Company receives a confirmed positive test result.

ARTICLE 30 WORKERS' COMPENSATION CLAIMS

SECTION 30.01 The Employer agrees to cooperate toward the prompt disposition of employee on-the-job injury claims. The Employer shall provide Workers' Compensation protection for all employees as required by state law if the injury arose out of or in the course of employment.

SECTION 30.02 Any employee sustaining injuries which are compensable under the Workmen's Compensation Act which prevents him from performing his normal duties shall sustain no loss of pay for the balance of the day on which he was injured. Ability to perform work, if in question, shall be determined by a doctor's or hospital report.

SECTION 30.03 The Employer agrees to provide any employee injured, transportation at the time of injury, from the job to a doctor or medical facility and return to the job, or to his home if required.

ARTICLE 31 MODIFIED DUTY

SECTION 31.01 The Employer may establish a modified duty program designed to provide temporary opportunity to those employees who are unable to perform their normal work assignments due to a disabling on-the-job injury.

SECTION 31.02 Implementation of a modified duty program shall be at the Company's option, and the decision as to whether to provide light duty assignments as well as the nature and duration of the assignment, shall be at the discretion of the Company, provided that decisions concerning light duty assignments, their nature and duration are based on legitimate, non-discriminatory business reasons.

SECTION 31.03 If the Company has a modified duty program in place, modified duty assignments shall be offered in seniority order to those regular full time employees who are temporarily disabled and who have received a detailed medical release from the attending physician clearly setting forth the limitations under which the employee may perform such modified duty assignments. Once a modified duty work assignment is made and another person is injured, the second person must wait until a modified duty work opening occurs, regardless of seniority.

SECTION 31.04 In the event of a dispute related to conflicting medical opinion, such dispute shall be resolved pursuant to established worker's compensation law in the case of a condition resulting from an on-the-job injury, and in the case of any other injury, shall be

resolved pursuant to Sections 18.02 and 18.03 of this Agreement. When there is a dispute between two (2) physicians concerning the release of an employee for modified duty work, such two (2) physicians shall immediately select a third neutral physician within seven (7) days, whose opinion shall be final and binding on the Company, the Union and the employee. The expense of the third physician shall be equally divided between the Company and the Union. Disputes concerning the selection of the neutral physician or back wages shall be subject to the grievance procedure.

SECTION 31.05 Modified duty work time shall be considered as time worked when necessary to satisfy vacation, holiday and sick leave eligibility requirements as set forth in this Agreement.

SECTION 31.06 The Union and the Company recognize their obligations under the Americans with Disabilities Act and agree to comply with all legal requirements.

ARTICLE 32 LEAVE OF ABSENCE

SECTION 32.01 An employee may obtain a personal leave of absence of up to ninety (90) days upon written application to the Company, subject to approval or denial in the absolute discretion of the Company. When leave of absence is granted, the Union will be advised accordingly. During the period of absence, the employee shall not engage in gainful employment.

SECTION 32.02 An employee who returns to work under the terms of a leave of absence granted pursuant to this Article shall be entitled to return to work at his former rate of pay with full seniority. An employee who fails to return to work as scheduled upon the expiration of a leave of absence shall be considered to have resigned.

SECTION 32.03 The Union may designate one employee at a time, for a maximum total of 10 days per year, to attend Union conferences or training session, and the Company shall provide up to ten (10) days leave without pay for this purpose during each contract year.

ARTICLE 33 FAMILY MEDICAL LEAVE ACT

SECTION 33.01 All employees who worked for the Company for the minimum number of months and worked at least the minimum number of hours required during the past twelve (12) months are eligible for unpaid leave as set forth in the Family and Medical Leave Act of 1993.

Eligible employees are entitled to up to a total of 12 weeks of unpaid leave during any twelve (12) month period in accordance with the Family Medical Leave Act.

The employee's seniority rights shall continue as if the employee had not taken leave under this Section, and the Employer will maintain health insurance coverage during the period of the leave. The employee will be responsible for timely payment of normal healthcare premiums.

The Employer may not require that the employee substitute accrued paid vacation or other paid leave for part of the twelve (12) week leave period.

SECTION 33.02 The employee is required to provide the Company with at least thirty (30) days advance notice before FMLA leave begins if the need for leave is foreseeable. If the leave is not foreseeable, the employee is required to give notice as soon as practicable. The Company has the right to require medical certification of a need for leave under this Act. In addition, the Company has the right to require a second opinion at the Company's expense. If the second opinion conflicts with the initial certification, a third opinion from a health care provider selected by the first and second opinion health care providers, at the Company's expense may be sought, which shall be final and binding. Failure to provide certification shall cause any leave taken to be treated as an unexcused absence.

SECTION 33.03 As a condition of returning to work, an employee who has taken leave due to his/her own serious health condition must be medically qualified to perform the functions of his/her job. In cases where employees fail to return to work, the provisions of the Agreement will apply.

SECTION 33.04 It is specifically understood that an employee will not be required to repay any of the contributions for his/her health insurance during FMLA leave, if such repayment is prohibited by applicable law or regulation. No employee will be disciplined for requesting or taking FMLA leave under the contract absent fraud, misrepresentation, or dishonesty.

SECTION 33.05 Disputes arising under this provision shall be subject to the grievance procedure.

SECTION 33.06 The provisions of this Article are in response to the federal FMLA and shall not supersede any state or local law which provides for greater employee rights.

ARTICLE 34 MILITARY CLAUSE

SECTION 34.01 Employees enlisting or entering the military or naval service of the United States, pursuant to the provisions of the Military Selective Service Act of 1967, as amended, shall be granted all rights and privileges provided by the Act, as well as any other protections afforded by applicable state or federal law.

SECTION 34.02 Health insurance coverage and other benefits shall not be interrupted for employees on leave of absence for training in the military reserves or National Guard for up to fourteen (14) days per calendar year.

ARTICLE 35 TERMINATION CLAUSE

SECTION 35.01 The Agreement shall be in full force and effect from January 18, 2016 to and including January 17, 2021 and shall continue from year to year thereafter unless written notice of desire to cancel, modify or terminate the Agreement is served by either party upon the other at least sixty (60) days prior to the date of expiration, or sixty (60)

days prior to January 18th of any subsequent contract year.

SECTION 35.02 The Local Union as representative of the employees or the signator Employer shall each have the right to unilaterally determine when to engage in economic recourse (strike or lockout) on or after the expiration of this Agreement unless agreed to the contrary.

IN WITNESS WHEREOF the parties hereto have set their hands and seals this **18th** day of **January**, to be effective as of January 18, 2016 except as to those areas where it has been otherwise agreed between the parties.

For the Union:

GENERAL TEAMSTERS LOCAL
UNION NO. 326
Affiliate of the International Brotherhood
of Teamsters

For the Company:

M CUBED TECHNOLOGIES, INC.

APPENDIX A ATTENDANCE POLICY

OVERVIEW

M Cubed Technologies, Inc. provides important and valuable products to customers all over the world. The Company awards employees with sufficient vacation, holidays and personal time throughout the year; however, it is critical that every employee be present when scheduled so we can continue to successfully fulfill our customers' needs and expectations.

The purpose of this policy is to encourage M Cubed Technologies, Inc. employees to maintain an acceptable standard of attendance, which is critical to efficiency, productivity and profitability; to ensure fair and consistent treatment of employees who are late to work, absent from work, or leave before their scheduled quitting time. Reasonable accommodations will be made according to the Family Medical Leave Act and, when appropriate, the Americans with Disabilities Act.

It is not the intent of this policy to create a totally inflexible formula for automatic discipline, but rather to provide a mechanism whereby absenteeism and tardiness is reviewed on an individual-case basis to obtain consistency, and, when determined to be excessive, provide an opportunity for corrective action and fairness for all employees. All employees should regard coming to work on time, working their shift as scheduled, and leaving at the scheduled time as essential function of their jobs and an important part of every employee's job description.

SCOPE

This policy applies to all non-exempt (hourly paid) employees.

EMPLOYEE RESPONSIBILITIES

Employees are expected to:

- Be at work when scheduled,
- Be on time, at their workstation, and ready to start work at the start of their shift and following meal and break periods,
- Work a full shift, including scheduled overtime,
- Only be absent on a scheduled work day for an unavoidable cause (illness or compelling personal reasons),
- Communicate with the Company in advance of an absence whenever possible,
- Use the Company Time & Attendance system appropriately to include punching in at the beginning of a shift; punching out for all unpaid breaks and unpaid meal periods, punching in when returning from an unpaid break or unpaid meal period, punching out whenever leaving the Company premises (unless otherwise approved), and punching out at the end of a shift.

UNPLANNED ABSENCE/TARDY/LEAVE EARLY

Prescheduled times away from work using holidays or accrued vacation time and/or personal time (where available) will not be subject to points for the purposes of this policy.

Unplanned Absence:

Unplanned absences include the failure of an employee to report to work, or working less than ½ of a scheduled shift (i.e., 4/8, 6/12 hours, etc.) for which there has not been pre-approved Time Off Request Form submitted.

An absence of multiple days due to the same illness, injury or other incident will be counted as one (1) absence for the purpose of this policy provided that the employee presents a doctor's note certifying illness and excused days upon his/her return.

Tardy:

For hourly paid employees, arrival and departure times will be determined by the time recorded on the time and attendance system. An employee is considered late if he/she punches in after the scheduled starting time.

Leave Early:

The failure of an employee to work an entire shift after having completed more than ½ of a shift (i.e., 4/8, 6/12 hours, etc.).

NOTE: If an employee is scheduled to work overtime and either fails to report or reports after the scheduled start time, points will be charged as noted above.

EXCLUSIONS

This does not include:

- Scheduled, pre-approved vacation,
- Scheduled, pre-approved personal time,
- Scheduled personal business,
- Scheduled religious holiday observance,
- Bereavement,
- Emergency military service,
- Medical or other approved leave of absences,
- Scheduled jury duty or subpoena,
- Emergency hospitalization of employee or immediate family member,
- Employee on-the-job related injury or illness.
- Leave taken for purposes of FMLA

ABSENCE NOTIFICATION

- Employees are expected to notify their immediate supervisor if they are going to be absent or late. If an employee is unable to reach their supervisor, they should call the "M Cubed Report Off Line" at (302) 454-8600; extension 303

prior to the start of the shift. Unless there are extenuating circumstances, notification must take place at least 45 minutes before the scheduled start time. Failure to give proper notification may result in further disciplinary action.

- Employees not on an approved Leave of Absence who will be absent for more than one (1) day must call their supervisor each day of the absence, unless other arrangement have been made.
- Employees who choose to delegate the reporting of their absence by either having someone else contact the Company or by leaving a message with a co-worker (rather than speaking directly with their supervisor) do so at their own risk. The employee will be held accountable for any failure of the intended message to be received by the Company.

POINT SYSTEM

- Each unplanned absence = 1 point (no multi-day occurrences)
- Each late in (tardy) or leave early = ½ point
- Each no call/no show absence = 2 points (includes multi-day occurrences)

Points will be tracked on a rolling 180-day period of active work. Time not actively at work (i.e., a leave of absence) is not included in the 180-day period.

Each point-free calendar year quarter will eliminate points for unplanned absences, tardiness and early out. Calendar year quarters are as follows: 1/1–3/31; 4/1–6/30; 7/1–9/30; 10/1–12/31. Points for a no call/no show absence will not be eliminated until one (1) year after the absence.

Serious, on-going illnesses of an employee or an immediate family member requiring the employee's care for two or more days will be counted as one (1) point. A doctor's written certification of illness may be required. This provision will not apply to the extent that it conflicts with the Family and Medical Leave Act.

CORRECTIVE ACTION PROCESS

An absence, tardy or leave early will be counted together, but as clearly indicated, are assigned different levels of severity.

Step 1:

4 POINTS DURING A 6-MONTH PERIOD – VERBAL WARNING

The purpose of the verbal warning is to make the employee aware that he/she has been absent or tardy frequently enough to draw attention and to be certain that the employee understands this policy and the consequences of future violations. The verbal warning will be documented and placed in the employee's personnel file.

Step 2:

5 POINTS DURING A 6-MONTH PERIOD – FIRST WRITTEN WARNING

The first written warning, delivered by the employee's direct supervisor, serves to formally notify the employee that he/she is in violation of the attendance policy and that additional points will result in further corrective action.

Step 3:

6 POINTS DURING A 6-MONTH PERIOD – FINAL WRITTEN WARNING/SUSPENSION

The final written warning, delivered by the employee's direct supervisor, serves to further formally notify the employee that he/she is in violation of the attendance policy. The final written warning is considered the final step in the corrective action process for attendance and punctuality. The employee will be suspended for three (3) days without pay.

Step 4:

7 POINTS DURING A 6-MONTH PERIOD - TERMINATION

NO CALL/NO SHOW

Employees are reminded that not reporting to work and not calling to report the absence is a no call/no show and is a serious matter. **Three (3) consecutive workdays of a no call/no show is considered job abandonment and will be classified as a voluntary resignation.**

If the employee has already begun the corrective action process for attendance/punctuality and a no call/no show occurs, the corrective action process may be accelerated.

Management may consider extenuating circumstances when determining corrective action for a no call/no show (for instance, if the employee is in a serious accident and is hospitalized) and has the right to exercise discretion in such cases.

PROCEDURES

No corrective actions will be taken without the direct involvement with the plant General Manager. All corrective action discussions/documentation will be delivered by an employee's direct supervisor or manager.

Notwithstanding any other provisions of this policy, should it be determined that the number of absence, tardiness or leave early occurrences have become excessive, appropriate disciplinary action up to and including termination may be taken. New-hire employees who have been with the Company for a short time (6 months or less) and have accumulated what are considered to be excessive absence, tardiness or leave early occurrences may be terminated with or without prior warning.

Management reserves the right to use its discretion in applying this policy under special or unique circumstances.

Failure to return to work after a leave of absence on the date indicated by the employee's physician may result in termination of employment.

**APPENDIX B
POSITION/WAGE CLASSIFICATIONS**

CLASSIFICATION	GRADE	POSITION	DEPT	Prior to Aug 3, 2015	2.0% Aug 2015	2.5% Aug 2016	2.5% Aug 2017	2.5% Aug 2018	3.0% Aug 2019
1	U1-D	Custodian	Facility	\$13.67	\$13.94	\$14.29	\$14.65	\$15.02	\$15.39
2	U2-D	Torso Tile Utility	Armor	\$15.86	\$16.18	\$16.58	\$17.00	\$17.42	\$17.84
2	U2-D	Torso Tile Blaster	Armor	\$15.86	\$16.18	\$16.58	\$17.00	\$17.42	\$17.84
2	U2-D	Industrial Products Operator	Industrial	\$15.86	\$16.18	\$16.58	\$17.00	\$17.42	\$17.84
3	U3-D	Quality Inspector	Quality	\$16.68	\$17.01	\$17.44	\$17.87	\$18.32	\$18.77
3	U3-D	S&R Materials Handler	S&R	\$16.68	\$17.01	\$17.44	\$17.87	\$18.32	\$18.77
3	U3-D	Maintenance Utility	Maintenance	\$16.68	\$17.01	\$17.44	\$17.87	\$18.32	\$18.77
3	U3-D	MMC Operator	MMC	\$16.68	\$17.01	\$17.44	\$17.87	\$18.32	\$18.77
3	U3-D	Feeder Maker	Armor	\$16.68	\$17.01	\$17.44	\$17.87	\$18.32	\$18.77
3	U3-D	Torso Tile Cell Operator	Armor	\$16.68	\$17.01	\$17.44	\$17.87	\$18.32	\$18.77
4	U4-D	Shipping & Receiving Coordinator	S&R	\$18.04	\$18.40	\$18.86	\$19.33	\$19.82	\$20.31
4	U4-D	Quality Technician	Quality	\$18.04	\$18.40	\$18.86	\$19.33	\$19.82	\$20.31
4	U4-D	Industrial Products Layup Technician	Industrial	\$18.04	\$18.40	\$18.86	\$19.33	\$19.82	\$20.31
4	U4-D	Industrial Products Process Technician	Industrial	\$18.04	\$18.40	\$18.86	\$19.33	\$19.82	\$20.31
4	U4-D	Industrial Products CNC Operator	Industrial	\$18.04	\$18.40	\$18.86	\$19.33	\$19.82	\$20.31
4	U4-D	Other Armor Technician	Armor	\$18.04	\$18.40	\$18.86	\$19.33	\$19.82	\$20.31
4	U4-D	Seat Technician	Armor	\$18.04	\$18.40	\$18.86	\$19.33	\$19.82	\$20.31
4	U4-D	MMC Technician	MMC	\$18.04	\$18.40	\$18.86	\$19.33	\$19.82	\$20.31
5	U5-D	Industrial Products CNC Machinist	Industrial	\$23.15	\$23.61	\$24.20	\$24.81	\$25.43	\$26.06
5	U5-D	Senior Technician	Industrial/ Armor	\$23.15	\$23.61	\$24.20	\$24.81	\$25.43	\$26.06
5	U5-D	Furnace Maintenance Technician	Maintenance	\$23.15	\$23.61	\$24.20	\$24.81	\$25.43	\$26.06
5	U5-D	Facilities Maintenance Mechanic	Maintenance	\$23.15	\$23.61	\$24.20	\$24.81	\$25.43	\$26.06
6	U12-D	Industrial Products CNC Machinist Maintenance	Industrial	\$25.09	\$25.59	\$26.23	\$26.89	\$27.56	\$28.25

Probationary employees shall receive 25% less than the classification in which they work. Upon seniority, they shall rise to the appropriate classification as stated in this appendix. Should the Company determine the need for a lead in any of the above job grades, the company will post and

award the job as outlined in Article 7. An employee who is awarded the position of lead will earn an additional 10% above the hourly rate in that grade for as long as they hold the position.

**GENERAL TEAMSTERS
LOCAL UNION NO. 326
New Castle, Delaware**

OFFICERS

Joseph W. Smith, Jr. - President/Business

Paul A. Thornburg - Secretary-Treasurer/Business Agent

Leonard E. McCartney, Jr. - Vice-President/Business Agent

Warren F. Schueler, Jr. - Recording Secretary

TRUSTEES

Richard L. Gibbons, Jr.

Paul R. Bishop

Gene Pytko