

K#9903

AGREEMENT

Between

PACIFIC PISTON RING COMPANY, INC.

And

METAL POLISHERS CONFERENCE, INTERNATIONAL
BROTHERHOOD OF BOILERMAKERS, IRON SHIP BUILDERS,
BLACKSMITHS, FORGERS AND HELPERS, AFL-CIO, LOCAL
LODGE M67

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AGREEMENT

This Agreement is between the PACIFIC PISTON RING COMPANY, INCORPORATED, hereinafter referred to as the "Company", and the METAL POLISHERS CONFERENCE, INTERNATIONAL BROTHERHOOD of BOILERMAKERS, IRON SHIPBUILDERS, BLACKSMITHS, FORGERS and HELPERS, AFL-CIO, LOCAL LODGE M67 hereinafter referred to as the "Union".

ARTICLE ONE – RECOGNITION AND SCOPE OF AGREEMENT

1.1 Pursuant to the certification of representation issued by the National Labor Relations Board, dated June 3, 1977, in Case No. 31-RC-3684, the Company recognizes the Union as the exclusive collective bargaining representative of the employees in the following bargaining units:

Included: All employees including production and maintenance, shipping and receiving employees, and lead persons, employed by the company at its plant located at 3595 and 3620 Eastham Drive, Culver City, CA 90232-0987

Excluded: All business office clerical employees, confidential employees, professional employees, guards, watchmen, foremen, temporary employees, and supervisors as defined in the Act.

ARTICLE TWO – UNION SECURITY

2.1 Each employee in the bargaining unit, within thirty-one (31) days after the date of execution of this Agreement, or the employee's date of hire, whichever is later, shall become a member of the Union as a condition of employment to the extent of tendering the periodic dues and initiation fee uniformly required for membership, and shall remain a member thereof to the extent as a condition of continued employment for the term of this Agreement.

2.2 The Company shall deduct from the pay of each Union member and remit to the Union an amount equivalent of the employee's dues; provided, however, that the employee has voluntarily given the Company an unprovoked written assignment authorizing such deduction and remittance on the authorization form attached hereto as Exhibit "B". The Company will not be responsible for dues, which are past due.

2.3 The Union shall indemnify the Company and hold it harmless against any and all suits, claims, demands or liabilities that may arise out of, or by reason of, any action taken by the Company for the purpose of complying with this Article.

ARTICLE THREE – NONDISCRIMINATION

3.1 The Union and the Company shall comply with all applicable laws prohibiting discrimination in employment on the base of race, sex, color, age, religion, national origin, handicap, or union membership or activities. "Pronouns" whether masculine or feminine, as used throughout this Agreement shall refer to either men or women. When this contract is written in English and Spanish, the English version shall prevail.

ARTICLE FOUR – HOURS OF WORK

4.1 The normal workday for regular full-time employees shall be eight (8) hours, including non-paid lunch periods. The normal workweek for regular full-time employees shall consist of five (5) workdays, Monday through Friday, and shall normally be forty (40) hours in duration. For purposes of this Article (computing overtime pay premiums), a workweek shall be defined as being seven (7) consecutive, twenty-four (24) workdays, beginning at 12:01 am each Wednesday. This Article shall not be construed as, and is not a guarantee of any number of hours of work per day or per week.

For all employees, the work hour shall be broken down into ten (10) six (6) minute segments. An employee shall be noted as late for work if he does not report ready for work at his or her workstation at the starting time. If an employee reports for work late three (3) minutes or more after starting time, he or she shall be docked a major segment of one-tenth (1/10th) of an hour. If an employee fails to clock in or out on his or her time card three (3) times within any three hundred and sixty-five (365) day period, he or she shall be given one (1) day's suspension without pay. The suspension day will be at the company's discretion. If an employee has received a suspension, each subsequent failure to punch in or out, within the same three hundred and sixty-five (365) day period will result in another suspension. If an employee has been given a total of three (3) suspensions, Company will have the right to dismiss the employee.

4.2 Work performed as overtime work must be authorized and approved by supervisor before such work will be paid the overtime premium rate. (a) Overtime premium pay or premium as provided in this Agreement shall not be pyramided, compounded, or paid twice for the same hours worked. (b) Time and one-half (1 ½) the employee's regular straight time hourly rate of pay shall be paid as follows: (i) For all work performed in excess of eight (8) hours per weekday; and (ii) For all work performed in excess of forty (40) hours per workweek. (c) Two (2) times an employee's regular straight time hourly rate of pay shall be paid as follows: (i) Over twelve (12) hours in any one (1) work day; and (ii) On the employee's seventh (7) consecutive workday of any one workweek. (d) The Company shall endeavor to give such employees four (4) hours advance notice of such need to work over time and not later than the end of the shift on Thursday of the need to work overtime on the immediate Saturday and/or Sunday. (e) In those instances, the entire work force is not required to perform overtime work, the overtime work shall be first offered to the employees regularly performing the job or jobs on which the overtime will be performed.

4.3 When an employee reports to work as previously scheduled, he or she shall be guaranteed four (4) hours of work, or pay, except where there is no work as the result of a condition over which the Company has no control, including labor disputes. The Company shall have the right to use the employee in any capacity during such four (4) hours, including holding employees in the plant.

4.4 With five (5) working day's notification to the Union, the Company may institute an alternate workweek for all or part of its work force consisting of four days per week, ten (10) hours per day. The Company shall provide an additional paid rest period of ten (10) minutes. In the event the Company institutes a ten (10) hour workday, overtime pay shall begin after ten (10) hours in any one (1) day.

ARTICLE FIVE – SENIORITY

5.1 A regular full-time employee's seniority shall start from his or her most recent starting date of full-time employment within the bargaining unit. A regular full time employee is one who is employed to regularly work forty (40) hours per week, Monday through Friday. A regular part-time employee's seniority shall start from his or her most recent starting date of part-time employment within the bargaining unit. A regular part-time employee is one who is employed to regularly work less than forty (40) hours per week, Monday through Friday. A temporary employee is one who is hired for a period of up to one hundred and twenty (120) days and is so informed at the time of hire, and who is hired to fill a temporary job, or as a student on vacation, or a co-op student seeking on-the-job training. The four (4) month period may be extended up to an additional two (2) months by mutual agreement of the Company and the Union. Temporary employees do not accrue seniority and are excluded from the bargaining unit. If the employee continues employment beyond the four (4) months, or six (6) month period provided above, he or she shall immediately be covered by all the terms of this Agreement and shall be granted seniority for his or her time of temporary service. If the job continues beyond the four (4) months or six (6) month period provided above, the job shall be filled by a regular employee.

5.2 There shall be separate lists for regular full-time employees and regular part-time employees, and a full-time employee who accepts part-time work, within the bargaining unit, loses his or her full seniority; likewise, a part-time employee who accepts full-time work within the bargaining unit, shall lose his or her part-time seniority.

5.3 There shall be plant-wide seniority for all Union employees. The shop steward will automatically be granted top seniority, only in case of layoff. The Company will have the right to transfer an employee from one position to another and train that employee for such position, regardless of seniority at it's sole discretion. In no case shall the employee incur make lesser pay, if such transfer occurs

5.4 An employee's seniority shall entitle him or her only to such rights as are expressly provided for in this Agreement.

5.5 All regular full-time and part-time employees shall serve a probationary period of ninety (90) calendar days, uninterrupted by any type of service break, during which time they shall be termed "probationary employees". Probationary periods may be extended by mutual agreement between the Union and the Company. There will not be Union initiation fees deducted from a probationary employee's pay until after ninety (90) days. At that time, the initiation amount will be thirty-five (\$35) per month, until they complete paying said fee, plus current dues after thirty (30) days.

Probationary employees may be terminated at any time by the Company in its sole discretion and neither the employee so terminated, nor the Union shall have recourse to the grievance and arbitration provisions of this Agreement. During the probationary period an employee shall not be eligible for employee benefits, including vacation pay, unless expressly provided otherwise in this Agreement. After an employee has successfully completed his or her probationary period of employment, they shall be granted seniority for their time of probationary service.

5.6 An employee shall be removed from the seniority list and his or her employment shall be terminated for the following reasons: (a) in accordance with the Company's work rules; (b) if the employee retires; (c) if the employee quits; (d) if the employee is on layoff for a period equal to his or her plant seniority, whichever is the least amount of time; however, if an employee has five (5) or more years of plant seniority, he or she shall lose their seniority after layoff of a period of two (2) years. (e) If the employee fails to return to work within five (5) working days after being notified by certified mail or telegram from the Company at the employee's last address as shown on the Company's records. This pertains to returns from work layoff only; (f) if the employee fails to report for work at the expiration of a written leave of absence, unless that employee obtains a written continuation of leave on, or before the day of the expiration; (g) if he or she is on sick leave for a period of one (1) year; (h) obtaining any type of leave for the purpose of seeking employment or working elsewhere without the express and prior consent and approval of the Company; (i) if the employee is absent for three (3) days and does not report for work on the fourth (4th) day at the start of his or her shift, and has no acceptable excuse as determined by the company; (j) It is the employee's responsibility to keep the Company notified of his or her correct address and telephone number, and no liability shall fall on the Company if it relies on the last known address on file with the Company; (k) In accordance with any provision of this Agreement wherein termination of employment and loss of seniority are provided for.

ARTICLE SIX – LAYOFF RECALL

6.1 Plant-wide seniority shall prevail in cases of layoff and/or recall where the employee's abilities, experience, training and work records, in the discretion of the company, are equal; provided, that when all of such factors are equal, seniority shall be the determining factor.

6.2 Prior to any reduction in the work force, or simultaneously with any reduction in the work force, or prior to any further reduction in the work force, the Company shall have the right to reduce the workweek to not less than thirty-two (32) hours.

6.3 Part-time employees and apprentices in any department shall be laid off prior to the skilled workers in the department.

6.4 A laid off senior employee, if recalled to a job similar in work content and identical or higher in rate to the job from which they were laid off, shall be required to take the recall, but they shall be returned to their regular job when it opens. Failure to take the job similar in work content or identical or higher in a rate to the job, from which they were laid off, shall result in loss of seniority and termination.

6.5 The order of recalling laid off employees shall be in the inverse order in which the employees are laid off and shall be subject to the same conditions thereof. Notices of recall shall be sent by certified mail or registered mail or telegram to the employee's last known address as shown on the Company's records and it shall be the obligation of the employee to provide the company with a current address and telephone number. A recalled employee shall return to work within five (5) working days, or his or her employment shall be terminated without recourse to the grievance and arbitration provisions of this Agreement unless their inability to report has been, at the Company's sole discretion, excused.

6.6 In the event a recall is necessary on less than five (5) days notice, the Company may call upon the laid off employee(s) either personally, or by telephone until an employee who is able to return to work immediately is located. In such case, the employee able to return to work immediately will be given temporary assignment not to exceed three (3) days, and employees passed over because of their inability to return to work immediately will be given notice to report at the end of said three (3) day period.

6.7 Except under circumstances over which the Company has no control, the company shall give notice on the previous working day of the layoff to any employee who will be laid off for a period greater than five (5) working days.

6.8 An up-to-date seniority list will be furnished to the Shop committee and the Union office ten (10) days after the signing of this Agreement and every three (3) months thereafter. The seniority list shall contain the name, clock number, seniority dates (department/plant-wide) and current classification of the employees.

6.9 Temporary layoffs, not exceeding five (5) working days resulting from such conditions as material shortage, machine breakdowns, acts of nature, fires, property or plant damages, shortages in natural gas or electricity, failure of lighting for power or heating facilities, etc., may be made without regard to other terms and provisions of this Article.

6.10 Plant wide seniority shall be applied for the following purposes: (a) In computing the probationary period. (b) In computing vacation leave and vacation pay credits. (c) In determining holiday and eligibility. (d) In determining eligibility for fringe benefits coverage such as hospital, medical and surgical insurance coverage. (e) In resolving possible conflicts in vacation scheduling for purposes of time off work during vacation periods.

ARTICLE SEVEN – LEAVES OF ABSENCE

7.1 A leave of absence is considered to be unexcused absence, without pay and will be granted at the Company's sole discretion. Request for such leave should be made in writing to the Company with a copy to the Union, on forms available from supervisors. An approval or denial in writing will be returned to the employee with a copy to the Union.

7.2 Failure of an employee to return to work on the scheduled time will result in termination, unless the employee has been granted an extension to his or her leave of absence.

ARTICLE EIGHT – HOLIDAYS

8.1 The following days shall be recognized holidays and regular full time employees will be paid eight (8) hours pay at their hourly rate of pay, regardless of the day of the week on which they may fall: New Year's Day; Memorial Day; Independence Day; Labor Day; Two (2) Floating Holidays, to be named by the Company; Thanksgiving Day; The Day after Thanksgiving Day; The Day before Christmas; and Christmas Day.

8.2 If a holiday falls on Saturday, the Friday before the holiday shall be considered the recognized holiday, and should the holiday fall on Sunday, the day observed by the State or Nation shall be recognized as the holiday.

8.3 If a recognized holiday falls within an employee's vacation period, the employee will receive his or her full vacation pay in addition to the holiday pay as provided in this Article.

8.4 In order to be eligible for holiday pay, an employee must work his or her regularly scheduled workday before and after said holiday, unless they are absent for justifiable cause (such as illness or death in the immediate family requiring their presence or pressing personal business), or other reason concurred in by the Company and the Union. The Company may require verification of such absence.

8.5 Regular part time employees shall receive prorated benefits pursuant to this Article at the rate of fifty percent (50%) of the regular full time employee.

ARTICLE NINE – REST PERIODS – WASH UP TIME

9.1 The Company will grant all employees two rest periods, one fifteen (15) minute paid rest period, to be taken in the first half of the employee's shift and a ten (10) minute rest period in the second half of the employee's shift, to be paid at the employee's hourly rate of pay.

9.2 The Company will grant the employees a paid wash-up time of three (3) minutes before lunch and a two (2) minutes wash-up before the end of the employee's shift. All employees will work up to the buzzer before wash-up time. One (1) minute before the end of break period and/or lunch period, a warning buzzer will sound to inform employees that it is time to return to work. When the second buzzer sounds signifying the end of the period, all employees must be at their workstations.

ARTICLE TEN – VACATIONS

10.1 Regular full time employees shall be eligible for full vacation pay as stated in Section 10.2, if they complete two thousand eighty (2,080) working hours, including paid holidays and earned vacation time (not disability or medical leave time), in the period from July 1 through June 30. Vacation pay will be paid on or about July 1. Employees who do not have the two thousand eighty (2,080) hours shall receive a pro-rated share of their earned vacation based on the number of hours worked from July 1 through June 20. (a) A new employee must complete one (1) full year or 2,080 hours to be eligible for vacation pay. There will be no pro-ration. (b) Employees with one (1) to five (5) years of service will be pro-rated up to 2,020 hours. (c) Employees with five (5) to ten (10) years of service will be pro-rated, up to 1,920 hours. (d) Employees with ten (10) or more will be pro-rated, up to 1,760 hours, and (e) Vacation pay will be based on the acceleration of hours in a fifty-two (52) week period, starting on or about July 1 and ending on or about June 30 depending on how the starting and ending pay period falls.

10.2 * If said employee, prior to July 1 of that calendar year, has completed with the Company not less than one (1) year continuous service, said employee will be eligible for one (1) week of vacation pay of forty (40) hours. * If said employee, prior to July 1 of that calendar year has completed with the Company not less than two (2) years and six (6) months continuous service, said employee will be eligible for two (2) weeks of vacation pay of eighty (80) hours. * If said employee, prior to July 1 of that calendar year, has completed with the Company not less than nine (9) years and six (6) months of continuous service, said employee will be eligible for three (3) weeks of vacation pay of one hundred and twenty (120) hours. * If said employee, prior to July 1 of that calendar year, has completed with the Company not less than fourteen (14) years and six (6) months of continuous service, said employee will be eligible for four (4) weeks of vacation pay of one hundred and sixty (160) hours. * If said employee, prior to July 1 of that calendar year, has completed with the Company not less than nineteen (19) years and six (6) months of continuous service, said employee will be paid for five (5) weeks of vacation, two hundred (200) hours, but may only take four (4) weeks of vacation time off.

10.3 Vacation pay shall be computed on the base of the said employee's hourly rate of pay at the time employee is paid his or her vacation.

10.4 All vacation scheduling must be approved by the department foreman in writing on the company's forms not less than fifteen (15) days in advance. No approval will be unreasonably withheld.

10.5 Regular part-time employees shall receive prorated benefits pursuant to this Article at the rate of fifty percent (50%) of a regular full-time employee.

10.6 Under current California State Law, an employee upon termination will receive prorated vacation pay in accordance with the amount of months worked up to the termination date. If an employee voluntarily quits, the Company is not required to pay any prorated vacation pay.

ARTICLE ELEVEN – SICK LEAVE PAY

11.1 Each employee shall be entitled to three (3) days paid sick leave per contractual year. Employees who have less than one (1) year employment will not be eligible until they have completed their one (1) year. Any unused sick leave pay shall be paid to employee by adding onto his/her vacation pay. Subject to language in Article Ten, Vacation 10.1.

ARTICLE TWELVE – SAFETY

12.1 The Company shall furnish safety apparel or safety equipment as required by Law; however, safety apparel and equipment so furnished by the Company must be utilized on jobs designated by the Company. The Company shall furnish aprons at no cost to the employees and will determine the job needing aprons and also the quality of the aprons. The employees receiving aprons will be held responsible for their maintenance and loss.

12.2 All employees, regardless of job, are required to wear safety/prescription glasses, in the shop area. Each employee is responsible for his or her own safety glasses and must replace them if lost or damaged.

ARTICLE THIRTEEN – HEALTH INSURANCE

13.1 The Company's health insurance plan in effect as of the effective date of this Agreement, or another substantially equivalent plan, shall be continued in full force and effect for the duration of this Agreement. The company agrees to notify the Union in writing of any changes sixty (60) days in advance during this agreement. Once an employee turns 65 years of age, they will transfer from the company supplied insurance to Medicare and will incur the same cost levels as employees covered under the HMO.

The Company shall contribute eighty percent (80%) of the premium for each employee. Each employee shall pay the remaining twenty percent (20%) of said employee's premium. The Company shall pay fifty percent (50%) of the premium for dependent coverage, with the employee paying the remaining fifty percent (50%). Prescription drugs with a co-pay charge and office visits with a co-pay charge are part of the present health insurance system. Health insurance benefits may be subject to change during the term of agreement, thus affecting the monthly premiums as well. If any employee is off work for illness, the Company will review the case and pay the health insurance premium for one (1) month, at the Company's sole discretion.

13.2 Regular part time employees are excluded from coverage of this Article.

ARTICLE FOURTEEN – GRIEVANCE AND ARBITRATION

14.1 A grievance is defined as any complaint or dispute as to the interpretation or application of specific provisions of this Agreement. Grievance filed by employees or the Union shall be processed in accordance with the procedure set forth below.

Step 1 – The grievance must be presented orally to the employee's immediate supervisor in an effort to resolve the grievance informally. Such oral presentation must occur prior to filing a written grievance in Step 2. In case of discharge, Step 1 shall be omitted.

Step 2 – In order for the grievance to be considered further, within seven (7) calendar days after occurrence, on which the grievance is based, the grievance must be presented in writing to the Company's designated representative. The written grievance must allege the violation of a specific provision of this Agreement and set forth in detail all grounds upon which such allegation is based. The parties shall meet in an attempt to resolve the grievance within ten (10) calendar days after the Company's receipt of the written grievance. The Company's representative shall respond to the grievance in writing within ten (10) calendar days after such meeting. Such response shall set forth the reasons for the Company's position.

Step 3 - If the grievance is not resolved in Step 2, the Union shall have ten (10) calendar days after receipt of the Company's Step 2 response in which to notify the Company in writing that it intends to take the grievance to arbitration.

14.2 If the Company wishes to file a grievance, a written grievance shall be mailed to the Union within ten (10) calendar days after the occurrence on which the grievance is based. Such written grievance shall describe the occurrence and set forth the specific provision of this Agreement upon which it is based. The parties shall meet in an attempt to resolve the grievance within ten (10) calendar days after the Union's receipt of the written grievance. The Union shall respond to the grievance in writing within ten (10) calendar days after such meeting. If the grievance is not resolved, the Company shall have ten (10) calendar days after receipt of the Union's written response in which to notify the Union in writing that it intends to take the grievance to arbitration.

14.3 The following shall apply if a grievance is taken to arbitration: (a) If the parties are unable to agree on an impartial arbitrator, they shall, with ten (10) calendar days of mailing the notice of intent to take the grievance to arbitration, jointly submit to the Federal Mediation and Conciliation Service, a request for a list of seven (7) local arbitrators. (b) The parties shall meet within five (5) calendar days after receipt of said list for the purpose of attempting to select one of the individuals named therein. If they are unable to do so, the party which requested arbitration shall strike three (3) names from said list. The other party then shall strike three (3) names. The individual whose name remains shall be the arbitrator. (c) A hearing on the grievance shall be held at the time and place designated by the arbitrator, at which both parties shall be allowed to present their respective positions, evidence and arguments. (d) The arbitrator's decision shall be rendered in writing and shall be final and binding on the parties and on the affected bargaining unit employee. It shall be issued not more than thirty (30) calendar days after the close of the hearing or filing of briefs, if any, whichever is later. (e) The arbitrator shall have no authority: (i) To amend, modify, change, add to or subtract from, any provision of this Agreement; (ii) To base any decision on any practice or custom which is inconsistent with any provision of this Agreement; or (iii) To render an award on any grievance occurring before the date, or after the termination date of this Agreement. (f) The fees and expense of the arbitrator shall be borne equally by both parties.

14.4 The time limits set forth in this Article may be extended by mutual agreement between the Union and the Company. If a grievance is not processed within the time limits and in accordance with the procedural requirement set forth in this Article, the grievance shall be considered waived. If a party fails to respond to a grievance within the time limits set forth in this Article, the other party may appeal the grievance immediately to the next Step.

ARTICLE FIFTEEN – WORK STOPPAGES

15.1 During the term of this Agreement, neither the Union nor its agents, nor any employees, individually or collectively, shall call, support, or participate in any strike, work stoppage, picketing, sit-down, or any refusal to enter the Company's premises, or any other interference with any of the Company's services or operations, or with the movement or transportation of goods to or from the Company's premises.

The above paragraph shall apply whether or not the prohibited conduct described is caused by; (i) dispute with the Company; (ii) sympathy for non-unit employees (either employees of the Company or employees of any other Company); or (iii) any other reason, including, but not limited to, political protest, civil rights, consumer protest, or environmental protest. If any conduct prohibited by the first paragraph above occurs, the Union shall immediately take all steps necessary to terminate such conduct.

15.2 Any employee who participates in any activity prohibited by Section 15.1 shall be subject to discharge or a lesser discipline as the Company, in its sole discretion, shall determine.

15.3 There shall be no lockout of employees by the Company during the term of this Agreement.

15.4 For violation of the foregoing, the Company and the Union shall be entitled to all appropriate remedies, including, but not limited to, injunctive relief and damages.

15.5 The Union will not be responsible for any unauthorized strike or work stoppage by employees, provided that it takes all reasonable steps to get the employees back to work.

ARTICLE SIXTEEN – PROFIT SHARING PLAN

16.2 The Company's profit sharing plan in effect as of the effective date of this Agreement, or other substantially equivalent plan, shall be continued in full force and effect for the duration of this Agreement. Employee eligibility shall be set forth in such plan. The Company's contribution shall not be increased except at the sole discretion of the Company.

ARTICLE SEVENTEEN – MANAGEMENT

17.1 The Company retains, solely and exclusively, all the rights, powers and authority that it exercised or possessed prior to the execution of this Agreement, except as specifically abridged by an express provision of this Agreement. Without limiting the foregoing, the rights, powers and authority retained solely and exclusively by the Company and not abridged by this Agreement, including, but are not limited to, the following: To manage, direct and maintain the efficiency of its business and personnel; to manage and control its departments, buildings, facilities and operations; to create, change, combine or abolish jobs, departments and facilities, in whole or part; to subcontract or discontinue work for economic or operational reasons; to direct the work force; to increase or decrease the work force and determine the number of employees needed; to hire, transfer, promote, suspend, discharge for just cause, and maintain the discipline and efficiency of its employees; to lay off employees, to establish work standards, schedules of operation, and workloads; to specify or assign work requirements and require overtime; to change working hours, shifts and days off, to adopt rules of conduct and safety, and penalties for violation thereof; to determine the scope of work to be performed and the services to be provided; to determine the methods and processes, means and places or providing services; to determine the location and re-location of facilities; to modify or eliminate any past employment practices, and to effect technological changes.

ARTICLE EIGHTEEN – BULLETIN BOARDS

18.1 The Company shall provide two (2) bulletin boards, exclusively for the use of the Union for posting of Non-controversial notices, and these shall be restricted to: (a) Notices of Union recreational and social affairs. (b) Notices of Union elections. (c) Notices of Union appointments and results of Union elections. (d) Any other matter pertaining to the Union activities, (but not political activities).

18.2 Neither the Union, nor anyone acting as the Union's agent, shall distribute handbills or other Union materials during working time. The Company will receive a copy of all notices prior to posting.

ARTICLE NINETEEN – WAGES

19.1 Effective on the first pay period beginning in December 2018 each bargaining unit employee* shall receive a fifty cent (\$0.50) per hour wage increase. Effective on the first pay period May 2019 each bargaining unit employee* shall receive a thirty cent (\$0.30) wage increase. Furthermore, after receiving the merit raise, an employee will be evaluated in an additional three (3) months to retain such merit raise. The evaluation will be discussed with each employee. During each step of the evaluation process, the employees shall be made aware of their evaluation, by his/her supervisor. The Union will retain the right to make sure all employees are evaluated for the merit raise. *As of July 1, 2019, employees making less than the new California Minimum wage of \$14.25 will receive the additional wage increase to be compliant with State Law.

19.2 No employee will suffer any lost wages while going to or returning from the clinic, on a job related accident, to be determined at the Company's discretion.

19.3 Attached hereto is Exhibit "A", showing the schedule of job classification, and minimum rates.

ARTICLE TWENTY – UNION REPRESENTATIVES

20.1 Upon twenty-four (24) hours notice, the company shall permit the Business Representative of the Union to have access to the working areas of the Company's plant for purposes related to administration of this Agreement.

20.2 The Union may appoint or elect not more than two (2) Stewards and the Union shall notify the Company of the names of persons so appointed or elected and the authority of those persons to act on behalf of the Union.

20.3 The Company shall pay the Union Steward when the Steward is handling Union business and grievances at the plant. The Steward will be required to have management's approval before conducting Union business at the plant.

ARTICLE TWENTY-ONE - NOTICES

21.1 Notices by the Union to the Company shall be mailed or delivered to the following address: Pacific Piston Ring Company, Inc., 3620 Eastham Drive/P.O. Box 987, Culver City, CA 90232-0987

21.2 Notices by the Company to the Union shall be mailed or delivered to the following address: International Brotherhood of Boilermakers, Iron Shipbuilders, Blacksmiths, Forgers and Helpers, AFL-CIO, C/O Fred Rumsey, P.O. Box 5370 Pasco, WA. 99302.

ARTICLE TWENTY-TWO - SCHOOLING

22.1 The Company will pay additional twenty-five cents (\$0.25) per hour to an additional fifty cents (\$0.50) per hour wage increase to employees who complete selected courses. The Company will loan "tuition fees" to employees who enroll in selected courses and will forgive the loan when an employee completes said course. It is understood that employees must complete the course in a satisfactory manner before the Company will forgive the loan. (English is considered an acceptable course for employees to enroll in). The Company will test in January all employees who receive the fifty-cent (\$0.50) raise for learning English on reading and understanding manufacturing outlines.

ARTICLE TWENTY-THREE - BARGAINING OBLIGATION

23.1 The Company and the Union acknowledge that during negotiations which resulted in this agreement, had the unlimited right and opportunity to make proposals with respect to all proper subjects of collective bargaining and that said subjects have been discussed and negotiated upon, and the agreements contained herein were made after the free exercise for such rights and opportunities. The Company and the Union, therefore, for the life of this Agreement, voluntarily and unqualifiedly waive the right, and each agrees that the other shall not be obligated, to bargain collectively, with respect to any subject or matter not specifically addressed in this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of either the Union, the Company, or both, at the time of negotiating and executing this Agreement.

ARTICLE TWENTY-FOUR - SAVING CLAUSE

24.1 Should any provision of this Agreement be determined to be contrary to State or Federal Statute, such provision shall continue in effect only to the extent permitted by law, and all other provisions of this Agreement shall remain in full force and effect.

ARTICLE TWENTY-FIVE - TERM OF AGREEMENT

25.1 This Agreement shall become effective **December 1, 2018**, and shall continue through midnight **November 30, 2019**. Thereafter, it shall extend itself annually from year to year, unless either party gives written notices, by registered or certified mail, to the other party, of intent to modify, amend, or terminate this Agreement at least sixty (60) days, but not more than ninety (90) days, immediately prior to **November 30, 2019**. Upon termination of this Agreement, whether by expiration of its term or otherwise, all rights and obligations of the Company, the Union, and the employees under this Agreement shall cease.

Pacific Piston Ring, Co., Inc.

**Metal Polishers Conference
International Brotherhood of
Boilermakers, Iron Shipbuilders,
Blacksmiths, Forgers and Helpers,
AFL-CIO, Local Lodge M67**

EXHIBIT "A"

Job Classification and Progression Wages

Classification	Minimum Starting Wage Rate	
	July 1, 2018	July 1, 2019
Industrial Ring Department/Machine Operator	\$13.25	\$14.25
Automotive Ring Department/Machine Operator	\$13.25	\$14.25
Tooling Machinist	\$13.25	\$14.25
Maintenance	\$13.25	\$14.25
Automotive Ring Department/Packaging and Shipping	\$13.25	\$14.25
Industrial Ring Department/Packaging and Shipping	\$13.25	\$14.25
Plating Department	\$13.25	\$14.25
Industrial Ring Department/Inspector	\$13.25	\$14.25
Automotive Ring Department/Inspector	\$13.25	\$14.25
Custodian	\$13.25	\$14.25

The Company agrees that it will be in compliance with California and/or Federal Laws Governing the minimum hourly wages when hiring or employing employee(s).

EXHIBIT "B"

PAYROLL DEDUCTION AUTHORIZATION

I, the undersigned employee of Pacific Piston Ring Company, Inc. (The Company), authorize and direct the Company to deduct from my paycheck Union dues and initiation fees in accordance with the collective bargaining agreement between the Company and The Metal Polishers Conference, International Brotherhood of Boilermakers, Iron Shipbuilders, Blacksmiths, Forgers and Helpers, AFL-CIO, Local Lodge M67, (The Union).

I agree that the Company shall be held harmless against any claims, demands, suits or liabilities which may arise as a result of action taken by the Company for the purpose of complying with this authorization. I certify that this authorization is made voluntarily and without any interference, restraint or coercion of any type.

Signed and dated this _____ day of _____

Name

Address

Social Security Number

EXHIBIT "C"

GENERAL CONDITIONS

- 1. Supervisors to show more respect towards production employees and all production employees to show more respect for supervisors.**
- 2. Written warnings shall not remain in effect for a period of more than two (2) years from date of issuance.**