

K#9905

**AGREEMENT**

**BETWEEN**

**VALEX CORP.**

**AND**

**INTERNATIONAL BROTHERHOOD OF BOILERMAKERS,  
IRON SHIP BUILDERS, BLACKSMITHS, FORGERS AND HELPERS,  
METAL POLISHERS DIVISION,  
LOCAL UNION NO. 67, AFL-CIO-CFL**

**EFFECTIVE: MARCH 18, 2018  
DURATION: MARCH 17, 2021**

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**AGREEMENT**

This Agreement is made and entered into March 18, 2018, by and between VALEX CORP. for and on behalf of the hereinafter specifically designated employees only employed in the hereinafter specifically designated facilities only, to wit, the facilities located at 6080 Leland Street, Ventura, California 93003 (hereinafter called the "COMPANY" or "EMPLOYER"), and the INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIP BUILDERS, BLACKSMITHS, FORGERS AND HELPERS, METAL POLISHERS DIVISION, LOCAL UNION NO. 67, AFL-CIO-CFL (hereinafter called the "UNION").

This Agreement shall constitute the complete Agreement between the parties. There are no other Agreements written or oral.

Now, therefore, in consideration of the mutual promises and agreements herein contained, the parties hereto agree as follows:

**ARTICLE ONE - NON-DISCRIMINATION**

1.1 The Company and the Union agree that they will not discriminate against any employee covered by this Agreement because of such employee's age, race, color, creed, religion, sex, national origin, handicapped status as defined by law, or membership or non-membership in the Union.

1.2 Pronouns, whether masculine or feminine as used throughout this Agreement shall refer to either men or women.

**ARTICLE TWO - RECOGNITION**

2.1 For the term of this Agreement, the Company recognizes the Union as the exclusive bargaining representative for the purpose of collective bargaining with respect to wages, hours, and working conditions for only the following described employees of the Company employed at its facilities located at 6080 Leland Street, Ventura, California only, for which employees the Union was certified as collective bargaining representative by the National Labor Relations Board in Case No. 31-RC-6034.

**Included:** All production and maintenance employees, including polishers, grinders, welders, machinists, quality control employees and shipping/receiving employees employed by Valex Corp. at its 6080 Leland Street, Ventura, California location.

**Excluded:** All office clerical employees, professional employees, guards, and supervisors as defined in the Act.

2.2 Nothing contained in this Article shall be construed so as to imply any rights, obligations or benefits not expressly provided for elsewhere in this Agreement, nor shall this provision be construed to be, or effect, a modification of any of the other terms of this Agreement.

**ARTICLE THREE - UNION MEMBERSHIP**

3.1 All employees covered by this Agreement, and all employees subsequently hired and covered by this Agreement, must become and remain members of the Union in good standing after thirty-one (31) days of the date of hire, or date of execution of this Agreement, whichever is later, as a condition of employment.

3.2 The Employer agrees on or before the first business day of each month to notify the Union of the name or names of all bargaining unit persons hired during the previous month.

3.3 The Union agrees that written notice shall be given to the Company at least seven (7) calendar days before any regular employee is to be removed from his employment by reason of his failure to maintain his membership in good standing in the Union.

3.4 The Company shall deduct from the second paycheck of each month and turn over to the Union for duration of this Agreement, initiation fees, and/or dues of such members of the Union as individually and voluntarily authorized in writing, such authorizations to comply with the Labor Management Relations Act of 1947.

#### **ARTICLE FOUR - HOURS OF WORK**

4.1 The normal work week shall begin at 12:01 a.m. on Monday. The normal workweek shall consist of forty (40) hours per week, eight (8) hours per day, five (5) days per week. This section shall not be construed as a guarantee or warranty of days or hours of work.

4.2 At the Employer's sole discretion, it may institute an alternate work week for all or part of its work force consisting of four (4) days per week ten (10) hours per day. This section shall not be construed as a guarantee or warranty of days or hours of work.

(a) In the event the Employer institutes a ten (10) hour work day, overtime pay shall begin after ten (10) hours of work in one day.

4.3 Any person reporting to work pursuant to request by the Employer shall be guaranteed a minimum of four (4) hours work or pay in lieu thereof unless the employee is notified not to report one (1) hour before starting time. This section shall not apply to employees who are not regularly scheduled to work or who have been advised to check in via telephone or appearance to determine whether work is available. This section shall not apply to situations beyond the control of management.

4.4 All employees called in on non-scheduled work days, including Saturday or Sunday, shall be guaranteed four (4) hours of work or pay in lieu thereof.

4.5 One and one-half (1 1/2) times the regular rate of pay as herein provided shall be paid for all hours worked: (Hours worked shall only include paid working hours, paid vacation hours, and paid holiday hours.)

(a) In excess of eight (8) hours of work in any one day;

(b) In excess of forty (40) hours in any one week.

4.6 Two (2) times the regular rate of pay as herein provided shall be paid for all hours worked:

(a) In excess of twelve (12) hours in any one (1) day;

(b) In excess of sixty (60) hours in any one (1) week.

4.7 The employer may institute a second shift, third shift, or split shift if, in the Employer's sole discretion, such a change would further the convenience of the Employer.

4.8 No employee shall continue working beyond his or her designated shift end time, unless authorized by the Employer.

4.9 Overtime assignments shall be within the Employer's sole discretion and shall be mandatory.

4.10 Each employee shall be given a paid fifteen (15) minute rest period, twice each day, which insofar as possible, shall be half way between the beginning of work and lunch time and half way between lunch time and end of the work day. Employees shall also receive a one-half (1/2) hour unpaid lunch period which insofar as possible will be scheduled near the midpoint of their work day. Employees working less than five (5) hours shall not receive a lunch period. Management shall determine all such lunch and break times.

4.11 Management shall determine all shift start and end times.

4.12 Management shall determine each employee's shift and will give five (5) working days notification to the employee in the event of a shift change.

#### **ARTICLE FIVE - HOLIDAYS**

5.1 The following holidays shall be granted to all regular non-probationary employees who work or are on pre-approved vacation or on paid bereavement leave the scheduled day before and scheduled day after the holiday, regardless of which day of the week the holiday falls. Any holiday that falls on a non-work day shall be paid for at the straight time rates of pay set forth in this Agreement.

New Year's Day	Thanksgiving Day
Presidents Day	Day After Thanksgiving Day
Memorial Day	Christmas Day
Independence Day	One (1) Floating Holiday (designated by the company
Labor Day	with five (5) days notice)
	One (1) Floating Holiday (designated by the employee and approved
	by the company with five (5) days notice)

5.2 In the event a scheduled holiday falls on a weekend day, the Employer shall in its sole discretion determine which day shall be observed as the holiday. The Employer shall give employees at least five (5) days notice of the day the holiday will be observed.

5.3 Employees required to work on any of the foregoing holidays shall receive in addition to their regular holiday allowance, a guarantee of four (4) hours of work at their regular rate of pay; all pay at straight time for all hours worked on such holiday up to eight (8) hours and time and one-half (1 1/2) for all hours over eight (8) hours.

5.4 Employees eligible for holiday pay shall be entitled to compensation on the basis of eight (8) hours at the employee's straight time hourly rate.

5.5 When a holiday falls during an employee's vacation period, the employee shall receive an additional day of vacation, or pay in lieu thereof at the sole discretion of the Employer.

5.6 Employees shall be eligible for holiday pay when on an approved bereavement leave the day before or the day after a holiday.

#### **ARTICLE SIX - SENIORITY**

6.1 Seniority shall be a considered factor in promotions to higher classifications. In the event of a lay off, the least senior employee shall be laid off first, provided the more senior employee is fully qualified to do the available work. Recall notice shall be effected by certified mail or telegram to the employee's last known address. As used herein, fully qualified shall mean that the employee has the experience, qualifications, ability, and fitness to perform the work.

6.2 New employees shall be deemed probationary employees until the completion of ninety (90) days of employment. The Employer may discharge any employee during this probationary period or any extensions thereof, without regard to the limitations of this Agreement. All regular employees who are retained by the Employer after the end of the probationary period shall be considered as regular employees with seniority to be credited from date of hire, and all of the provisions of this Agreement shall be deemed in full force and effect as to such employee. Upon notification by the Employer to the Union, the probationary period of any employee shall be extended an

6.3 An employee shall not acquire seniority until such time as he or she has completed the required probationary period or extensions thereof provided in this Agreement.

6.4 Regular employees are defined as those employees who have completed the required probationary period and who are scheduled to work not less than thirty (30) hours per week.

6.5 Seniority shall be lost by:

- (a) Voluntary quit or termination for cause; or
- (b) Unauthorized absence for three (3) days or more; or
- (c) Failure to return to work after an authorized leave of absence or vacation; or
- (d) Failure of laid off employee to return to work within three (3) working days after notice by Company to return to work sent to employee's last known address; or
- (e) Working elsewhere while on leave without the consent of the Company; or
- (f) In the event of lay off for lack of work in excess of six (6) months in the case of employees with more than one (1) year seniority at the time of the lay off (not including probationary periods), or lay off due to lack of work in excess of ninety (90) days in the case of employees who have less than one (1) year seniority at the time of the lay off (not including probationary period); or
- (g) In the event of absence from work due to illness or injury in excess of one (1) year.
- (h) In the event of layoff, employees with five (5) or more years of service shall be given one (1) weeks pay in lieu of notice.

#### ARTICLE SEVEN - VACATIONS

7.1 An employee completing sixteen hundred and fifty (1650) hours of work in the previous twelve (12) months of his employment shall, on his anniversary date of employment, be entitled to vacation with pay as follows:

- (a) After one (1) year of employment, one (1) week of vacation pay.
- (b) After two (2) years of employment, two (2) weeks of vacation pay.
- (c) After six (6) years of employment, three (3) weeks of vacation pay.
- (d) After fifteen (15) years of employment, four (4) weeks of vacation pay.

7.2 If the convenience of the business allows, an employee who is entitled to two (2) weeks of vacation may take said vacation time in two (2) separate blocks of one (1) week each.

7.3 If the convenience of the business allows, an employee who is entitled to three (3) weeks of vacation may take vacation time in three (3) separate blocks of one (1) week each.

7.4 If the convenience of the business allows, an employee who is entitled to four (4) weeks of vacation may take vacation time in four (4) separate blocks of one (1) week each.

7.5 Vacations of one week or more must be scheduled at least fourteen (14) days in advance of the actual time a vacation is to be taken. Vacations of less than one week must be scheduled at least two (2) days in advance of the actual time a vacation is to be taken. In the event of more than one (1) request occurring for the same vacation time, the most senior employee shall be given the first choice. However, the Employer's decision regarding

vacation schedules shall be final.

7.6 The Employer and the Union agree that no vacation shall be earned until an employee completes at least sixteen hundred fifty (1650) hours of work. Any employee completing twelve (12) months of employment and who terminates their employment during the succeeding year shall be entitled to prorate vacation pay based upon length of service.

7.7 Pro-rated vacation shall be computed as follows: employees who have worked from two (2) to five (5) years shall receive a sum equal to two (2) times the employee's daily wage for each full thirty (30) days of employment over six (6) months since the last anniversary date, up to maximum of ten (10) days; employees who have worked six (6) years or more shall receive three (3) days pay for each full thirty (30) days over six (6) months since the last anniversary date of employment up to a maximum of fifteen (15) days.

Exceptions: Any employee who is terminated for cause pursuant to the discharge provision of this Agreement or quits without at least two (2) weeks notice shall forfeit said vacation pay.

7.8 Vacation pay will be paid on the pay day immediately preceding the employee's vacation period.

7.9 Vacation pay or entitlement shall not be prorated except as provided herein.

7.10 Employees using a bank direct deposit service will not be able to have their vacation check paid in advance.

7.11 The estate of an employee who dies, shall be paid for the balance of vacation which he/she has accrued at that time.

#### ARTICLE EIGHT - GRIEVANCE PROCEDURE

8.1 In the event of any grievance as to the meaning or interpretation or alleged violation of any provisions of this Agreement, the employee shall proceed as follows:

Step 1 - Take up the grievance with the immediate supervisor within three (3) days of the occurrence of the event complained of.

Step 2 - If no resolution of the grievance under Step 1, the employee will file a written grievance with the Human Resources Department within five (5) business days from the answer in Step 1.

Step 3 - In the event of a failure to accomplish the settlement or adjustment thereof within five (5) business days after the written filing with the Human Resources Department, either party may, by written notice to be other, refer the matter to arbitration as provided in Article Nine, Arbitration.

8.2 Grievances to be considered shall refer to the specific contract section or provision alleged to be violated.

8.3 There shall be no interruption of work during the settlement of a grievance.

8.4 The time lines in the above grievance steps may be extended with mutual consent of the Employer and the Union.

#### ARTICLE NINE - ARBITRATION

9.1 When a grievance is not settled pursuant to Article Eight, then the matter may be referred to arbitration by written notice by either party to the other. The Union and the Company may agree to select from a list of nine (9) local arbitrators submitted by the Union; or either Company or the Union shall forthwith request the Federal Mediation and Conciliation Service to submit a list of seven (7) impartial arbitrators. From the list submitted by the foregoing service, the Company and the Union shall, within ten (10) working days of receipt of the list, alternately strike names until one (1) name remains. Whether the Company or the Union makes the first deletion from said list of seven (7) names shall be determined by lot in the case of each arbitration. The time periods herein may be extended by agreement of the parties.

The Arbitrator shall be empowered to determine the time and place of hearing, if the parties cannot agree, and shall, if possible, submit a written decision to both parties within thirty (30) days after the conclusion of the hearing and a submission of briefs, if any. The parties shall attempt to agree upon the issue to be submitted to the Arbitrator, but if no agreement, each may separately state the issue to be submitted to the Arbitrator. The fee and expense of the Arbitrator and cost of hearing room and any transcript shall be paid one-half (1/2) by the Company and one-half (1/2) by the Union.

9.2 The decision of the Arbitrator shall be final and binding upon the Company and the Union and the employees, and in any event such Arbitrator shall have no power to add to, subtract from, change or modify any provision of this Agreement and shall be authorized only to interpret the express provision of this Agreement alleged to have been violated, with due regard to law, and to apply the contract to specific facts of the disputed grievance submitted. The Arbitrator shall only have jurisdiction to determine whether or not the Company violated the identified specific contract provision in the respect alleged in the grievance and the written demand for arbitration, but he or she may consider to the extent applicable the entire contract in reaching such a decision. If he or she finds such a violation and thereafter there is a dispute between the parties with reference to the remedy, upon the request of either party, the Arbitrator may determine the appropriate remedy not inconsistent with this Agreement, for such violation.

Grievances and disputes which the Union or an employee does not allege are violations of and specific provisions of this contract are not subject to arbitration. This Article shall not apply to the following:

- (a) The no strike and no lockout clause.
- (b) No matter which is an unrestricted right of management under the Management Security clause.
- (c) The wage structure of the Agreement.

All claims for back wages shall be limited to the amount of wages that the employee otherwise would have earned, less any unemployment compensation or compensation for personal services that he or she may have received or could with diligent effort have received from any source during the period in questions.

#### ARTICLE TEN - LEAVES OF ABSENCE

10.1 The Employer may grant a reasonable leave of absence to an employee, upon written application and based upon the sole needs of the Employer. The employee and the Union shall be given written notice of the terms and conditions of any leave of absence granted. A reasonable leave of absence shall not exceed thirty (30) days, unless extended by the Employer, with notice to the Union.

10.2 Any employee who undertakes other work or employment during any leave of absence, without first securing permission from the Employer, automatically cancels such leave of absence and will be considered to have voluntarily terminated his employment.

10.3 Any employee granted a leave of absence shall be considered to have voluntarily terminated his employment by his failure to appear and be available for work on his or her scheduled return day.

10.4 Inability to work because of proven sickness or injury, shall not result in loss of seniority rights. An employee on sickness or disability leave of absence for one (1) year or more shall lose all seniority rights.

10.5 Employees may take a pregnancy disability leave based upon proof of disability. Employees shall notify the Employer of the beginning and ending of any pregnancy disability leave.

10.6 Any employee who is granted a leave of absence of more than one (1) week shall pay to the Employer prior to the start of the leave of absence, an amount equal to the required premium for health insurance or other benefits to keep such benefits in full force and effect. In the event an employee fails to make such payment, the Employer shall not be obligated to make any payments to any benefit plan for, or on behalf of, employee during said employee's leave of absence. Employer shall not be obligated to make payments until the next reporting period after the employee returns to work, unless the employee has arranged to keep the plans current.

**EXCEPTION:** Health insurance benefits shall not be canceled, nor the employee required to make such premium, with the exception of the employee contribution for coverage, in regards to the Family Rights Act.

#### 10.7 Military Clause

Section 1 Employees enlisting or entering the military or naval service of the United States of America pursuant to the provisions of USERRA Act of 1994, shall be granted all rights and privileges provided by the Act.

Section 2 All employees shall be granted a leave of absence in order to fulfill their obligations to

serve in the military services of the United States, active or reserve, including any state or federal National Guard.

10.8 Employees shall not be entitled to accrue or receive holiday pay, vacation pay, sick leave pay, or any other type of employee benefit under this Agreement during the periods of any such leaves of absence.

10.9 The Employer agrees to abide by all State and Federal laws relevant to FMLA, DFEH Legislation.

#### **ARTICLE ELEVEN - UNION BULLETIN BOARD**

11.1 The Union may provide a bulletin board, no larger than 36" by 48". Said bulletin board shall be located at the sole discretion of the Employer in a location frequented by employees.

11.2 Non-controversial materials related to Union meetings and social events may be posted on the bulletin board without the approval of the Employer. Other materials may be posted only upon approval by the Employer.

#### **ARTICLE TWELVE - HEALTH INSURANCE**

12.1 On the 31<sup>st</sup> day of employment, regular full-time employees and their qualified dependents are eligible for the Company's benefits package called Reliance Rewards. Employees shall pay a portion of the monthly premiums, for which they will receive health, dental, vision, life, AD&D, short-term disability, and long-term disability insurance. In addition, and at the employee's sole expense, Reliance Rewards offers supplemental insurance to increase the individual values of life, AD&D, short-term disability and long-term disability insurance. Also, and again at the employee's sole expense, the Company offers a voluntary Flexible Spending Plan (FSA) for health-related and/or dependent care-related expenses. For purposes of the benefits package, full-time employment shall mean a regular schedule of 30 or more hours per week. Employees scheduled to work less than 30 hours per week will be eligible to participate in the benefit plan, and shall make payments directly to the Company for the full cost of the premiums.

12.2 The Company's obligation shall be only to share the cost of the premiums, as they are not an insurer. The Company reserves the right to change or modify the benefits package and employee premiums. Employees covered by this agreement will pay the same amount for their benefits as employees not covered by this agreement.

#### **ARTICLE THIRTEEN - SAFETY AND HEALTH**

13.1 The Company shall make reasonable provisions for the safety and health of its employees during the hours of their employment and all protective devices, wearing apparel (except footwear) and other equipment necessary to properly protect employees from injury, shall be provided by the Company. It shall be mandatory for employees to use them when required to do so by the company.

13.2 An active Company Safety Committee shall be maintained at all times. This Committee shall consist of employee representatives of the Company and the Union. The Committee shall meet at reasonable times and shall conduct a Plant Safety tour once a month. No Committee member shall lose pay for time spent in connection with approved Safety Committee business.

13.3 If the equipment provided by the Company is damaged by the employee or not returned to the Company, the cost of the equipment shall be deducted from the employee's final check upon termination.

13.4 The Company Prescription Safety Glass Policy, Company Safety Shoe Policy, Company Clothing Allowance Policy, and Company Safety Incentive Bonus Plan will be continued during the term of this agreement.

#### **ARTICLE FOURTEEN - INDUSTRIAL ACCIDENTS**

14.1 If any employee sustains an industrial injury, and there is medical evidence that such injury prevented him from continuing work on the day of the injury, he or she shall be entitled to pay for all hours lost on such day up to a maximum of eight (8) hours, provided, that in the event the employee is permitted to return to work, he or she shall do so within a reasonable time after release by a medical doctor, but in any case, not more than one (1) hour after release.

14.2 In the event an employee who has suffered an industrial injury is required to make return visits to a medical doctor after return to work, such employee shall schedule said visits outside of working hours. The Employer may demand proof that the visit could not be scheduled outside of working hours and that the employee did visit the medical doctor.

14.3 Any employee suffering an injury on the job, shall immediately report said injury to a supervisor or management official of the Company (not a leadperson). Any employee failing to do so prior to the end of the working shift in which the injury occurred, shall be subject to discipline up to and including discharge. The Company and the Union agree that this penalty shall be utilized as a means of encouraging proper notification of industrial injuries. It is not and shall not be construed to be a penalty against any employee for suffering an

industrial injury or during any industrial injury claim. The measure of discipline in such cases shall not be subject to the grievance and arbitration provisions of this Agreement.

#### **ARTICLE FIFTEEN - SICK LEAVE**

15.1 On the first day of employment temporary and regular employees shall receive 24 hours of paid sick leave for the current calendar year. Each calendar year thereafter, on January 1<sup>st</sup>, regular employees will receive 40 hours of paid sick leave, and temporary employees will receive 24 hours of paid sick leave. These hours are not accrued and do not carry over from year to year. As a reward for good attendance, regular employees will be paid for unused sick leave hours in the month of December (usually in the pay check just prior to the Christmas holiday). Sick time may not be used until the employee (temporary or regular) completes 90 days of employment.

15.2 Sick leave may be used for diagnosis, care or treatment of your existing health condition or preventative care, or that of your family members. For purposes of sick leave, family members include children, parents, spouses, registered domestic partners, grandparents, grandchildren, and siblings. Sick leave may also be used for victims of domestic violence, sexual assault, stalking, or other violent crimes.

15.3 Sick leave may not be taken in increments less than one (1) hour.

15.4 Sick leave will be paid at your regular straight time rate in effect when the sick leave is taken, and will not count toward overtime calculations. Payment for sick leave will be made to you no later than the next regular pay period following your use of the sick leave.

#### **ARTICLE SIXTEEN - DISCHARGE AND DISCIPLINE**

16.1 The Company shall have the right to discharge or otherwise discipline any employee for any of the reasons set forth in Appendix "B" attached hereto and made a part hereof, or for other cause, and it is expressly understood that cause for discharge or other discipline is by no means whatever limited to reasons set forth in Appendix "B".

16.2 In the event an employee is discharged, he or she shall leave the Company premises immediately provided, however, that if he or she wishes to file a grievance alleging that the discharge was not for just cause, he or she may first promptly file such written grievance with the Steward and leave the premises immediately.

16.3 The Company's failure to invoke discharge or the strictest form of other discipline on one (1) occasion for the commission of an offense constituting cause for discharge or discipline shall not affect the right of the Company to invoke discharge or a different or stricter form of other discipline for a later or different commission of the same offense.

16.4 The Company and Union agree that the system of progressive discipline (two [2] warnings and one [1] suspension before discharge except for notification as described in appendix "d") shall be used to correct behavior and educate employees. Warnings need not be for the same offense and shall remain valid for one (1) year from the date of issuance. However, progressive discipline need not be utilized for the items identified in Appendix "B" by an asterisk (\*).

#### **ARTICLE SEVENTEEN - PAYDAY**

17.1 The regular payday of each week shall be Friday. If the employees work on the second or swing shift, their regular payday shall be Thursday of each week.

#### **ARTICLE EIGHTEEN - WAGES**

18.1 Wage schedule "A" attached hereto is made a part hereof and shall be the schedule of wages to be paid to all employees covered by this Agreement.

#### **ARTICLE NINETEEN - UNION VISITS**

19.1 The Union Representative which will be either an International Representative from the International Union or a Representative from the Local Union will have access to the Company premises to conduct legitimate Union business.

19.2 Upon arriving at the facility, any Union representative must first present himself to an authorized management official at the office. No entry of working areas may be made without the Employer's express advance approval.

19.3 One Chief Steward and one Alternate Steward may be elected or appointed on each shift by the Union to represent the employees in the unit. The Alternate Steward shall serve as Steward only in the absence of the Chief Steward. The Chief Steward or, in the absence of the Chief steward, the alternate steward will not lose any wages while conducting legitimate Union business, such as processing grievances, and administering the contract.

19.4 Prior to the Steward conducting Union business, the Steward will ask for and obtain permission from his immediate supervisor or the production manager of his intent. This privilege shall be exercised in a reasonable manner so that no unnecessary time is lost by the Company.

19.5 Any Union agent, officer or official shall complete a non-employee security agreement as a condition of entry to the Employer's facility.

#### **ARTICLE TWENTY - SUBCONTRACTORS**

20.1 The Company shall have the sole and unfettered right to contract or subcontract any work it chooses, within its sole discretion and without notice.

#### **ARTICLE TWENTY-ONE - PROHIBITION OF STRIKES / LOCKOUTS**

21.1 During the term of this Agreement, or any extension of this Agreement, the Company shall not lockout its employees covered by this Agreement, and no strike shall be caused or sanctioned by the Union or its members, and neither the Union nor any of its members, agents or representatives, nor any employee, shall call, cause, authorize, instigate, participate in, aid, condone, encourage, ratify or engage in any sit-down, stay-in, or other strike, sympathy strike, picketing, walkout, slowdown, or stoppage of work, or directly publicize by any means whatsoever that the Company is unfair or that there is a dispute between the Company and any labor organization, or prevent or attempt to prevent the access of persons to the Company's facilities, equipment or materials for any reason whatsoever, or interfere or attempt to interfere with the Company's materials, equipment or supplies for any reason whatsoever, and the Union will not cause or engage in, nor will any member, agent or representative of the Union or any employee take part in, any boycott of any kind directed against the Company, any sympathy strike or wildcat strike, or any other economic action detrimental to the Company.

21.2 The prohibitions of Section One of this Article shall apply whether or not the dispute giving rise to the prohibited conduct is subject to arbitration. Furthermore, neither the violation of any provision of this Agreement by the Company, nor the commission of any act by the Company constituting or alleged to constitute an unfair labor practice, or a violation of any State or Federal Law, shall excuse the Union, or any of its members, agents or representatives, or any employee from their obligations under the provisions of Section One of this Article.

21.3 In the event of an alleged violation or violations of any provision of Section One of this Article by the Union, its members, agents or representatives, or by any employee:

- (a) Any such employee shall be subject to discipline up to and including discharge; and
- (b) The Union shall direct such employees to resume normal operations immediately.

21.4 The Company and the Union shall be entitled to all appropriate remedies for any breach of the foregoing provisions, including but not limited to injunctive relief and damages, whether or not the dispute giving rise to the conduct which violate such Section is subject to arbitration.

21.5 The provisions of the Article are cumulative and not intended to be exclusive of any other remedies or other means of redress to which the Company or Union may be entitled.

#### **ARTICLE TWENTY-TWO - SUCCESSORS AND ASSIGNS**

22.1 This Agreement shall be binding on the parties hereto only and shall not be applicable or binding upon any successor, purchaser or assigner of any party hereto.

#### **ARTICLE TWENTY-THREE - NOTICES**

desirable or necessary by either party, to give notice to the other, it shall be deemed sufficient notice and service thereof if such notice is sent by registered or certified mail, and if given by the Union, shall be addressed to the Company at 6080 Leland Street, Ventura, California 93003 and if given by the Company it shall be addressed to the assigned international representative from the International Brotherhood of Boilermakers.

#### **ARTICLE TWENTY-FOUR - INSUBORDINATION**

24.1 All employees covered by this Agreement shall comply with a reasonable order of a supervisor unless said order is dangerous to said employee or other employees.

24.2 Any employee refusing a reasonable order shall be subject to discharge. In such instances of insubordination, an arbitrator hearing any such case shall have no authority to modify any discipline rendered unless he or she finds that the employee refused an order of a supervisor because said order would result in danger to himself or other employees. As used herein, danger shall be defined as a possibility of injury or death resulting from performance of the order requested by the supervisor.

#### **ARTICLE TWENTY-FIVE - SUPERVISORS**

25.1 The Employer shall have sole authority to designate supervisors, lead persons and group leads.

25.2 Supervisors may perform any duty deemed by the Employer in its sole discretion, to further the interest of the Employer.

25.3 An Employee promoted by the Employer to a position with the Company outside the bargaining unit shall retain his/her seniority for a period of one (1) year.

#### **ARTICLE TWENTY-SIX - MANAGEMENT RIGHTS**

26.1 The right of management in the operation of its business is unlimited except as it may be expressly and specifically restricted by the provisions of this Agreement, and this Agreement is the sole Agreement between the parties.

#### **ARTICLE TWENTY-SEVEN - HIRING AND EMPLOYMENT**

27.1 The Employer shall, at the time of hire, provide each new employee the name and address of the Union.

27.2 The decision to hire any person shall be within the discretion of the Employer.

#### **ARTICLE TWENTY-EIGHT - WORK IN DIFFERENT CLASSIFICATIONS**

28.1 The classifications and wages set forth in this Agreement are to be used to describe the work and compensation for the work each employee normally performs. However, the Union and the Employer recognize that it is in the best interests of the employees and the Employer to allow employees exposure to differing types and categories of work. Accordingly, employees shall receive the rate of pay specified for his or her classification unless:

- (a) He or she works in a different classification for sixty (60) days in a ninety (90) day period, or
- (b) He or she has been permanently assigned to a new classification.

28.2 No employee shall have his wages reduced as a result of these provisions unless it was his/her choice to be demoted.

#### **ARTICLE TWENTY-NINE - ATTENDANCE**

29.1 It is the intent of the Union and the Company to encourage continuous and regular attendance by employees. Accordingly, absences from work shall be subject to disciplinary action under Appendix "D"

**ARTICLE THIRTY - RETIREMENT PLAN**

30.1 Employees covered by this Agreement are entitled to participate in the Valex 401(k) Savings Plan.

**ARTICLE THIRTY-ONE - BEREAVEMENT LEAVE**

31.1 Employees shall be allowed up to a three (3) days paid bereavement leave for each death in the immediate family. Immediate family shall be defined as the employee's spouse, brother, sister, father, mother, children, father-in-law, mother-in-law, grandmother and grandfather.

31.2 The Employer may require verification of death and relationship. Pay shall be at eight (8) hours times the employee's straight time rate. Bereavement pay will not be paid in addition to any other form of pay and cannot be cashed out.

**ARTICLE THIRTY-TWO - SAVINGS CLAUSE**

32.1 Should any part of the Agreement or any provision contained therein be rendered invalid by reason of any existing or subsequently enacted legislation, or by decrees of any Court, such invalidation of such part or portion of the Agreement shall not invalidate the remaining portions, which shall remain in full force and effect.

32.2 If any provision of the Agreement is declared invalid, the parties shall meet to negotiate a substitute provision for such invalid provision.

**ARTICLE THIRTY-THREE - TEMPORARY EMPLOYEES**

33.1 The Employer reserves the right to employ temporary employees in such numbers and at such times as management deems necessary. Said temporary employees shall not participate in any of the benefits of employment provided in this Agreement.

33.2 Temporary employees shall not accrue seniority. However, temporary employees who are hired by the Company will get credit for time worked if they have worked forty (40) or more hours per week for a period of ninety (90) days.

33.3 Temporary employees shall be paid wages established by the temporary employment agency supplying them or such wages as the Employer establishes if said employees are not supplied by an agency.

**ARTICLE THIRTY-FOUR - TERM OF AGREEMENT**

34.1 This Agreement shall remain in full force and effect for three (3) years from March 18, 2018 until midnight March 17, 2021 inclusive, and shall automatically renew itself from year to year thereafter, unless either party serves notice on the other in writing at least sixty (60) days prior to March 17, 2021, or any subsequent anniversary date thereof, of its desire to terminate this Agreement.

FOR THE UNION:

FOR THE COMPANY:

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**APPENDIX "A" - WAGE SCHEDULE**

Department/Classifications	Rate 3/18/2018	Rate 3/18/2019	Rate 3/18/2020
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**CUT BEND AND FORM**

Bending and Forming "A"	\$22.15	\$22.65	\$23.15
Bending and Forming "B"	\$20.32	\$20.82	\$21.32
Bending and Forming "C"	\$18.48	\$18.98	\$19.48

Machine Operator "A"	\$22.15	\$22.65	\$23.15
Machine Operator "B"	\$20.32	\$20.82	\$21.32
Machine Operator "C"	\$18.48	\$18.98	\$19.48

Cutting "A"	\$18.48	\$18.98	\$19.48
Cutting "B"	\$16.64	\$17.14	\$17.64
Cutting "C"	\$14.80	\$15.30	\$15.80

**EXTRUDE AND HONE**

EH Operator "A"	\$19.37	\$19.87	\$20.37
EH Operator "B"	\$16.64	\$17.14	\$17.64
EH Operator "C"	\$14.80	\$15.30	\$15.80

**WAREHOUSE**

Warehouse "A"	\$19.84	\$20.34	\$20.84
Warehouse "B"	\$17.53	\$18.03	\$18.53
Warehouse "C"	\$14.80	\$15.30	\$15.80

**MACHINE SHOP**

Tool Maker	\$26.77	\$27.27	\$27.77
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Machinist "A"	\$26.77	\$27.27	\$27.77
Machinist "B"	\$22.02	\$22.52	\$23.02
Machinist "C"	\$18.53	\$19.03	\$19.53

**MECHANICAL POLISHING**

Rework Coordinator	\$23.34	\$23.84	\$24.34
Combo Coordinator	\$21.69	\$22.19	\$22.69
Combo	\$20.32	\$20.82	\$21.32

Polisher "A"	\$19.37	\$19.87	\$20.37
Polisher "B"	\$16.64	\$17.14	\$17.64
Polisher "C"	\$14.80	\$15.30	\$15.80

**QUALITY CONTROL**

Inspector "A"	\$25.85	\$26.35	\$26.85
Inspector "B"	\$21.23	\$21.73	\$22.23
Inspector "C"	\$16.64	\$17.14	\$17.64

**CLEAN AND PACK**

Fittings Process Tech "A"	\$18.15	\$18.65	\$19.15
Fittings Process Tech "B"	\$16.98	\$17.48	\$17.98
Fittings Process Tech "C"	\$16.21	\$16.71	\$17.21

Valves Process Tech "A"	\$18.48	\$18.98	\$19.48
Valves Process Tech "B"	\$16.98	\$17.48	\$17.98
Valves Process Tech "C"	\$16.21	\$16.71	\$17.21

Tube Process Tech "A"	\$18.48	\$18.98	\$19.48
Tube Process Tech "B"	\$16.98	\$17.48	\$17.98
Tube Process Tech "C"	\$16.21	\$16.71	\$17.21

**WELDING**

Welder "A"	\$25.40	\$25.90	\$26.40
Welder "B"	\$23.98	\$24.48	\$24.98
Welder "C"	\$20.32	\$20.82	\$21.32

Welder-Production "A"	\$20.94	\$21.44	\$21.94
Welder-Production "B"	\$17.80	\$18.30	\$18.80
Welder-Production "C"	\$14.80	\$15.30	\$15.80

**ELECTRO POLISH**

EP Fittings "A"	\$19.37	\$19.87	\$20.37
EP Fittings "B"	\$16.64	\$17.14	\$17.64
EP Fittings "C"	\$14.80	\$15.30	\$15.80

EP Tube "A"	\$19.37	\$19.87	\$20.37
EP Tube "B"	\$16.64	\$17.14	\$17.64
EP Tube "C"	\$14.80	\$15.30	\$15.80

**GENERAL HELPER**

Helper "A"	\$14.80	\$15.30	\$15.80
Helper "B"	\$13.41	\$13.91	\$14.41
Helper "C"	\$12.97	\$13.47	\$13.97

**MAINTENANCE**

Electronic Technician	\$26.12	\$26.62	\$27.12
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Maintenance Person Chemical Handler	\$19.26	\$19.76	\$20.26
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Maintenance Mechanic "A"	\$24.72	\$25.22	\$25.72
Maintenance Mechanic "B"	\$22.90	\$23.40	\$23.90
Maintenance Mechanic "C"	\$21.08	\$21.58	\$22.08

Maintenance Helper "A"	\$21.08	\$21.58	\$22.08
Maintenance Helper "B"	\$19.26	\$19.76	\$20.26
Maintenance Helper "C"	\$17.40	\$17.90	\$18.40

Waste Treatment Operator "A"	\$16.90	\$17.40	\$17.90
Waste Treatment Operator "B"	\$16.55	\$17.05	\$17.55
Waste Treatment Operator "C"	\$16.21	\$16.71	\$17.21

Leadperson - Leadperson will be paid one dollar and fifty cents (\$1.50) per hour over their classification or one dollar and fifty cents (\$1.50) per hour over the highest paid classification under their direction, whichever is greater. Loaned employees are considered to be working in the classification for which they are loaned.

Group Leadperson - Group Leadperson will be paid five dollars (\$5.00) per hour over their regular classification."

**Shift differential -**

An Employee assigned by the Company to a work schedule designated by the Company as Second Shift shall receive a shift premium of \$0.75 per hour.

An Employee assigned by the Company to a work schedule designated by the Company as Third Shift shall receive a shift premium of \$1.00 per hour.

**APPENDIX "B"**  
**CAUSE OF DISCHARGE**

Employees may be discharged for just cause. Just cause for discharge includes, but is by no means whatever limited to, the following and other offenses of similar seriousness:

Progressive discipline need not be utilized for the items identified by an asterisk (\*).

1. \* Falsifying of time cards, production count or any other company record or document relating to employment.
2. \*Deliberately punching a time card of another employee or having another employee punch one's time card.
3. \*Leaving the plant during working hours or removing property from the plant without first obtaining specific permission from the appropriate manager.
4. \*Stealing.
5. \*Destroying, damaging or defacing company property, customer's property or other employee's property.
6. \*Assaulting, threatening or intimidating another person, fighting or causing a fight or other disturbance on company property.
7. \*Being under the influence of, using or drinking or possessing intoxicating beverage on company property.
8. \*Being under the influence of, using or possessing any illegal drug on company property.
9. \*Refusal to submit to a medical doctor test to determine whether employee is under the influence of alcohol or drugs.
10. Gambling on company property at any time.
11. \*Possessing weapons on company property.
12. Repeatedly being absent or tardy.
13. Repeatedly failing to clean work area as required, or creating unsanitary conditions.
14. Smoking, except at designated times and in designated places.

15. Engaging in practical jokes, "horse play" or unnecessary boisterous or disturbing conduct that impedes efficiency, production or safety.
16. \*Being insubordinate or failing or refusing to perform work assigned.
17. Repeatedly disregarding work rules.
18. Being absent from regular workstation without specific permission of supervisor.
19. Failing to start work promptly at start of shift, when lunch period ends and end of break.
20. Eating, drinking or cooking except at break time or lunch time and except in specified areas.
21. Reporting for work without the required work clothing or safety equipment.
22. \*Disregarding safety rules.
23. Failing to continue work until end of shift or beginning of lunch or break period, unless specifically authorized.
24. Failure to notify employer of absence within two (2) hours of shift start time.
25. Acceptance of employment with any organization, which does business with the company or is a competitor of the company.
26. Creating scrap or poor-quality material due to carelessness.
27. Solicitations of any kind during working hours.
28. \*Release of proprietary or confidential information.
29. Making malicious, false or derogatory statements that may damage the integrity or reputation of Valex Corp., its employees, clients or vendors.
30. Intentionally delaying punch-in/out while standing at or near the clock.
31. Failed to take lawfully required meal or rest periods during work shift.

#### **APPENDIX "C" DEFINITIONS**

- Act shall mean the Labor Management Relations Act of 1947, as amended.
- Agreement shall mean this document and subsequent addenda, corrections, and modifications, if signed by an officer of the Company as well as an authorized Union representative.
- Company shall mean Valex Corp.
- Company property shall mean any hardware, software, drawings, documents, tools, equipment, and materials owned by the Company, as well as the real property, which includes all buildings, sheds, landscaped areas, and parking lots.
- Contract shall mean the same as Agreement.
- Contract employee shall mean an employee of another company doing work for Valex.
- Days shall mean calendar days, not business days, unless otherwise defined.
- Employer shall mean Valex Corp.
- Management shall mean any Valex supervisor or higher-level staff.
- Proprietary or confidential information shall mean drawings, specifications, reports, process instructions, manuals, samples, photographs, or other documents or verbal communication containing information unique to Valex, which may be beneficial to Valex competitors.
- Regular employee shall mean a Valex employee who is not on his or her initial probationary status.
- Union shall mean the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, Metal Polishers Division, Local Union No. 67, AFL-CIO-CFL.

...beginning with an employee's scheduled start-time and ending with the employee's scheduled stop-time, exclusive of lunch and break periods.

#### **APPENDIX "D" ATTENDANCE, TARDINESS, AND NOTIFICATION POLICY**

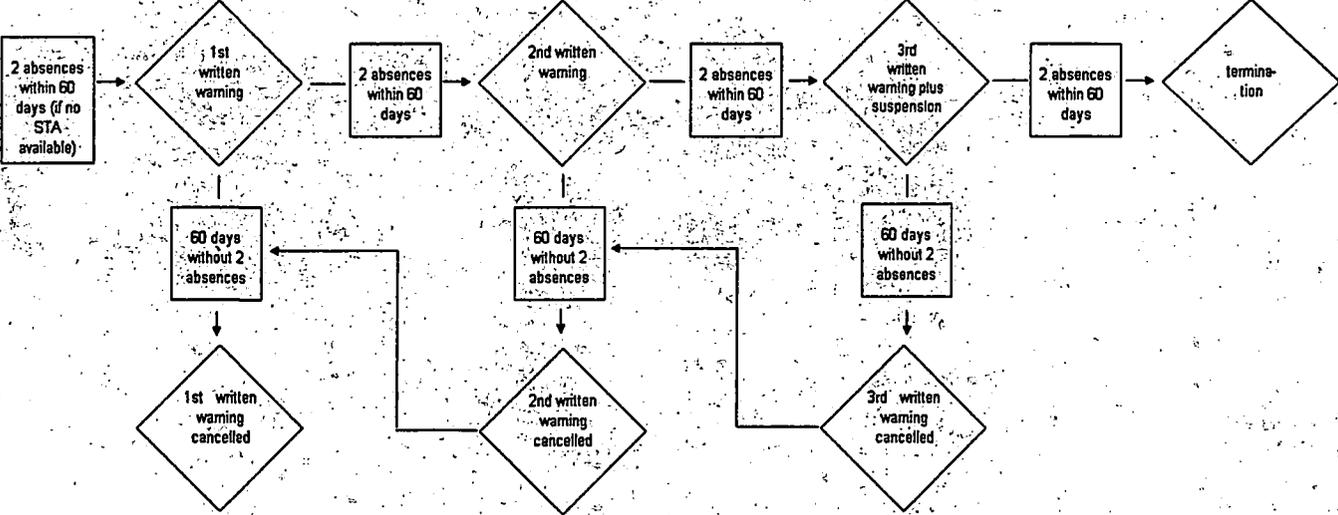
Absenteeism and tardiness diminish the efficient operation of the company and increase the burden on fellow employees. It is the intent of the Union and the Company to encourage continuous, prompt, and regular attendance. Furthermore, it is the employee's responsibility to contact his or her supervisor within two hours of his or her scheduled start time each day that the employee is not able to be at work at the scheduled time. Accordingly, the Company shall render disciplinary action as listed below. Absence covered by Bereavement (Article Thirty-one), Short Term Absence (Article Fifteen), or Leaves of Absence (Article Ten) do not apply to this policy (except that only 20-hours per year are sheltered from discipline for partial-day absences). Furthermore, State and Federal laws may shelter certain absences from this policy. A doctor's release will be required for consecutive absences of three days or more due to illness or injury.

(a) Attendance: An absence is defined as one-hour or more away from work during a scheduled work day. After sick leave has been exhausted, or if sick leave is not yet earned, subsequent absences are subject to discipline as follows: Two absences within 60-days will result in first written warning. Two more absences within the next 60-days will result in second written warning. Two more absences within the next 60-days will result in third written warning with a three-day unpaid suspension. Two more absences within 60-days after suspension, will result in termination. Each last previous warning drops off after 60-days without two absences. The time line starts anew every January 1<sup>st</sup>. Short Term Absence must be used if available. Each day away from work counts as one incident, except for consecutive days of absence for the employee's illness or injury. The employee must still notify his/her supervisor each day within two-hours of his/her scheduled start time per (c) Notification. Reference attached flow chart for clarification.

(b) Tardiness: A tardy is defined as less than one-hour away from work during a scheduled work day. The seventh tardy within a six-month period, will result in first written warning. Two more tardies within a 30-day period will result in second written warning. Two more tardies within a 30-day period will result in third written warning with a three-day unpaid suspension. Two more tardies within 30-days after suspension, will result in termination. The most recent outstanding prior warning will be cleared for each ninety-day period with less than two tardies. Reference attached flow chart for clarification.

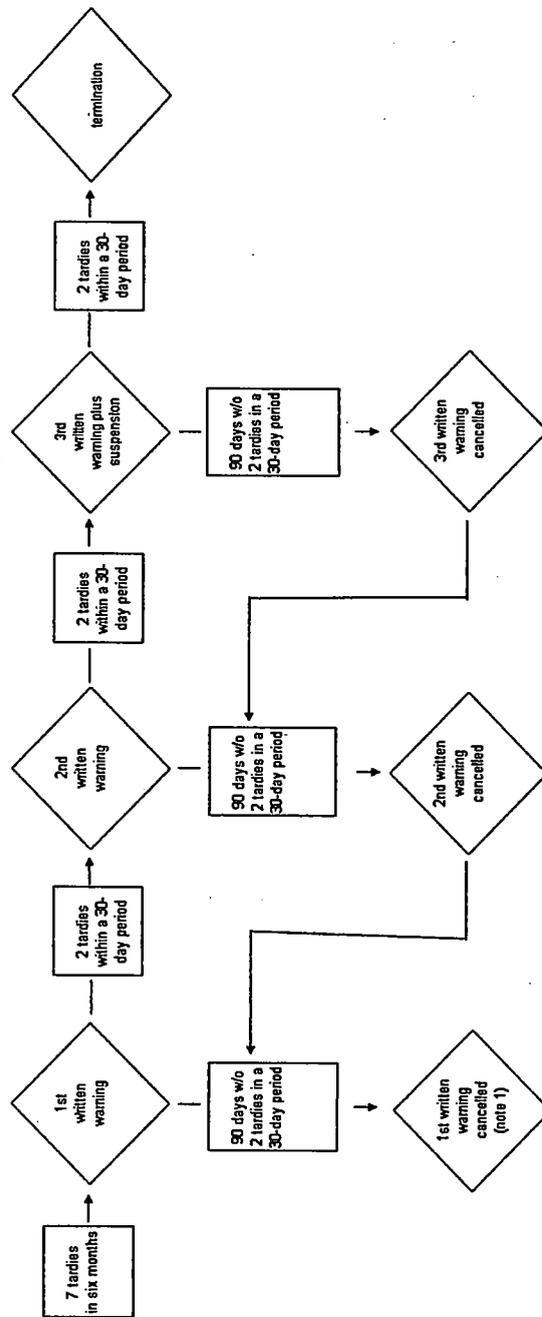
(c) Notification: Upon the first incidence of failure to notify his or her supervisor of absence within two hours of his or her start time, the employee will receive a first written warning. Upon the second incidence of failure to notify his or her supervisor of absence within two hours of his or her start time, the employee will receive a second written warning with a one-day unpaid suspension. Upon the third incidence of failure to notify his or her supervisor of absence within two hours of his or her start time, the employee will be terminated. Warnings issued under this section will drop off one year following the date the warning is issued.

**ABSENCE POLICY FLOW CHART (REV 3/18/03)**



Note: Timeline starts anew on January 1 of each year.

**TARDY POLICY FLOW CHART (REV 3/18/03)**



Note: If 1st written warning has been cancelled, 4 violations within any 90-day period will result in a 1st written warning for a period of one year from cancellation of last warning.

**APPENDIX "E" - CLOCKING IN AND CLOCKING OUT**

Each employee is required to clock in at his/her scheduled starting time, and clock out at his/her scheduled ending time. Employees must clock out for no less than 30 minutes for required meal periods, and if they leave the premises on personal business. Employees who leave the premises on company business do not have to clock out.

- (a) Employees may not clock in prior to their scheduled shift start time. Employees may clock in up to five (5) minutes past their scheduled start time without suffering lost time or tardiness (time will be rounded back to their scheduled start time). Employees may not clock out more than five (5) minutes past their schedule shift stop time unless specifically authorized to do so by their supervisor. Late clock outs can result in unauthorized overtime, which will result in progressive discipline.
- (b) Failure to clock out will result in a written warning for the first infraction. The second infraction will result in a written warning. The third infraction will result in a written warning with an unpaid three-day suspension. The fourth will result in termination. It will not be considered an infraction if the employee neglected to clock out after having been asked to work unscheduled overtime.

**(c) Failure to clock in will be considered a tardy violation and will be combined with other infractions of the tardy policy.**

**(d) Each employee is required to punch his/her own time card, and may not punch another's time card.**