

K# 9906

# COLLECTIVE BARGAINING AGREEMENT

BETWEEN



WEG TRANSFORMERS USA



AND

THE INTERNATIONAL UNION OF ELECTRONIC, ELECTRICAL,  
SALARIED, MACHINE, AND FURNITURE WORKERS -  
COMMUNICATION WORKERS OF AMERICA, AFL-CIO

LOCAL 1114/86114



A Force for Working Families AFL-CIO

EFFECTIVE SEPTEMBER 24, 2017

THROUGH

SEPTEMBER 25, 2021

Michael Dawson  
573 - 205 - 0763

**Communications Workers of America  
Industrial Division  
IUE-CWA Local 86114**

**GRIEVANCE NO:**

**EMPLOYEE** \_\_\_\_\_ **DATE** \_\_\_\_\_

**We protest the unfair action by the company:** \_\_\_\_\_

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**This is a violation of section \_\_\_\_\_ Article \_\_\_\_\_ Paragraph \_\_\_\_\_  
and any other section or paragraph that may be applicable.**

**We request this condition be corrected immediately. We also request that all  
aggrieved employees be fully compensated for loss of pay due to the company's actions and  
in all other ways be made whole.**

\_\_\_\_\_

**(Employees Signature)**

\_\_\_\_\_

**(Stewards Signature)**

**Communications Workers of America  
Industrial Division  
IUE-CWA Local 86114**

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## AGREEMENT

THIS AGREEMENT is made and entered into by and between **WEG Transformers USA LLC.**, (WTU) Washington, Missouri, plants hereinafter referred to as "Company", and Local No. 1114/86114 affiliated with The International Union of Communication Workers of America, AFL-CIO, hereinafter referred to as "Union". Now, therefore, the Company and the Union agree as follows:

### ARTICLE ONE Recognition

Section 1. The Company recognizes the Union as the collective bargaining representative for all production and maintenance employees and truck drivers employed by the Company at its plants located in the Washington, Missouri metropolitan area, but excluding therefrom office clerical and professional employees, technical employees, quality control inspectors/testers, working foremen, guards, and supervisors as defined in the Act.

**The Company agrees to work towards creating a more visible partnership between the Company and the Union. Such efforts shall include, but not limited to, the following: Union identification with future work uniforms, signage outside and inside of facility, branding of products with Union logo if possible.**

Section 2. It is the intent and the purpose of the parties hereto that this Agreement shall serve to establish the rate of pay and all of the other terms and conditions of employment of the employees covered hereby.

### ARTICLE TWO Management Rights.

Section 1. The Company shall have the exclusive right and authority to administer and/or manage the Company's business, to direct the working force and the employees hereby and, without attempting to list herein all of these Management rights, the rights and authority of the Company shall include, among other rights, the right to subcontract, the right to set shift schedules and shift work week, the right to expand, sell, transfer and/or terminate all or part of its operations, the right to reward employees by merit increases, by promotion or by other means, the right to discharge or otherwise discipline employees for just cause, the right to introduce any new or improved methods, equipment or facilities, the right to set work schedules and standards of production, the right to make and enforce such work rules and regulations as the Company may consider necessary and efficient for the operations of its business, and the Company shall be the sole judge of the ability and fitness of the employees covered hereby, and only the Company's determination of ability and fitness may be subject to the Grievance and Arbitration Procedure. (Refer to Appendix "J").

Section 2. It is expressly understood and agreed that all rights, prerogatives and privileges which the Company had prior to the execution of this Agreement, excepting therefrom only those things which are clearly and expressly relinquished herein, are hereby expressly reserved and retained by the Company and shall continue to be vested solely in the Company and are subject to all provisions of this Contract.

Section 3. The Union and Company, the parties hereto, acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at after due exercise of that right and opportunity are set forth in this Agreement. Therefore, the Company and the Union for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered by this Agreement, even though such subject or matter may not have been within the knowledge or contemplation of either or both of the parties at the time they negotiated or signed this Agreement.

ARTICLE THREE  
No Strike, No Lock-out

The Union agrees that during the term of this Agreement, there shall be no strikes, slow-ups, sympathy strikes, stoppages of work, or any other form of interference with production or other operations of the Company and the Company agrees that there shall be no lock-outs. Any employee violating the provisions of this article may be discharged.

ARTICLE FOUR  
Equal Employment Opportunity and Non-Discrimination

It is the policy of the Company and the Union to not discriminate against any employee or applicant because of race, creed, color, religion, sex, national origin, age, handicap, or disability. This includes observance and compliance with all State and Federal regulations regarding the above-mentioned categories.

The Company will solicit bids/quotes from union service providers when outside services are required. Company reserves the right to select service providers based on quality, cost, and delivery as well as other business needs.

ARTICLE FIVE  
Company-Union Cooperation.

Section 1. The Company recognizes the right of the Union to designate stewards to handle such Union business as may, from time to time, be delegated to them by the Union. The stewards must be employees covered by this Agreement. When any Union steward is changed, the Union will furnish the Company the name of the new steward in writing within ten (10) days after the change, and no Union steward shall function as such until the Company is notified of his appointment or selection by the Union.

Section 2. Any official Union representative may request permission of the Company to come on the Company's premises for the purpose of investigating grievances or for the purpose of attending meetings with the Company; provided, however, such Union representative shall request and secure prior permission from the Company and such approved visits shall not interfere with the operation of the Company's business.

Every reasonable effort will be made by both parties to resolve any differences and if any time is needed within reason to obtain necessary information before the end of his/her shift, the Company will allow a Union Official the time to resolve the problem at this level.

Section 3. The Local Union shall be allowed one steward for every 15 members, unless there is a shift with less than 15 members, but a steward is needed.

Section 4. Important information concerning the Company and its operations is posted from time to time on the Company's bulletin boards. Each employee covered hereby shall be required to read the material posted on the Company's bulletin boards, and each employee will be held responsible for knowing about notices posted thereon.

The union will be permitted to post Union items, news, letters, and other related material on Union bulletin boards. **The Union will have access to a Union board in each and every department.**

Section 5. The Company shall deduct COPE (Political Action Fund) contributions from the wages of such members who sign a deduction authorization form. Such form will be provided by the Union and be given to bargaining unit employees. That form will be given to payroll to make the appropriate contributions.

ARTICLE SIX  
Safety and Sanitation

The Company and the Union agree to promote and improve safe and sanitary working conditions. The employees shall comply with all company safety rules, as well as with all safety rules and regulations required by Federal and State Law. A committee of at least two (2) members each of the Management and Labor shall comprise a Safety and Health Committee. The committee shall meet once each month to promote the furtherance of the safety program.

No employee shall be reimbursed for time lost and/or spent from work because of walk-around safety inspections or safety meetings, unless said inspections or meetings are called or held during the employee's regular working hours. (See Appendix "B".)

ARTICLE SEVEN  
Union Security Clause

Section 1. The Union agrees that neither the Union nor its members will solicit membership or conduct any Union activities during working hours other than those of collective bargaining and handling of grievances in the manner provided.

Section 2. The Company will not interfere with the right of its employees to become members of the Union, nor will it use coercion, discrimination or restraint against any members of the Union on account of such membership.

Section 3. Any employee in the bargaining unit who is a member of the Union on the date of signing this provision shall remain a member in good standing for the duration of this agreement as a condition of employment (and employee shall be deemed a member of the Union in good standing unless he fails to tender the periodic dues uniformly required.) Any full-time new employee shall be required, as a condition of employment, and no later than ten days following the completion of the probationary period, to either become a member of the Union or tender the initiation fee and the periodic dues uniformly required for the duration of this agreement. The Union agrees to save harmless, the Company regarding action taken by the Company in order to comply with the terms of this provision. The Company agrees to the following voluntary and written assignment authorization and direction by employees.

The wage deduction card for membership dues is to be worded as follows:

WAGE DEDUCTION AUTHORIZATION

I hereby authorize my employer, **WEG Transformers USA LLC**, to deduct from my wages, the sum equal of the monthly Union membership dues and initiation and to pay the amount so deducted to the Treasurer of Local 86114 of the International Union of Communication Workers, AFL-CIO.

I further agree and direct that this assignment and authorization shall be automatically renewed and shall be irrevocable for successive periods of one (1) year each, as for the period of each succeeding applicable agreement, between you and said Union, whichever shall be shorter, unless written notice is given by me to the Company within the ten (10) days preceding the expiration of each such period of irrevocability.

Date \_\_\_\_\_  
\_\_\_\_\_ (Employee Signature)

Section 4. The Company for said employees, who are Union members, shall deduct from the second pay of each month the Union membership dues for that month and promptly remit the same to the duly designated Officer of the Union. The initiation fee of the Union, if any, shall be deducted by the Company and remitted to the duly designated Officers of the Union in the same manner as dues collected. Provided, however, that the Company shall not make any deduction or remittance unless the Company has received from each employee, on whose account such deductions are made, a valid written assignment, in a form approved by the Company, which shall not be irrevocable for a period of more than one year, or beyond the termination date of this Agreement, whichever occurs sooner.

Employees who return to the payroll from sickness or leave of absence shall have dues deduction automatically reinstated upon return to work, providing their individual written and signed authorization for the deduction of such amounts are still active and within the period of irrevocability.

The Company will deduct membership dues monthly in a flat amount or based upon a percentage of the employee's wages as instructed by the Union.

ARTICLE EIGHT  
Military Service

Employees covered by this Agreement, who enlist or who are inducted into the Armed Forces of the United States, as prescribed and/or regulated by law, shall be given full benefits of all rights that may legally be due them upon their return from military service.

ARTICLE NINE  
Hours of Employment and Overtime

Section 1. The ordinary workday for employees covered by this agreement consists of eight (8) hours, and the ordinary workweek consists of five (5) eight (8) hour days, Monday through Friday. The present workweek, for wage and hour purposes, begins at 12:01 a.m. on Monday and ends at 12 midnight on the following Sunday. Any number of work shifts may be employed and utilized by the Company by department or plant-wide depending upon business and production requirements and the requirements of the Company's customers.

The hours of work, the lunch period, the work shifts, the starting or quitting time, the payday, the workday, and the workweek for employees covered by this Agreement shall be governed and determined by the sound discretion of the Company and may remain the same or be changed by the Company in accordance with business and production requirements of the Company's customers.

Employees shall be given **six days' notice (on Monday)** of shift change with shift change and/or a permanent change in shift hours to become effective the **following Monday** after given notice.

The Company agrees to give advance notice to the Union Officers of any permanent change in the hours of work, the lunch period, the work shift, the starting or quitting time, the payday, the workday or the workweek, and the Company agrees to meet with the Union Officers to discuss any such permanent change should the Union Officers so desire.

Section 2. Nothing in this Agreement shall be construed as a guarantee of any number of hours of work per day or per week, and nothing contained in this Agreement shall be construed as a limitation upon the Company's right to schedule more or less hours of work, per day or per week, as in the Company's judgment the operations of the business requires.

The Company will guarantee that employees will not be required to work more than two consecutive Saturdays except in cases of emergency, in which the company will notify the Union. **In the event a Saturday is posted for overtime and it is later decided not to work, that Saturday will not be considered as one of the two consecutive Saturdays. Working a Saturday on a voluntary basis will be considered one of the two consecutive Saturdays.**

**All Sundays will be volunteer only, except in cases of emergency. Emergencies are to be defined as an event where an act of God outside the company's control has resulted in a backlog. It is not the intention of the Company to claim "emergency"**

**just because there is a regular need for work "Emergencies" will be used in its' rarest form.**

The Company will guarantee that overtime will not be mandatory on days of regularly scheduled monthly union meetings for employees who wish to attend the union meeting. If you are attending the union meeting, you are required to work your normally-scheduled shift. Upon request from the Company, the Union will verify attendance of those employees scheduled for overtime who elected to attend the Union meeting.

Section 3. All hours of work by an employee in excess of eight (8) hours in any one (1) workday or all hours worked by an employee in excess of forty (40) hours in any one (1) regular workweek, shall be compensated at one and one-half (1 1/2) their hourly rate, except for hours worked on Sundays or holidays which will be compensated at two (2) times the employee's regular, straight-time hourly rate, including shift differential, if any. If any employee has worked forty (40) hours during his or her regularly scheduled workweek, the premium days for work in excess of forty (40) hours are determined as follows:

It is understood that Saturday and Sunday are premium days, unless they are part of the employee's regularly scheduled workweek. If Saturday and/or Sunday are part of his or her regular scheduled workweek, then the sixth and seventh days in that workweek shall be considered premium days. There shall be no pyramiding or duplication of premium or overtime pay. In the event more than one (1) overtime premium seems to be due under this Agreement for the same hours worked, only the higher overtime premium shall apply. **No bargaining unit employee shall be forced to work longer than eight (8) hours on any full overtime day, i.e., Saturday or Sunday.**

If the company fails to assign overtime correctly, the employee or employees who suffered the loss will be allowed to make up the time lost at a mutually convenient time. If there is a second or subsequent oversight during any revolving year the company will pay the employee for all hours missed due to the company representatives' oversight.

For weekly overtime pay computation purposes, the following shall be counted as time worked: election service, jury duty, official Union meeting for which prior notice has been given, paid funeral days, vacation days, holidays, worker's comp medical appointments, a scheduled personal day, Get Away Day, bonafide illness of the employee as evidenced by a doctor's certificate or time on layoff due to lack of work during the week in question. Absence to attend the funeral of a family member not listed in Article 11, Section 2 shall be counted as time worked for overtime pay computation.

Section 4. Employees are not permitted to begin work before the start of a shift and are not permitted to continue working after the end of a shift unless authorized to do so by their supervisor. Employees are not permitted to work through non-paid breaks. All overtime work must be assigned and approved by the employee's supervisor for the day the overtime is worked. Notice of scheduled departmental or plant Saturday

overtime will be posted by 12 o'clock noon the preceding Thursday. (For third shift employees, a "call to inquire" system provides weekend overtime notification. Refer to Appendix O.) **In the event of emergency as defined in Section 3, Paragraph 2,** Sunday overtime will be scheduled by noon on the preceding Friday. Notice of 24 hours from the start of the regularly-scheduled shift will be given for all overtime assigned during the week, except in emergency situations. (Ex: If your daily work schedule starts at 6:30 a.m., notice of mandatory overtime for a Tuesday must be posted on Monday and overtime hours can be posted to start at 4:30 a.m. or earlier on Tuesday.) Union Officers will be informed in advance, by management, if possible, of any emergency situations. As employees are required to work overtime, their names and dates and times of overtime will be posted on the bulletin board. When only a portion of the department is required to work overtime, only the names, dates and times of those employees required to work will be posted on the bulletin boards.

All daily overtime will first be assigned to the person on the job, then by job classification seniority and shift, and if more employees are needed, overtime will be assigned by bays, then by seniority and qualifications within the department, then elsewhere in the plant.

Overtime on the weekend will be assigned by job classification seniority and shift to qualified employees. If more employees are needed, overtime will be assigned by bays, then by seniority and qualifications within the department, then elsewhere in the plant subject to the grievance procedure.

In addition to the above, employees who desire weekend overtime must sign up for the overtime each week by noon on Wednesday, and all employees on the list, not already scheduled to work, will be assigned by plantwide seniority within their job classification as needed.

If enough workers are not obtained from the voluntary list, employees normally working on the scheduled shift will be assigned to work by job classification in reverse order of seniority.

Section 5. There shall be a ten (10) minute rest period during each half of each shift, the start and end of which shall be designated by a buzzer. Should an employee be scheduled for a 12 hour shift, an additional 10 minute break will be provided between the tenth and eleventh hours. If an employee is normally assigned to work a "straight eight-hour shift" and is required to work a ten-hour shift, he will receive a ten (10) minute rest period between the 8<sup>th</sup> and 9<sup>th</sup> hours of the shift. If an employee is normally assigned to work a "straight eight-hour shift" and is scheduled to work one-half of the normal work day, employee is entitled to a 15-minute paid break during the course of that four-hour shift. If the Company needs to designate break periods at different times by departments, the employee's foreman/supervisor shall notify the employee when to leave work for break period.

Section 6. The Company needs every employee each working day to ensure that production and customer service are maintained. Any employee who will be absent or tardy must notify the Company in the manner prescribed prior to the start of their scheduled shift. Employee must report and state the reason for his or her absence each day. In the event of a power outage at the Company or of the system prescribed by the Company for reporting absences or tardiness, employees will not be held accountable for their inability to call in.

Absences will be excused without pay for employees who must travel roads (from home to work) that are declared State of Emergency by Governor.

Section 7. Each employee will be permitted a maximum of one (1) scheduled work day unpaid personal time during the scheduled work periods per year and can be taken in any one of the following ways:

- One full scheduled work day
- Two one-half day increments
- Four two-hour increments
- Two two-hour increments and one half-day

Days should be scheduled in advance with his/her supervisor. If Personal time is called in or used without being scheduled, time missed will not count as time worked for Saturday OT premium.

## ARTICLE TEN

### Probationary Period, Length of Service, Filling of Vacancies, Layoffs.

Section 1. All new employees are employed for a probationary period of at least three (3) calendar months in a twelve (12) month period, and during this probationary period, an employee may be terminated with or without cause and without recourse to the grievance and arbitration procedure. After the satisfactory completion of the probationary period, such employee shall be considered a regular employee and shall accrue length of service or seniority from the date of his/her hire.

Employees with the same hire-in date, for seniority-related purposes, shall be governed by alphabetical order of the last name.

**The Company will allow the Union President and/or one (1) designee of the Union's choosing to meet with employees upon completion of probationary period. The Company will also provide a sixty (60) minute period of time, to be referenced as "orientation meeting", during the first month of any bargaining unit employee(s) completing their probationary period to allow the respective Union representatives i.e. Union shop committee and/or Local Representative, to meet with such new employee(s). The meeting shall be held on normal working hours in a meeting room**

provided by the employer. A Company representative may attend upon invitation only by Union President. Such meeting shall be on paid time for the employees and attendance shall be mandatory. Prior to the orientation meeting, or in no case later than the meeting time, the employer shall provide to the Union the names and job assignments of the new hires. The Union will provide an agenda to Management prior to the "orientation meeting."

Section 2. After completion of the probationary period, each employee shall have two (2) types of seniority; namely: plant-wide seniority and job classification seniority.

(a) Plant-wide seniority shall date from date of hire following completion of probationary period.

(b) Job classification seniority shall date from date of placement on a classified job as hereinafter provided.

After an employee has completed three (3) continuous calendar months worked in a classification, the time so worked and all time worked in that classification thereafter will accumulate and classification and plant-wide seniority shall become equal. A seniority list shall be posted quarterly.

When an employee is awarded a job in another classification through listing or transfer, he/she will retain seniority in the classification from which transferred until classification and plant-wide seniority shall apply in his new classification as described in the preceding paragraph.

Section 3. In the event of layoff (other than temporary), reductions will be made by job classification seniority, if demonstrated ability and qualifications are relatively equal. Employees so reduced may exercise their plant-wide as follows:

- a. Once it is determined how many positions are to be eliminated, the same number of Utility positions held by lower seniority employees will be identified.
- b. Employees whose jobs are being eliminated will be given the option to be placed on lay-off, bump into a position previously held for at least four months within the past five-year period, or to bump into their choice of the Utility positions identified in 1 above. An employee may bump into a position only if his seniority is higher than the employee currently holding the position.
- c. After bumping into the position, an employee has ten working days to determine if he still wants that job. If, for any reason, he decides he does not want to work in that job, he can choose to be voluntarily laid off. He must make that choice during the first ten working days. (Unemployment benefits will not be contested.)
- d. After bumping into a position, the supervisor has 30 continuous calendar days to evaluate the employee's performance. If it becomes obvious that he cannot

satisfactorily perform the job, the supervisor can place the employee on layoff. Training cards are to be completed and reviewed weekly with employee.

- e. If the position from which an employee was laid off or displaced becomes open for any reason during the four-month period immediately following the layoff or displacement, that job will be automatically filled with the person who lost the job during the layoff and displacement process.
- f. A laid-off employee continues to accrue seniority for a period equal to his length of service or for 24 months, whichever is lesser. Laid-off employees are encouraged to submit job bids and, even though they are inactive, their job bids will be honored.
- g. Benefits remain in effect through the last day of the workweek in which employee was laid off. Group health insurance may be continued at COBRA rates.
- h. Employees will be called back from layoff in seniority order.

Upon receipt of a recall by telephone or other notice, the indefinitely laid-off employee shall accept recall and must report back to work ready, willing and able to work, unless excused by the Company, in writing, within three (3) working days after notified of recall or within five (5) days from the date of mailing of a certified letter to the employee's last-known address and, failing this, the employee shall lose all length of service or seniority, recall and other employment rights. The employee's last-known address on the Company's records will be the address for notification purposes. (A message left on an answering machine does not fulfill the Company's obligation to notify employee of recall.)

In the event of a layoff (other than temporary) from their job classification, the President, Vice-President, Secretary-Treasurer, and Chief Shop Steward, all shop stewards and the negotiating committee members of the Union shall be able to exercise their plant-wide seniority and displace into any position they have held for four months during the previous five years or a Utility position, provided they have at least one year's seniority. Employees holding these Union positions shall not be laid off from the plant except in the event of a temporary layoff. In the event of a plant shutdown or permanent layoff, the employees listed in this paragraph shall not be laid off from the plant until the last employees have been laid off providing they have at least one year of seniority.

In the event of a temporary lay-off, lead people will not be laid off. In the event of a permanent lay-off, seniority will be the determining factor and lead people will be laid off if their seniority allows.

Section 4. A temporary layoff is defined as a layoff for a period no longer than five (5) consecutive workdays or a total of ten (10) work days in one calendar year. Employees affected by temporary layoffs for more than the limits outlined in this paragraph shall be considered as laid off (other than temporary) and shall exercise their seniority, if they so desire, according to the provisions of Article X, Section 3.

**It is understood, however, that as long as the Company elects to participate in Shared Work benefits which are administered by the Missouri Division of Employment Security, temporary layoffs may exceed the above defined time periods and employees will participate in Shared Work benefits in lieu of the temporary layoff being considered as, and treated as, an indefinite layoff.**

It is the employee's responsibility to keep the Human Resources Department informed at all times of correct address and phone number. Failure to do so will relieve the Company of any responsibility regarding notification of employee for any reason.

Section 5. Job Openings **The Company will post a list of all open positions at the first of each week.** A Job Bid Board lists every job on which employees are eligible to bid. Bid forms are available. There is no limit as to the number of job bids an employee may complete. Shift preference, first assignments and employee's specific experience and qualifications should be included on each bid form. One bid form should be used for each job.

All DT employees are eligible to submit job bids upon completion of **nine (9)** months of service in existing position. All PT employees are eligible to submit job bids upon completion of **eighteen (18)** months of service in existing position.

Completed Job Bids should be submitted to employee's current supervisor for forwarding to Human Resources. Human Resources will complete the Job Bid by adding employee's seniority date and date of last job bid. Employee will receive a copy of his completed job bid form within one week from submittal. A completed copy will also be forwarded to the Union President.

Job Bids will be collected during the week and posted on the Job Bid Board each Monday. Updated job bid boards will be posted each Monday. Any openings that occur during the week will be filled by using the Job Bid Board updated on Monday of the same week. Employees are responsible for checking the bid board to make sure their bids have been properly placed.

When a vacancy (other than temporary) occurs, the Company will first attempt to fill the position with an active employee in accordance with Appendix D. If the resulting vacancy is a Labor Grade 5 or above, the Job bid Board will be used. **If there are no job bids for an opening, the Company will post the position internally for three (3) work days.** The company shall determine the qualifications of each bidder. The following factors shall be considered for all employees deemed qualified for the opening:

1. Skill, ability, and overall work performance
2. Previous related work experience defined as a minimum of two months continuous service on the job as documented (by training card or personnel file) experience on the job.

Plant-wide seniority will be the determining factor provided the above factors are relatively equal.

When a vacancy (other than temporary) occurs in a job of Labor Grade 4 or below, the Job Bid Board will be used. Positions will be filled based on plant-wide seniority. Job bids will not be honored for any employee whose absenteeism is considered in discipline as defined by the Attendance Policy. (Refer to Appendix N.)

The Company will notify the successful bidder within five (5) working days. Employee will be notified early in day and must respond prior to end of same shift if he wishes to accept/decline job bid. He will be moved to the new job classification within three (3) weeks from bid acceptance and a two-month trial period will begin from the day the employee goes to the new classification or from the three (3) weeks in which the company has to move an employee. Plant-wide seniority and job classification seniority become equal after an employee has completed three continuous calendar months in a job classification. Time served in classification will start from day of move or at the end of the aforementioned three (3) weeks, whichever occurs sooner.

The trial period of two (2) continuous calendar months will allow employees the opportunity to prove to the company their performance capabilities in their new assignment. An employee may be placed back in his previous job should it become obvious to the company during his trial period that he cannot satisfactorily perform the job. An employee has a minimum of three (3) and a maximum of five (5) working days (to coincide with shift change rules) actually performing his new job to decide if he wants to return to his previous job. An extension can be provided for just cause.

When an employee successfully bids to a classification in a higher labor grade, upon moving to his new job he will be compensated at the step in the new Labor Grade which will raise the base pay at least twenty (20) cents per hour. The next merit review date will be three months from the last review date. In the case of a downward bid, employee's pay will be adjusted to new labor grade effective the same day of move.

When an employee receives a job by job bid, he shall not be allowed to bid on another job as follows:

**9 months for DT**  
**18 months for PT**

If an employee is moved back to his previous position and shift, either at his request or as requested by the Company, the position will be filled by referring to the Job Bid Board in effect at the time the position was originally open. If there are no other bids for that job, the position may be filled by referring to the current job bid board, or with a new hire.

If an employee receives a job by job bid and is moved back to his former job due to disqualification by the Company:

1st time -- no penalty for the bid  
2nd time within 12 months -- no bid will be accepted for  
12 months from date of 2nd bid.

If an employee receives a job by job bid and returns back to his former job within his trial period:

1<sup>st</sup> time—no penalty for the bid  
2<sup>nd</sup> time within 12 months—no bids will be accepted for  
12 months from date of 2<sup>nd</sup> bid.

Bidding and/or bumping shall be limited to only two vacancies resulting from a successful bid.

Once an employee successfully bids to another job, all current job bids on the job bid board for that employee will be automatically removed. It will be each employee's responsibility to submit job bids as he becomes eligible to bid.

A shift bid form should be completed when employee is interested in working the same job, but on a different shift. When this type of job bid is honored, employee will still be able to bid on different jobs. When changing shifts (and not jobs) through bidding, there shall be no interruption in seniority.

When a Maintenance or Stores/Stockroom position becomes open, the job will be advertised for one week using bulletin boards. A list of qualifications will be included. Current union employees will be given preferential consideration over external applicants. Selection will be based on knowledge, skills, and abilities. Employees will be given a minimum of three days and a maximum of five days on the job to return to previous position. Company will be allowed a trial period of two calendar months, as stated above, to determine performance capabilities.

Newly-created jobs shall be announced on the bulletin board and employees who are eligible to bid shall have one week to submit job bids.

Plant-wide Specialists and Leads are positions that can be filled by Company selection. These positions are not filled by utilizing the job bidding process. A maximum of four (4) Specialist positions can be filled by Company selection. The Company will post Specialist and Lead positions, and reserves the right to select candidate(s) based on knowledge, skill, and ability.

Section 6. Employees with medical problems interested in obtaining a job in Labor Grade 1 or 2 may list for such job with the Human Resources Office. When said job comes open, the employee with the earliest request shall be given first consideration, provided employee has the ability to do the job.

Section 7. A regular, full-time employee's seniority, both plant and job classification, will be lost whenever such employee quits or resigns, is discharged for just

cause, accepts other employment during an approved leave of absence without obtaining prior approval from the Company, overstays an approved leave of absence without written permission from the Company, is laid off for a period exceeding twenty-four (24) calendar months without being recalled, moves to a salaried position, or fails to return to work ready, willing and able to work after being recalled.

## ARTICLE ELEVEN Approved Leave of Absence

Section 1. Any regular, full-time employee who has completed his probation period may request a personal leave of absence without pay; provided that such employee makes written application to the Company in advance of or at the onset of need; and provided further that such employee secures the written approval of the Company. Although such requests will be given every consideration, factors such as whether the Company can spare the employee and whether such leave would interfere with the continued, efficient operation of the Company's business, among other factors will also be considered, and, if a requested leave is approved, the leave will be granted for specified period of time. An approved leave of absence may be renewed and extended by the Company in writing for good cause shown. Seniority during personal leave of absence will not be broken, but shall not be accumulative. Time on leave of absence will not be applicable to vacations or vacation pay and will not entitle such employee to any paid holidays which may fall within the period of the approved leave of absence. Furthermore, an approved leave of absence for longer than eight (8) calendar days will not be included in the calculation of merit review dates. For group health insurance benefits to be continued during an approved leave of absence, employee must make arrangements with the Company, in advance of leave, for payment of benefits at the COBRA rate.

Section 2. Employees covered by this agreement shall be granted a maximum of three (3) regularly scheduled working days' leave with pay in order to attend the funeral or **grieving period** of a member of the employee's immediate family. "Immediate family" is defined as the employee's spouse, mother, father, grandparent, brother, sister, child, step-mother, step-father, step-brother, step-sister, step-children, grandchildren, mother-in-law, father-in-law, brother-in-law, or sister-in-law. **The maximum three (3) days must be used within one (1) month from the date of death.** When attending funeral or memorial requires a commute of 500 miles or more from home, an additional day off without pay can be taken. Proof of attendance at service is required. **When there is no service of the employee's immediate family, a reasonable amount of time to prove such death of the above-defined family member will be granted to the employee.**

Section 3. If the Union makes a reasonable request in writing that any Union Officer or Steward, Chief Steward, or **Union Member** employed by the Company participate in regular or special affairs of the International Union, the Company shall grant to said employee or employees a non-paid leave of absence. **No more than six Union Members shall be out on non-paid leave of absence at any given time. This**

provision excludes any shop stewards or union officials that are off the clock for grievance processing.

Section 4. A medical leave of absence is defined as missing a minimum of ten work days due to a non-industrial illness or injury. Upon written advice from the attending physician, the Company shall grant a leave of absence for non-industrial illness or injury based on the following schedule:

<u>Seniority</u>	<u>Maximum Leave</u>
Less than 1 year	3 months
1 to less than 2 years	4 months
2 to less than 3 years	5 months
3 years or more	6 months
thereafter	an additional 2 months for each year of seniority; such leave not to exceed a maximum of 18 months.

After four weeks of sick leave, employee must pay his contributory portion of insurance. In the event of failure to pay contributory portion, benefits will be terminated and employee will be provided COBRA. Upon return to work from sick leave, benefits will be restored.

Seniority shall accumulate during such leave of absence. The Union and the Company may mutually agree to extend leave for additional periods, but seniority shall not accumulate during such extension. If the parties do not agree to extension after expiration of leave as above, seniority and employment of the individual can be terminated.

The Company may require an employee returning from a medical leave of absence to undergo a physical examination by a Company appointed doctor, at the Company's expense, to determine whether the employee is capable of returning to the same work the employee left.

A medical leave of absence shall conform to the seniority-leave requirements as provided above. No holiday pay shall be paid to anyone when on such leave of absence.

Employees able to return to work after sick leave shall be entitled, if they so desire, to return to the position they left, and on the same step of the wage scale; provided, of course, that the Company's doctor has given approval and provided further that the employee is still capable of satisfactorily performing the essential functions of the job.

In case the employee is unable to perform his original job or the employee's original job has been eliminated, the employee shall be placed in a job for which he is qualified and physically able to perform.

An employee with temporary light duty work restrictions due to personal or work-related injury will have a regular continuous work week unless employee agrees to a work week that is split.

Multiple leaves for successive periods of disability due to the same or related cause or causes, not separated by one full year's work in the Company, shall be accumulated for the purpose of determining when the above-specified leave limit has been reached. All provisions must conform to the Family Medical Leave Act.

## ARTICLE TWELVE

### Jury Service Pay

An employee who is called for jury service shall be excused from work on the day or days on which he so reports and, for each such workday on which such employee would have otherwise worked, such regular, full-time employee shall receive eight (8) hours pay at his regular, straight-time hourly rate, including shift premium, if any.

This jury service pay shall be conditioned upon such employee reporting the jury summons in advance to the Company and any such employee who is released and excused from jury service, will be required to return to work that very day if there is sufficient time for such employee to return to work and work at least two (2) hours on his regular shift or work schedule that day. To be entitled for a full days pay, second and third shift employees who serve on jury duty for less than six hours, must report that day for 3rd shift the next day, but will be excused from work at the start or finish of the shift equal to the time served on jury duty that day.

## ARTICLE THIRTEEN

### Contributory Group Insurance Plan

The Company presently provides a contributory group insurance plan for its employees. The terms and provisions of such group insurance plan, as contained in such plan, shall be controlling and binding on the parties hereto. (See Letter of Understanding.)

## ARTICLE FOURTEEN

### Reporting Pay and Call-in Pay

Section 1. An employee who reports to work at his regular starting time will be provided with at least three (3) hours work or three (3) hours pay at straight time if work is not available. This provision shall not apply if the employee has been notified by the Company not to report, nor shall it apply in case of labor disputes in our plant, nor conditions beyond the control of the Company, such as bomb threats, fire, floods, tornado, lack of electricity, water, airpower, etc., and conditions of a similar nature.

Employees not allowed entrance to the plant when their scheduled work is available shall receive full compensation for all hours lost due to the Company's failure to make work available.

Section 2. An employee called back to work after his shift or called in to work before his shift shall be given a minimum of three (3) hours work or three (3) hours pay, provided that if the three (3) hour call-back or call-in happens to overlap into his regularly-scheduled shift working hours, the employee shall be paid only for hours actually worked.

#### ARTICLE FIFTEEN

##### Examinations and On-the-Job Injuries

Should an employee covered hereby be injured while performing work for the Company, and such injury prevents such employee from completing his workday, or should an employee need medical treatment from the worker's comp doctor for an on-the-job injury, follow-up visits, or therapy, such employee shall be paid at his straight-time, regular hourly rate for the remainder of hours that such employee would have otherwise worked that day, up to a maximum of eight (8) hours. On such occasions when an employee returns to work and is requested to work unscheduled overtime, he shall be compensated for the scheduled work day plus any unscheduled overtime he has voluntarily worked.

Follow-up work comp appointments are to be made on employee's own time. If not possible, then appointments are to be made to minimize time away from work. Whenever the Company or the worker's comp doctor requires an employee to have medical attention during working hours because of an injury arising out of employment, the employee shall not suffer any loss of pay for the regular day's work. The injured employee shall return to work immediately after receiving the necessary medical attention, unless told by the doctor not to return to work.

For employees who are at work and are required to seek medical attention on a premium overtime day, time away from work will be paid at straight time, up to eight hours. Employee must provide a statement from doctor's office showing departure time and must return to work if released prior to end of that day's scheduled shift. Failure to return to work will result in pay only for time worked.

#### ARTICLE SIXTEEN

##### Shift Premium

A shift premium or differential of fifty (50) cents will be paid to full-time employees who are regularly assigned to work on the second shift or on the third shift.

The shift premium or differential shall be applicable only to work performed by full-time employees who are regularly assigned to the premium shifts.

**for holiday pay if holiday falls within a two-week period from commencement of layoff.**

In cases of absence because of death in the family, the employee requesting absence shall make every reasonable effort to limit his absence from work to as short a time as possible. If there is any question as to the absence, the decision whether or not to grant holiday pay shall rest with management.

When a holiday falls during a scheduled shutdown period, employee must have worked the entire last-scheduled workday before the shutdown period and the first scheduled workday after the shutdown period to receive holiday pay.

Section 3. Any eligible employee who volunteers to work on a recognized holiday and, after being posted to work, refuses or fails to report to work or fails to actually work as requested, shall not receive holiday pay, unless excused by Management in accordance with reasons outlined in Section 2.

Section 4. An eligible employee who does not work on a recognized holiday shall receive eight (8) hours' pay at his/her straight-time regular hourly rate, including shift premium, if any, for such holiday. Hours for which holiday pay are paid shall be counted as hours worked for the purpose of computing overtime.

Section 5. If any of the aforementioned holidays fall during an eligible employee's vacation, such employee's vacation period will be extended one day.

Section 6. When a recognized holiday falls on Saturday, the preceding Friday will be observed as the holiday, and when a recognized holiday falls on Sunday, the following Monday will be observed as the holiday. (Unless a mutual agreement to the contrary is reached between the Company and the Union.)

When holidays occur on Fridays or Mondays, the employees will not be required to work overtime on holiday weekend.

Section 7. Any employee who is off work because of a layoff, except as qualified in Section 2 above, a leave of absence, or work stoppage shall not be eligible for holiday pay.

## ARTICLE EIGHTEEN

### Vacations

Section 1. Vacation credit for a given year is earned by active service with the Company in the preceding year, **except as provided in Section 2 below for newly hired employees.** The vacation calendar year shall be from January 1, through December 31.

Vacation credit will accrue at the following rates for every ten (10) pay periods worked:

The shift premium or differential shall be inapplicable and shall not apply to employees who are merely performing overtime work which happens to extend into another shift or to work performed by employees who may be called in or called back to work or to employees who start work earlier than usual.

When an employee is moved from his/her standard shift at the request of the Company on a temporary basis for training, special projects or break down, the employee will receive the shift premium for the length of time worked on the shift.

## ARTICLE SEVENTEEN

### Paid Holidays

Section 1. The following paid holidays shall be recognized by the Company: New Year's Day, Good Friday, Memorial Day, July 4, Labor Day, Thanksgiving Day, the Friday after Thanksgiving, Christmas Eve Day and Christmas Day. When New Year's Eve falls on a day other than Saturday, Sunday, or a day that is considered a holiday due to New Year's Day falling on a Saturday or Sunday, then New Year's Eve Day will also be observed as a paid holiday.

Each employee with at least one (1) year's seniority shall, after their anniversary date, be eligible for one (1) additional holiday (also referred to as **Get Away Day**) which is to be scheduled by January 15 of each year. When scheduled by January 15, Supervisors may not deny/disapprove request. If scheduled after January 15, Supervisors may deny the day off subject to the 10% rule as described in Appendix E. Supervisors may allow more than 10% if workload is low. Pay for this holiday will include shift premium if applicable.

Section 2. To be eligible for holiday pay, a full time employee must have satisfactorily completed his/her probationary period, and must have worked the entire last-scheduled workday before the holiday and the first scheduled workday after the holiday, unless such employee is on **scheduled** vacation at the time or unless satisfactory evidence is submitted to his supervisor to justify absence. Justifiable excuses for absence shall be, but are not limited to, election service, jury duty, death in the family which qualifies for bereavement pay, birth of a child, scheduled vacation day, scheduled Get Away Day, scheduled personal day, bona fide illness of the employee or employee's dependent child evidenced by a doctor's certificate. **Doctor's certificate must be submitted to the Company on the employee's first day back no later than end of employee's shift.**

**In the event of temporary lay-off (less than 5 days), the last scheduled workday before and the first scheduled work day after the holiday must be worked. In the event of a lay-off other than temporary (more than 5 days), employee will qualify**

- |   |                        |
|---|------------------------|
| A. Employee with less than two years of seniority:    | One day of vacation    |
| B. Employees with two or more years of seniority:     | Two days of vacation   |
| C. Employees with eight or more years of seniority:   | Three days of vacation |
| D. Employees with fifteen or more years of seniority: | Four days of vacation  |
| E. Employees with 25 or more years of seniority:      | Five days of vacation  |

Each employee with at least ten years of service will be eligible for one additional day of vacation as of January 1 following the year of their 10<sup>th</sup> anniversary.

An employee will be entitled to a 1, 2, 3, 4 or 5 weeks vacation as determined above if he has worked in a minimum of 40 pay periods during the preceding year. Vacation credit will be given in a minimum unit of a whole day.

A pay period will be counted as worked if an employee performs any authorized work for the Company during the period, or if he is absent from work due to industrial illness or injury or annual armed forces training duty. A vacation itself shall count as time worked. A pay period starts at 12:01 a.m. Monday and ends at 12 midnight on the following Sunday.

Section 2. Vacation credit will not be given a new employee until he or she has successfully completed the probationary period. Credit will then accrue from the date of employment.

**Once completing probationary period, newly hired employees will have vacation to take during the current year, as follows:**

- Hire date January 1 - March 31 – 5 vacation days during current year**
- Hire date April 1 - June 30 – 4 vacation days during current year**
- Hire date July 1 - September 30 – 3 vacation days during current year**
- Hire date October 1 - December 31 – 0 vacation days during current year**

**Regardless of date of hire, each employee will have five (5) vacation days to take after January 1 in Year Two of employment.**

**Anyone using vacation prior to completing one year of service who subsequently separates employment (voluntarily or involuntarily) will have value of any used vacation time subtracted from their final payment. If separation occurs prior to completing one year of service, unused vacation will not be payable.**

Section 3. Vacations will be taken any time during a calendar year with the approval of the employee's supervisor, and dependent upon the Company's operating needs. Generally, vacations are to be taken in minimum periods of one week. Company may have a one (1) week shutdown with employee participation as to what week that shutdown will occur. See Appendix E for vacation scheduling details. An

employee who has more than two weeks of vacation may take that third week one day at a time if scheduled with his/her supervisor by lunch break of the prior shift. The remaining weeks will be taken in the minimum period of one week.

See Appendix "E" for details of Vacation Scheduling.

Section 4. If an employee should enter military service, retire, quit upon giving at least two weeks' notice, or be discharged (except for theft), all vacation time earned, but not taken, will be paid at the time of leaving.

Section 5. If an employee is laid off and has not taken all vacation earned in the previous year, he can be paid for that vacation when laid off. If he has accumulated further vacation credit during the current year, he will not be entitled to that vacation pay until April 30 of the following year. If not called back to work before April of the following year, he will then be paid for any earned vacation.

Section 6. Part time and temporary employees will not earn vacation credit and are not entitled to vacation or vacation pay. After three (3) calendar months worked in a twelve month period, part time or temporary employees will be considered full time employees.

Section 7. Employees who enter recognized military service will be paid at the time they leave the Company for any vacation earned but not taken. Employees who return to work from military service will be eligible for as much vacation during the vacation year as they earn according to the provisions of this procedure.

Section 8. Vacation must be taken in the calendar year in which it is due. **Compensation will be paid in lieu of vacation time off if an employee has three weeks of vacation or more for that year. Employees may cash in up to one week (40 hours or less). Payment will be made at, or near, year end.** Any request to delay pre-scheduled vacation day(s) after October 1 will result in the employee receiving pay for same unused vacation day(s) or the opportunity to reschedule vacation in the same or next calendar year.

Section 9. In the event of voluntary separation, a two-week notice must be given in order to receive accrued vacation. **Accrued vacation will be paid if employee works a minimum of 60% of the two-week notice period. If absences during notice period result in termination, accrued vacation will not be paid.** Earned vacation not yet taken will always be paid in the event of voluntary or involuntary separation.

ARTICLE NINETEEN  
IUE AFL-CIO 401(k) Retirement Savings & Security Plan

The parties hereto agree to participate in the IUE AFL-CIO 401(k) Retirement Savings and Security Plan in accordance with the terms and provisions of the Exhibit entitled

"Memorandum of Agreement" attached hereto and made a part hereof as if fully set forth herein.

ARTICLE TWENTY  
Tuition Reimbursement

The Company will reimburse 50% cost of tuition for classes taken that are job-related or for requirements toward a job-related degree. Classes must be approved by the company in advance and must be taken on employee's own time. Reimbursement will occur only after proof of passing grade.

ARTICLE TWENTY-ONE  
Job Classifications and Wage Ranges

Section 1. The wage rates and wage ranges set forth in Appendix "A" of this Agreement are attached hereto and made a part hereof.

Section 2. Employees may be utilized in other jobs within the same labor grade as workload dictates.

Employees who are transferred temporarily from a higher labor grade to a lower labor grade to accommodate a temporary workload will enjoy the higher rate while working on the lower rated job. Employees who are transferred temporarily to a different job classification that is at the same or lower labor will receive a 25 cent premium for each hour worked in the same or lower labor grade. (This premium does not apply to employees who are transferred due to light duty work restrictions.)

An employee will not be transferred to a different job classification and then have his regular job classification temporarily filled by another employee if both employees are qualified to perform both jobs.

Employees who are transferred temporarily for more than one hour to a job paying a higher rate than their normally assigned job pays, will receive the higher rate for the time spent on such temporary job. (Time is to accumulate weekly.) In no case will the temporary job rate be higher than the highest rate then being paid for the same job.

In the event a temporary shift transfer is required for the purpose of training or retraining, the employee with the lowest seniority will be required to make the temporary shift transfer.

Employees eligible for transfer pay are to complete a form indicating hours transferred in the week. Once supervisory approval has been obtained, completed form is to be submitted to Payroll. Failure to submit transfer information within two weeks from time worked may result in loss of transfer pay. Retro pay will be applicable for a two-week period.

Section 3. The Company shall have the right to establish new job classifications and may also establish the wage rates to be paid for work in any such new classification. The Company shall have absolute right to establish new job classifications and the wage rates applicable thereto in accordance with its Job Evaluation System, and the Company shall so notify the Union. If objected to by the Union within thirty (30) days, the matter may be processed in the grievance procedure as hereinafter set forth.

Section 4. The Company shall have the right to continue its long-standing step progression system under which an employee automatically progresses up the steps of a new job depending on the time he works in the new job unless management determines that the employee has not made or been able to make the required progress on the new job. All questions about an employee's progress shall be subject to the grievance and arbitration procedure.

ARTICLE TWENTY-TWO  
Grievance and Arbitration Procedure

Section 1. Should any grievance arise involving interpretation or violation of this Agreement, the Company and the Union agree to meet at the earliest reasonable time to settle such grievance amicably.

Section 2. All such grievances arising out of the interpretation of this Agreement must be raised within three (3) working days from the time of the occurrence of the event complained of and shall be handled in accordance with the following procedure:

Step 1. The employee must first take up his complaint with his immediate supervisor, or if he wishes the employee may bring in his steward, who will clock out, at this first step. If supervisor is unwilling to discuss, employee is to take complaint to Operations Manager or the Supervisor's Manager. If no agreement is reached within two (2) working days the dispute shall be referred to Step 2. If the Steward is present in Step 1, then Step 2 will be eliminated and the grievance will proceed to Step 3.

Step 2. If no agreement is reached within two (2) working days in Step 1 above, then the matter shall be discussed by the aggrieved employee and the department steward with the department supervisor.

Step 3. Should the grievance not be satisfactorily settled within three (3) working days by the discussion outlined in Step 2 above, the Union shall submit the grievance in writing to the Company within five (5) working days thereafter, and this written grievance thus presented must contain the full and complete factual basis of the employee's claim as known at that time to the Union and the provision and provisions of the contract applicable. Within five (5) working days from the time that the Union submits the written grievance, the Chief Steward or President of the Local Union shall

meet with a designated Company representative and they shall make every effort to settle the dispute.

Step 4. Should the grievance not be satisfactorily settled within five (5) working days after the Union and Company representatives meet as outlined in Step 3, the Union shall submit the grievance in writing to the General Manager or designee. The written grievance must present the full and complete factual basis of the employee's claim as known to the Union and provision and provisions of the Contract applicable. The Company President shall meet with the Local Committee and will give a written answer within ten (10) working days.

Step 5. If the above procedure has been followed and the parties are still unable to settle the grievance, within ten (10) working days the parties shall mutually, in writing, request the FMCS to submit a list of seven (7) arbitrators from which the Company and the Union shall choose an impartial arbitrator to decide the controversy. The arbitrator shall not have the authority to alter, amend or change the terms or provisions of this Agreement, and his decision shall be limited to the particular grievance in question and the finding of the arbitrator shall be binding on both parties.

Section 3. The parties may expedite the procedure as outlined above, and should the parties decide to settle the grievance at any step of the above-outlined grievance procedure, the Company and the Union shall have full and complete power and authority to settle the grievance by agreeing to have the grievance withdrawn completely, or by agreeing to reinstate the employee with full, partial or no compensation for any time lost, or by agreeing to a money settlement without reinstatement.

Section 4. The Company and the Union mutually agree that a condition precedent to the invocation, processing or arbitration of a grievance under this Grievance and Arbitration Procedure is that the party and the employee involved must agree that this Grievance and Arbitration Procedure is the exclusive avenue by which the grievance must be resolved. Should any party hereto or employee file a charge with a federal or state agency and the party or employee also have a grievance based on the same or similar facts in process, said grievance shall be held in abeyance and not processed further and not be arbitrated until after there shall be a determination handed down by the agency with which the charge was filed.

Section 5. No compensation shall be paid by the Company to any employee or employees or to any Union steward for any time spent and time lost from work because of the processing or handling of any grievance hereunder unless the employee and the steward is asked or given explicit permission by the Company to process or handle the grievance during working time.

Section 6. Except where more than one grievance arises out of the same facts, in no event shall more than one grievance be subject to arbitration before the same arbitrator at the same time. The arbitrator shall be empowered only to interpret the

provisions of this Agreement as they apply to the particular case at issue, and the arbitrator shall not have authority, and shall have no power, to add to, subtract from, alter, amend or change any term and/or provision of this Agreement in any way, and the arbitrator shall have no authority to alter or change any discipline imposed by the Company or any decision made by the Company if the arbitrator finds either:

- (a) That the Company's action did not violate this Agreement, or
- (b) That there was just cause for the discipline.

Section 7. All of the time limits specified above shall be jurisdictional and shall be conditions precedent upon which a grievance shall be processed further. If any and all of the time limits are not complied with, the Company and/or the Union may rightfully and lawfully refuse to process the grievance further, and the grievance shall end then and there without either the Union or any allegedly aggrieved employee being entitled to process the matter further to arbitration or otherwise. If any of the aforementioned time limits are not complied with, the grievance shall immediately be considered null and void; however, by mutual written agreement of both the Company and the Union, they may agree to modify or extend any of the jurisdictional time limitations specified above in any particular case.

Section 8. The arbitrator's charge shall be borne equally by the Company and the Union. Expenses of either party, including witnesses, shall be paid by the particular party involved. The minutes of any arbitration case may be recorded by a tape recorder or by a qualified reporter if either party so requests. The party requesting that the minutes be recorded shall pay the cost of the recording or of said reporter. If either party desires a copy of the minutes so recorded he/she shall purchase it at his/her own expense.

#### ARTICLE TWENTY-THREE

##### Validity

Should any provision and provisions of this Agreement be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by reason of any decree of a court of competent jurisdiction, such invalidation of such part and part of this Agreement shall not invalidate the remaining portions hereof and the said remaining portions shall remain in full force and effect.

#### ARTICLE TWENTY-FOUR

##### Duration

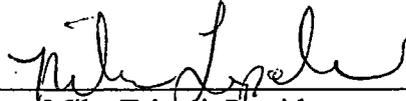
This Agreement shall become effective as of 12:01 a.m. on **September 24, 2017**, and shall continue in full force and effect for a period of four (4) years through 12:00 o'clock midnight, **September 25, 2021**, and unless at least sixty (60) days prior to the aforesaid expiration date or prior to any subsequent yearly anniversary date thereafter, either party gives to the other party written notice of a desire to terminate or amend this Agreement in which event this agreement shall continue in effect for one year periods

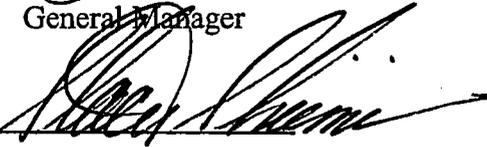
IN WITNESS WHEREOF, the parties hereto, acting by and through their duly authorized representatives, have executed this Agreement.

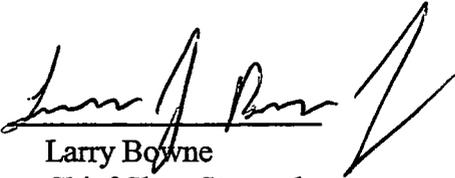
**WEG Transformers USA LLC**

**LOCAL 1114/86114, Affiliated with  
International Union of Communi-  
cation Workers of America,  
AFL-CIO**

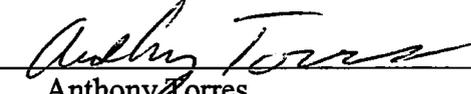
By   
Phillip James  
General Manager

By   
Mike Tripoli, President

By   
Stacy Schiermeier  
Finance Manager

By   
Larry Boyne  
Chief Shop Steward

By   
Missy Cox  
Human Resources Generalist

By   
Anthony Torres  
Local Representative

By   
Mary Shofner  
Human Resources Manager

By   
Bill White  
Local Representative

By   
Matt Davenport  
Local Representative

By   
Richard Shorter, International Rep.

PAY SCALES INCLUDING GENERAL INCREASES - DT

APPENDIX A

Effective September 24, 2017

Labor Grade	Start	3 MOS. REVIEW	6 MOS. REVIEW	9 MOS. REVIEW	12 MOS. REVIEW	15 MOS. REVIEW
1	14.53	15.95	16.25			
2	14.85	16.28	16.57	16.83		
3	15.18	16.62	16.93	17.21	17.53	17.95
4	15.41	16.85	17.15	17.43	17.75	18.18
5	15.63	17.06	17.38	17.65	17.98	18.44
6	15.85	17.29	17.60	17.88	18.24	18.66
7	16.09	17.53	17.83	18.14	18.46	18.91
8	16.38	17.82	18.15	18.45	18.78	19.23
9	16.66	18.11	18.49	18.76	19.12	19.54

Effective September 24, 2018

Labor Grade	Start	3 MOS. REVIEW	6 MOS. REVIEW	9 MOS. REVIEW	12 MOS. REVIEW	15 MOS. REVIEW
1	14.98	16.40	16.70			
2	15.30	16.73	17.02	17.28		
3	15.63	17.07	17.38	17.66	17.98	18.40
4	15.86	17.30	17.60	17.88	18.20	18.63
5	16.08	17.51	17.83	18.10	18.43	18.89
6	16.30	17.74	18.05	18.33	18.69	19.11
7	16.54	17.98	18.28	18.59	18.91	19.36
8	16.83	18.27	18.60	18.90	19.23	19.68
9	17.11	18.56	18.94	19.21	19.57	19.99

Effective September 23, 2019

Labor Grade	Start	3 MOS. REVIEW	6 MOS. REVIEW	9 MOS. REVIEW	12 MOS. REVIEW	15 MOS. REVIEW
1	15.43	16.85	17.15			
2	15.75	17.18	17.47	17.73		
3	16.08	17.52	17.83	18.11	18.43	18.85
4	16.31	17.75	18.05	18.33	18.65	19.08
5	16.53	17.96	18.28	18.55	18.88	19.34
6	16.75	18.19	18.50	18.78	19.14	19.56
7	16.99	18.43	18.73	19.04	19.36	19.81
8	17.28	18.72	19.05	19.35	19.68	20.13
9	17.56	19.01	19.39	19.66	20.02	20.44

Effective September 21, 2020

Labor Grade	Start	3 MOS. REVIEW	6 MOS. REVIEW	9 MOS. REVIEW	12 MOS. REVIEW	15 MOS. REVIEW
1	15.88	17.30	17.60			
2	16.20	17.63	17.92	18.18		
3	16.53	17.97	18.28	18.56	18.88	19.30
4	16.76	18.20	18.50	18.78	19.10	19.53
5	16.98	18.41	18.73	19.00	19.33	19.79
6	17.20	18.64	18.95	19.23	19.59	20.01
7	17.44	18.88	19.18	19.49	19.81	20.26
8	17.73	19.17	19.50	19.80	20.13	20.58
9	18.01	19.46	19.84	20.11	20.47	20.89

For all welders who become certified under Weg Transformer USA LLC certification program, \$1.25/hour will be added to the above rates

Employees in any of the welding, maintenance or appropriate metal fabrication classifications who have qualified for a Journeyman card through the union will be paid an additional \$.15/hour.

PAY SCALES INCLUDING GENERAL INCREASES - PT

APPENDIX A

Effective September 24, 2017

Grade	Start	3 MOS. REVIEW	6 MOS. REVIEW	9 MOS. REVIEW	12 MOS. REVIEW	15 MOS. REVIEW	18 MOS. REVIEW	21 MOS. REVIEW	24 MOS. REVIEW	27 MOS. REVIEW	30 MOS. REVIEW	33 MOS. REVIEW
4	15.41	16.85	17.15	17.43	17.75	18.18						
5	15.63	17.06	17.38	17.65	17.98	18.44						
6	15.85	17.29	17.60	17.88	18.24	18.66						
7	16.09	17.53	17.83	18.14	18.46	18.91						
8	16.38	17.82	18.15	18.45	18.78	19.23	19.48	19.73	19.98	20.23		
9	16.66	18.11	18.49	18.76	19.12	19.54	19.79	20.04	20.29	20.54	20.79	
10	16.95	18.40	18.75	19.05	19.40	19.85	20.10	20.35	20.60	20.85	21.10	21.35

Effective September 24, 2018

Labor Grade	Start	3 MOS. REVIEW	6 MOS. REVIEW	9 MOS. REVIEW	12 MOS. REVIEW	15 MOS. REVIEW	18 MOS. REVIEW	21 MOS. REVIEW	24 MOS. REVIEW	27 MOS. REVIEW	30 MOS. REVIEW	33 MOS. REVIEW
4	15.86	17.30	17.60	17.88	18.20	18.63						
5	16.08	17.51	17.83	18.10	18.43	18.89						
6	16.30	17.74	18.05	18.33	18.69	19.11						
7	16.54	17.98	18.28	18.59	18.91	19.36						
8	16.83	18.27	18.60	18.90	19.23	19.68	19.93	20.18	20.43	20.68		
9	17.11	18.56	18.94	19.21	19.57	19.99	20.24	20.49	20.74	20.99	21.24	
10	17.40	18.85	19.20	19.50	19.85	20.30	20.55	20.80	21.05	21.30	21.55	21.80

Effective September 23, 2019

Labor Grade	Start	3 MOS. REVIEW	6 MOS. REVIEW	9 MOS. REVIEW	12 MOS. REVIEW	15 MOS. REVIEW	18 MOS. REVIEW	21 MOS. REVIEW	24 MOS. REVIEW	27 MOS. REVIEW	30 MOS. REVIEW	33 MOS. REVIEW
4	16.31	17.75	18.05	18.33	18.65	19.08						
5	16.53	17.96	18.28	18.55	18.88	19.34						
6	16.75	18.19	18.50	18.78	19.14	19.56						
7	16.99	18.43	18.73	19.04	19.36	19.81						
8	17.28	18.72	19.05	19.35	19.68	20.13	20.38	20.63	20.88	21.13		
9	17.56	19.01	19.39	19.66	20.02	20.44	20.69	20.94	21.19	21.44	21.69	
10	17.85	19.30	19.65	19.95	20.30	20.75	21.00	21.25	21.50	21.75	22.00	22.25

Effective September 21, 2020

Labor Grade	Start	3 MOS. REVIEW	6 MOS. REVIEW	9 MOS. REVIEW	12 MOS. REVIEW	15 MOS. REVIEW	18 MOS. REVIEW	21 MOS. REVIEW	24 MOS. REVIEW	27 MOS. REVIEW	30 MOS. REVIEW	33 MOS. REVIEW
4	16.76	18.20	18.50	18.78	19.10	19.53						
5	16.98	18.41	18.73	19.00	19.33	19.79						
6	17.20	18.64	18.95	19.23	19.59	20.01						
7	17.44	18.88	19.18	19.49	19.81	20.26						
8	17.73	19.17	19.50	19.80	20.13	20.58	20.83	21.08	21.33	21.58		
9	18.01	19.46	19.84	20.11	20.47	20.89	21.14	21.39	21.64	21.89	22.14	
10	18.30	19.75	20.10	20.40	20.75	21.20	21.45	21.70	21.95	22.20	22.45	22.70

Welder certification applies (see DT pay scale).  
 Journeyman pay applies (see DT pay scale).

**PAY SCALES INCLUDING GENERAL INCREASES - MAINTENANCE**

**APPENDIX A**

Effective September 24, 2017

Level	Start	3 Month Review	6 Month Review	9 Month Review	12 Month Review	15 Month Review
C	\$18.98	\$19.73	\$19.98	\$20.23		
B	\$22.48	\$23.23	\$23.48	\$23.73		
A	\$24.60	\$25.35	\$25.60	\$25.85	\$26.10	\$26.35

Effective September 24, 2018

C	\$19.43	\$20.18	\$20.43	\$20.68		
B	\$22.93	\$23.68	\$23.93	\$24.18		
A	\$25.05	\$25.80	\$26.05	\$26.30	\$26.55	\$26.80

Effective September 23, 2019

C	\$19.88	\$20.63	\$20.88	\$21.13		
B	\$23.38	\$24.13	\$24.38	\$24.63		
A	\$25.50	\$26.25	\$26.50	\$26.75	\$27.00	\$27.25

Effective September 21, 2020

C	\$20.33	\$21.08	\$21.33	\$21.58		
B	\$23.83	\$24.58	\$24.83	\$25.08		
A	\$25.95	\$26.70	\$26.95	\$27.20	\$27.45	\$27.70

APPENDIX "B"

WEG TRANSFORMERS SAFETY COMMITTEE

Meetings to be held monthly.

Safety Committee Members

1 Member appointed by Company

2 Members appointed by Union Management  
(Members are not to be union officers.)

Monthly walk-around/safety inspections will be conducted by the Safety Engineer and the safety committee members.

After the physical inspections, the Safety Committee will meet to review the inspection reports and discuss correction of any problems.

APPENDIX "C"  
DISTRIBUTION TRANSFORMER JOB GROUPS

Labor Grade	Core Making	Coil Winding	Tank Shop	Assembly Final Assembly	Assembly Tanking	Assembly Core & coil	Stockroom/ Material	Small Power
8			Fin Fold Set-up Operator	Welder - Leak Repair				
7		LV Winder	Welder-Leak Repair Set-Up/Seam Welder Class I Laser Operator	Control wiring			Stock/Material Controller	Control Wiring Assembler
6	Lamination Machine/ Set-up Operator	LV/HV Layer Layer Winding	CNC Set-up/Oper Set-Up/Layout		Assembly Elec 3 Phase			
5			Powder Coat Painter Set-Up/Seam Welder Class II Shoblast Oper Machine Oper	Finish Painter Finish Assembler Control Wiring Trainee	Assembly Welder	Set-up/Layout Class II		Control Wiring Trainee Assembler Trainee
4	Core Assembler	HV Winder Winding Set-up				Assembler Elec. Assem/Mech w/ lacing	Shipper/Stager	
3	Utility	Utility	Utility	Utility Assembler/Mech	Utility Assembler/Mech	Utility Assembler/Mech		
2								
1	***Plantwide Specialist - LG 7***							



## APPENDIX "D"

### SHIFT CHANGE

When one of the positions listed below becomes open, the process for offering this job to other employees is as follows:

1. Ask employees who operate the same machine on other shifts, in seniority order, if they wish to "slide" to the open position.

If no one accepts, then:

2. Ask the employees who hold the same job classification, in seniority order, if they wish to "slide" to the open position.

If no one accepts, then:

3. Refer to Job Bid Board.

All DT Low-Voltage Winding Machines, including:

Schaltter  
Large Globe  
Small Globe  
Broomfield  
LAE  
TA

All Power Winding Machines, including:

MTM

All Lamination Machines

All Power Winding Positions, including:

Level 1  
Level 2  
Level 3

Core Stacking  
Yoking  
Uni-Core  
Annealing Ovens

The intent is to document past practice and to insure consistency.

In the future, it may be necessary to add machines or other job categories.

## APPENDIX "E"

### VACATION SCHEDULING

Information concerning vacation policy and the earned vacation days for each employee will be distributed to all supervisors and posted at the first of the year.

If the employee's 2<sup>nd</sup>, 8<sup>th</sup>, 15<sup>th</sup> or 25<sup>th</sup> anniversary falls within the year, the employee will be eligible for extra days of vacation after the anniversary date. Anniversary date could be subject to adjustment under certain circumstances.

There may be a plant shut-down, however, using vacation at that time is voluntary. It is understood that work may be available and, if so, any claim for unemployment will be protested by the Company. The Company will notify all employees the dates of any shutdowns before January 15 of each year.

Any employee who has more than one week of vacation can take three of those days one day at a time. Single vacation days may be scheduled in advance or employees may call in a vacation day subject to restrictions of the Attendance Policy. Employees eligible to call in vacation may use all three days in one-half day increments. Employees who are not eligible to call in for vacation due to provisions of the Attendance Policy, may schedule up to three days vacation in one-half day increments if scheduled by lunch the preceding shift. An employee with more than two weeks of vacation may take that third week one day at a time if scheduled with supervisor by noon on the previous day.

If a holiday falls during a vacation, the vacation can be extended one day.

To give all employees the fairest opportunity to schedule vacation during the most desired times, the following method of scheduling will be used.

**All vacation requests are to be submitted to Supervisors no later than January 15 of each year. Supervisors have until January 31 to review, approve and/or reschedule to avoid no more than 10% of the employees in each job classification (or 1 person for classifications with less than 10 people) to be scheduled out at any one time.**

**Seniority will be the deciding factor when Supervisors work through vacation scheduling.**

## APPENDIX "F"

### REGARDING PURCHASE OF EQUIPMENT FOR EMPLOYEE USE

All equipment mentioned herein will be purchased by the Company and remain the property of the Company.

#### Leather Protective Equipment for Welders

Requests for this equipment will be submitted to Area Supervisor for approval and purchase.

#### Insulated Coveralls

Each supervisor will determine employees in their supervised area whose work makes it necessary to be outside a good portion of the work day in cold weather.

A written authorization will be issued for the employee to purchase insulated coveralls. Employee will be reimbursed up to 100% upon presentation of a receipt to the Supervisor or the Accounting Department.

A cash advance can be arranged, if necessary.

## APPENDIX "G"

### SAFETY SHOES

#### Guidelines

Steel-toed safety shoes or steel-toed safety boots are mandatory. Union members may go to the participating service provider as agreed to by the Company and the Union and purchase steel-toed shoes/boots. These suppliers will direct bill WTU for any amount up to \$120. Prior to leaving the store, Union employee will pay any amount over and above \$120.

For any employee who has not utilized the above services during the calendar year, the Company will automatically pay each union employee \$50 for the purchase of steel-toed shoes or boots on or near December 15 of each year.

#### Disciplinary Action

This policy is for the safety and protection of employees. An employee not wearing steel-toed shoes to work is considered improperly prepared for work and should be asked to clock out and return home to obtain a pair of shoes that meet the above requirements. Point assessment will occur in accordance to provisions of Attendance Policy.

## APPENDIX "H"

### SAFETY GLASSES

The wearing of Safety Glasses in the factory is mandatory.

Spectacle type glasses with clear lenses shall be the standard unit of protection. Necessity for other types of eye protection shall be determined by the area supervisor or Safety Engineer.

Safety glasses shall be issued to all factory employees and any other employees whose duties regularly require trips into the plant. All other employees and visitors can obtain glasses on a temporary basis from the Human Resources office.

Employees have the responsibility to keep their eye protective equipment clean at all times.

The vision insurance program is the only company reimbursement program for prescription safety glasses.

Any employee found working without safety glasses will first be given warnings according to our disciplinary procedure, and repeated violations can lead to termination.



## IUE-CWA 401(k) Retirement Savings and Security Plan

2001 East 3rd Street \* Bloomington, IN 47401

812-671-0690 phone 812-671-9696 fax

www.iuepension.org

### MEMORANDUM OF AGREEMENT

The Employer, WEG Transformers USA, Inc., shall become a participating Employer in the IUE-CWA 401 (k) Retirement Savings and Security Plan (hereinafter called the "401(k) Plan") effective September 24, 2017. The Employer agrees to be bound by the Agreement and Declaration of Trust of the IUE-CWA Pension Fund as may be amended from time to time. This includes the distribution of enrollment materials and administrative forms provided by the IUE-CWA 401(k) Retirement Savings & Security Plan for the use of employees to advise the plan of changes, withdrawals, rollovers, etc.

The Employer agrees to forward to the Fund on behalf of each participating employee covered by the collective bargaining agreement, (who has completed their probationary period) no less than weekly (or biweekly, if applicable), by not later than five (5) business days, for the payroll week ending in the prior calendar week, all contributions made in accordance with the language on Attachment A of this Agreement.

All contributions shall be payable to the "IUE-CWA 401 (k) Plan" of the IUE-CWA Pension Fund and shall be remitted to the office of the Fund.

The Employer shall submit, no less than weekly (or biweekly, if applicable), the data necessary for the 401(k) Plan to comply with all recordkeeping responsibilities as required by applicable laws and regulations as determined by the 401(k) Plan. This includes but is not limited to: check date, payroll period, payroll frequency, loan repayment amount, employer negotiated contribution [if any], employer match [if any], full social security number, last name, first name, middle initial, address, city, st, zip code, date of birth, date of hire, employment status, and leave status. The data will be submitted in the format and method prescribed by the 401(k) Plan. The 401(k) Plan will take reasonable care to secure the data and its use for purposes other than the lawful administration of the Plan is prohibited.

The employer further agrees to deduct via their payroll system and forward to the IUE-CWA 401(k) plan all after-tax deductions duly authorized by participants.

The Trustees may, at any time, have an audit made of the employer's payroll, wage records and other relevant financial records of the employer for the sole purpose of determining whether the Employer has fulfilled its obligations under this Agreement in connection with said contributions and/or reports.

The Employer shall, upon request of the IUE-CWA 401(k) Retirement Savings & Security Plan, provide the IUE-CWA 401(k) Retirement Savings & Security Plan with the information necessary or appropriate for the IUE-CWA 401(k) Retirement Savings & Security Plan to conduct discrimination testing to determine whether the 401(k) Plan in compliance with the Internal Revenue Code, and to meet the Plan's obligations under ERISA.

The provisions in this Agreement concerning participation in the 401(k) Plan shall be effective on the commencement date of the 401(k) Plan. The IUE-CWA Pension Fund agrees to provide on-site enrollment and educational services. The Employer will provide the IUE-CWA Pension Fund with suitable accommodations at its facility to conduct employee enrollment. The Employer further agrees to require each of its employees who are eligible to participate in the Plan to attend an enrollment meeting at the work place without loss of compensation for a period not to exceed 1 hour and to provide the Plan on an annual basis names and address of all employees eligible to participate in the Plan.

**ATTACHMENT A  
COMPLETE APPLICABLE SECTIONS**

**Voluntary Employee Contributions**

Check below as agreed applicable contribution basis:

Employees may voluntarily contribute up to the legal limit prescribed by applicable law, including any allowable "catch-up" contributions, of gross wages on a pre-tax basis.

CENTS PER HOUR

**Employer Matching Contributions**

Check below as agreed applicable contribution basis:

Employer Matching Contributions based on cents per hour of Employee Contribution

Effective September 25, 2017, the employer will match 100% of the first \$0.15 per hour of employee contribution.

Effective September 25, 2018, the employer will match 100% of the first \$0.16 per hour of employee contribution.

**Employer Negotiated Contributions**

Check below, as agreed, applicable negotiated employer contribution basis:

\$ 0.36 PER HOUR

Signed: Mary Swynn

Employer: WEG Transformers Date: 11/21/2017  
Print Employer Name

Signed: Michael Topoli

For the Union: 8614 Date: 11/21/17  
Print Local Union #

MOA Revision date: 5/28/2009

## APPENDIX "J"

### TIME STUDIES AND STANDARDS

The intent of the Company is to conduct time studies on each production job and establish standards based on the results on these time studies. These standards are taken from the actual time it takes to perform each job. The times are pace-rates to 3 miles per hour (industry standard) and PF & D (personal fatigue and delay) is factored into each standard. Each standard is to be reasonable and achievable.

The main purpose of time studies is to:

1. Determine how much time and labor it takes to make the product
2. Identify and correct difficulties and costly problems throughout the processes
3. Work as a team to resolve these problems, and
4. Identify and address performance inefficiencies

Following is the Action Plan for the implementation:

1. Time studies will be conducted throughout the entire plant and standards will be established. In each case. Thorough communications will occur with the Union and with the employees performing the job in order to explain how standards are set. A reasonable period of time will be allowed prior to implementation.
2. After each department has been time studied, there will be a pre-implementation period. The company is committed to working with every employee through training and retraining to insure that each employee reaches standards on a consistent basis. Downtime will be evaluated in order to reduce non-productive times.
3. During the time period prior to implementation, no one will be negatively affected by the implementation of these time standards. After training is given, it is the company's expectation that there will not be any need for disciplinary actions. However, if an employee refuses to try to meet standards, or is unable to consistently meet these standards, the company will be required to take progressive disciplinary action. Disciplinary actions will be necessary only when an employee's efficiency results are consistently and substantially low based on a 6-8 week rolling average.
4. The company will publicize efficiency results per department. An employee may find out his own individual efficiency results by asking his/her supervisor.
5. With respect to those employees who, because of age, are unable to produce at an acceptable rate, the Company and the Union agree to work with that employee in an effort to keep that employee employed at some job that the employee is capable to performing.

APPENDIX "K"

LETTER OF UNDERSTANDING

As the result of labor contract negotiations that resulted in an agreement between IUE-CWA Local 86114 and WEG Transformers USA LLC, the group health insurance benefits were amended effective 1-1-2018 and these changes were communicated to all employees. Refer to Summary Plan Description.

Additional changes are as follows:

Effective 9-26-2017, weekly contributory amounts are as follows and will remain unchanged during the life of this agreement:

	Effective 9-24-17	Effective 9-24-18	Effective 9-23-19	Effective 9-21-20
Employee Only	\$ 32.50	\$ 33.48	\$ 34.48	\$ 35.51
Self+child(ren)	\$ 42.50	\$ 43.78	\$ 45.09	\$ 46.44
Self+spouse	\$ 42.50	\$ 43.78	\$ 45.09	\$ 46.44
Self+family	\$ 50.00	\$ 51.50	\$ 53.09	\$ 54.64

In addition, a Health Saving Plan (HSA) is an additional option offered to members of the Collective Bargaining Agreement. Details will be explained during an open enrollment period and detailed in a Summary Plan Description.

Weekly contributory amounts are as follows:

	Effective 9-24-17	Effective 9-24-18	Effective 9-23-19	Effective 9-21-20
Employee Only	\$ 30.00	\$ 30.90	\$ 31.82	\$ 32.78
Self+Children	\$ 40.00	\$ 41.20	\$ 42.43	\$ 43.71
Self+spouse	\$ 40.00	\$ 41.20	\$ 42.43	\$ 43.71
Self+family	\$ 50.00	\$ 51.50	\$ 53.09	\$ 54.63

The Company will contribute \$5.00/week into an Employee's HSA account.

Company will contribute \$50.00 per year into HSA for each of the following:

1. Tobacco-free
2. Completion of age/sex appropriate screening and wellness physical
3. Completion of health-risk assessment on-line.

## APPENDIX "L"

### LETTER OF UNDERSTANDING

The Union and the Company agree to review existing and any newly-created positions to determine if they qualify under the definition of Skilled Trades. The Union may utilize any documentation or professionals provided by the IUE-CWA in this review process and the Company will utilize information provided by their professional resources.

Any employee servig in a Skilled Trades position will receive a Journeyman card throught the Union upon completion of six years in the same Skilled Trades position.

In addition, the Union and the Company agree that any employee who has an employed spouse with an employer-sponsored health insurance plan available through his/her employment, it is mandatory for the spouse to enroll in that plan at the earliest available opportunity.

The Company will pay \$15.00/week to each employee to help offset the additional costs of the above-mentioned mandate.

This payment will be made in a timely manner after the end of each calendar quarter.

Short-term disability benefit is \$175/week.

Voluntary Vision Benefits are available. Weekly cost of benefits is dependent upon percentage of enrollment and in addition to the above weekly rates:

	35% participation	50% participation	65% participation
Employee	\$ 0.70	\$ 0.60	\$ 0.50
Employee/Spouse	\$ 0.90	\$ 0.75	\$ 0.55
Employee/Child(ren)	\$ 0.90	\$ 0.75	\$ 0.55
Family	\$ 1.60	\$ 1.35	\$ 1.05

Life insurance volume is \$15,000.

## APPENDIX "M"

### LETTER OF UNDERSTANDING

The Company has established a system which allows third shift employees to call into the Company by 1:00 p.m. on Thursday of each week in order to receive sufficient notice for mandatory overtime on Saturday of the same week.

Third shift employees will be able to utilize the same system to call into the Company by 1:00 p.m. on Friday of each week in order to receive sufficient notice for mandatory overtime on Sunday of the same week.

Anyone working third shift may call the telephone number provided to access the information regarding work schedules for Saturday and Sunday for third shift.

A message on the "Call to Inquire system" to work mandatory overtime is not a guarantee of mandatory overtime as overtime can be cancelled due to circumstances beyond the Company's control.

The telephone number and process will be provided to all third shift employees. Notices will be posted on the bulletin boards regarding the process. Anyone transferred to third shift after the effective date of this process will be responsible for obtaining the telephone number and understanding the process.

Failure of an employee to call in to obtain information does not negate mandate to work the assigned overtime.

## APPENDIX "N"

### LETTER OF UNDERSTANDING

The changes to the Attendance Policy agreed to during contract negotiations will not be changed during the life of this contract. **The only exception is with regard to the level of point assessment an employee must be below in order to be awarded a job bid. It was agreed to during negotiations that an employee can bid successfully to any job regardless of Attendance point assessment. The Company will evaluate this decision for the first six months following ratification (to be extended an additional six months if there are insufficient examples). If more than 25% of employees who have 4 points or more bid to a new job and then reach termination, the Company and the Union agree to revert back to the provisions in the Attendance Policy prior to negotiations. (An employee will be denied the opportunity to move by job bid if at four (4) point on Attendance Record.)**

During the life of this contract, prior to considering any changes to the current Attendance Policy (and the items not agreed to during negotiations), the Company will seek agreement with the union first.

## APPENDIX "O"

### LETTER OF UNDERSTANDING

During the 2017 Negotiations, WEG Transformers USA LLC and IUE-CWA Local 86114 agreed to create a "Post Bargaining Committee" that will jointly work through issues in regards to temporary transfers and possible job classifications being merged. The intent of this committee is to collaboratively work together to create a more efficient operation and understanding of the needs for the company in regards to temporary transfers, while also keeping a work balance for those bargaining unit employees affected.

It is understood by both parties that this will be an intense but needed exercise to get the standards at WEG Transformers USA LLC up to par where the company can succeed by staying competitive in the manufacturing world.

The committee shall consist of four (4) management designees and four (4) IUE-CWA Local 86114 designees. It is understood that more employees may join these conversations if and when both parties agree that it is relevant for an increase in numbers. It is also understood that the company will coordinate an appropriate office space to have these conversations, and the company will pay for any time that the bargaining unit employees spend in these discussions. It is understood by this agreement that the two parties will meet regularly, at least two (2) times a month, and have a dedicated note taker for each meeting.

The "Post Bargaining Committee" will work towards this concept and strive to reach the goals set above within six (6) months of the new 2017 collective bargaining agreement going into effect. Any agreement that is made at the end of this "Post Bargaining Committee" must be signed by the current IUE-CWA Local 86114 Executive Board and International Staff Representative.

**APPENDIX "P"**

**LETTER OF UNDERSTANDING**

**A Profit Sharing program will be developed through collaboration of the Union and the Company.**

## APPENDIX "Q"

**The Company and the Union agree to the following:**

**Non-bargaining unit employees may perform bargaining unit work in two limited situations: 1) to assist bargaining unit employees when necessary to ensure safe production; and 2) when a qualified bargaining unit employee is not immediately available to perform time-critical work. Time-critical work is work which a) must be completed by an impending deadline and b) completion by the deadline would be threatened in the absence of assistance from a non-bargaining unit employee.**

**With respect to (2) above, the Company must make "a reasonable effort" to determine if a qualified bargaining unit employee is or is not immediately available. "Reasonable effort" shall be considered satisfied if the following steps are taken:**

- a. The need for additional assistance to complete the work timely is identified;**
- b. Reasonable effort is made to identify bargaining unit individuals capable of fulfilling the need (consideration shall be given to identify only individuals who would cause no disruption to production); and**
- c. Determination made as to whether identified bargaining unit individuals are available to satisfy the need in a timely manner.**

**To ensure that the previous mentioned criteria is met, the supervisor in charge of finding temporary help to relieve the situations described in paragraph 1 must confer with that departments steward to explain the reasonable effort process applied, as set forth in paragraphs a through c above. If the specific department steward is not readily available, the supervisor in charge should refer to the next available union representative to show "reasonable effort." After clocking out, the company will allow such steward and/or union representative appropriate time to record the events and specific information for recording purposes, not to exceed 5 minutes.**

**In any situations involving an "emergency" from an act of God, it will be deemed appropriate for any employee of WEG Transformers to assist until such "emergency" is no longer in effect.**

**In the case of the Maintenance Supervisor, or any Supervisor, the above procedure will be followed completely; however, it is understood by both parties that certain situations may occur where the relationship with the customer and the company may be in jeopardy. There may be situations where the skill and the expertise of the Supervisor is needed to ensure the correct procedures are being used and the work is done correctly. In these situations, communication will be made with a Union representative which will explain why the Supervisor or Assistant Supervisor is needed to perform the work.**

**The Company does not intend to use non-bargaining employees working in production other than in the rare situations described in the first paragraph above. However, where the work is time critical, the Union agrees to cooperate with the Company in managing the production and the customers. The Company is not to invoke this agreement in connection with general orders from a customer.**

**When Supervisors or Assistant Supervisors are training employees or demonstrating work procedures, the above does not apply. If asked from the Union, the Company must supply documentation explaining what actions were taking place for such training and/or demonstrating work.**

**This agreement does not include any "work" performed by a Supervisor or Assistant Supervisor where the "work" takes 10 minutes or less to perform. In those instances, the Supervisor or Assistant Supervisor is permitted to "assist" in the production on the floor if nobody is immediately available and it is faster to complete the task rather than disrupt production.**