

**COLLECTIVE  
BARGAINING AGREEMENT  
BETWEEN:**

**AIRO DIE CASTING, INC.  
1004 INDUSTRIAL BLVD.  
LOYALHANNA, PA 15661**

**AND**

**FACTORY WORKERS LABORERS' UNION  
LOCAL # 1357  
1800 LIGONIER STREET  
LATROBE, PA 15650**

**May 15, 2014 through May 15, 2019**

### TABLE OF CONTENTS

ARTICLE 1: RECOGNITION.....Page 3

ARTICLE 2: MANAGEMENT RIGHTS.....Page 4

ARTICLE 3: DISCRIMINATION .....Page 5

ARTICLE 4: UNION SHOP-CHECK-OFF .....Page 5

ARTICLE 5: NO STRIKE – NO LOCKOUT .....Page 6

ARTICLE 6: WORKING HOURS AND SHIFTS .....Page 6

ARTICLE 7: WAGES.....Page 7

ARTICLE 8: HOLIDAYS.....Page 14

ARTICLE 9: VACATION.....Page 15

ARTICLE 10: HOSPITALIZATION INSURANCE/ HEALTH BENEFIT PLAN.....Page 17

ARTICLE 11: PENSION.....Page 25

ARTICLE 12: SICK LEAVE OR PERSONAL DAYS.....Page 26

ARTICLE 13: PROBATION.....Page 26

ARTICLE 14: SENIORITY.....Page 27

ARTICLE 15: DEATH IN FAMILY .....Page 28

ARTICLE 16: JURY DUTY .....Page 29

ARTICLE 17: DISCIPLINE & DISCHARGE .....Page 29

ARTICLE 18: GRIEVANCE PROCEDURE .....Page 30

ARTICLE 19: PICKET LINES.....Page 30

ARTICLE 20: UNION VISITATION & REPRESENTATION .....Page 31

ARTICLE 21: PROTECTIVE CLOTHING.....Page 31

ARTICLE 22: SUBCONTRACTING .....Page 31

ARTICLE 23: TERMS OF AGREEMENT.....Page 32

Appendix A .....Page

## **AGREEMENT**

THIS AGREEMENT entered into this 15<sup>th</sup> day of May 2014, by and in between Airo Die Casting, Inc. of 1004 Industrial Blvd. Loyahanna, PA 15661, telephone number (724) 539-4527 (hereinafter referred to as “The Company”) and the Factory Workers Laborers’ Union #1357 (hereinafter referred to as the Union) with mailing address: 1800 Ligonier Street Latrobe, PA 15650.

### **ARTICLE 1** **RECOGNITION**

1.1 The Company, as a result of a card check certified June 16, 1976, recognizes the Union as the sole and exclusive bargaining agent with respect to the wages, hours, and other terms and conditions of employment of the bargaining unit hereinafter defined.

1.2 The term “Associate” as used in this agreement shall mean all production and maintenance Associates including truck drivers of the Company employed at its Pennsylvania plant, but excluding all office clerical Associates, guards, watchmen, and supervisors as defined in the Act.

**ARTICLE 2**  
**MANAGEMENT RIGHTS**

2.1 Except as expressly limited by the other sections of this agreement, the management of the plant and the direction of the work force are vested exclusively in the Company and the Company shall continue to have all rights customarily reserved to Management, including the right to hire, promote, suspend, transfer, discipline, maintain efficiency, discharge, discharge for just cause, the right to layoff or recall Associates because of lack of work or other legitimate reasons; the right to schedule hours, job assignments and staffing levels; and the right to establish and enforce plant rules and regulations; provided that in the exercise of such rights and functions contained in this Article, Union members shall not be discriminated against as such. In addition, the products to be manufactured to be rendered, the location and extent of plant facilities operations, the schedules of production, the materials and equipment to be used, the decision to make or buy, contract, sub-contract, relocate any work or equipment, the methods, processes and means of manufacturing, the quality of material and workmanship required, as well as the selling prices, methods of selling and distribution of products, are solely and exclusively the responsibility of the Company.

2.2 The Company shall also have the right to direct the work force with particular emphasis on its right to maintain flexibility in the assignment of Associates and this right is recognized by the Union in view of the new technology and overall operation involved in the plant, subject to the provisions of Article 3.

2.3 In advance of the establishment of any work rules, the Company shall consult the Union.

**ARTICLE 3**  
**DISCRIMINATION**

3.1 The Company will not interfere with, restrain or coerce the Associates covered by this agreement because of membership in or activity on behalf of the Union.

3.2 This agreement shall apply to all Associates covered by it without discrimination on account of race, color, national origin, sex, religion, disability, or age 40 and above.

3.3 The Company will not unlawfully discriminate in the assignment of work, scheduling, promotion, or testing.

**ARTICLE 4**  
**UNION SHOP-CHECK-OFF**

4.1 It shall be a condition of employment that all Associates of the Company covered by this agreement who are members of the Union in a good standing on the execution date of this agreement shall remain members in good standing, and those who are not members on the executed date of this agreement shall, on the 91<sup>st</sup> day following the execution of this agreement, become and remain members in good standing of the Union. It shall also be a condition of employment that all Associates covered by this agreement and hired on or after its execution date shall, on the 91<sup>st</sup> day following the beginning of such employment, become and remain members in good standing of the Union.

4.2 The Company will, within five (5) working days after receipt of written notice from the Union, discharge any Associate who is not in good standing in the Union as required by the preceding paragraph.

4.3 Upon receipt of a signed authorization of the Associate involved, the Company shall deduct from the Associate's pay initiation, reinstatement fees, and dues payable by him/her to the Union during the period provided in said authorization.

4.4 These deductions shall be made from the first pay of the Associate after receipt of the authorization and monthly thereafter from the first pay of the Associate in each month.

4.5 Deductions provided herein shall be paid by the Company to the Union not later than the 25<sup>th</sup> day of the month in which the deduction is made and the Company shall also furnish the Union with the record of the Associates for whom deductions have been made and the amounts of such deductions.

## **ARTICLE 5**

### **NO STRIKE-NO LOCKOUT**

5.1 The Union will not call or sanction any strike, stoppage, slowdown, or other interruptions of work growing out of any dispute, which is subject to the grievance procedure of this agreement. The Company agrees that neither it nor its representatives will put into effect any lockouts during the term of this agreement with respect to any dispute subject to the grievance procedure in this agreement.

## **ARTICLE 6**

### **WORKING HOURS AND SHIFTS**

6.1 Eight (8) hours shall constitute a day's work. FIRST SHIFT: The day may start at 6:00 a.m., 6:30 a.m., or 7:00 a.m. After performing eight (8) hours of continuous work, the day shall end at 2:00 p.m., 2:30 p.m., or 3:00 p.m. SECOND SHIFT: Shall commence at 2:00 p.m., 2:30 p.m., or 3:00 p.m., and shall then end at 10:00 p.m., 10:30 p.m., or 11:00 p.m. THIRD SHIFT: Shall commence at 10:00 p.m. or 11:00 p.m., and then end at 6:00 a.m. or 7:00 a.m..

Standard workweek will be Monday through Friday unless mutually agreed upon by both parties. It is explicitly understood that the Associate will be at his/her workstation at the beginning and at the end of his/her shift.

6.2 In case of shift change, it will be subject to a three (3) day prior notice for the entire week.

6.3 There will be no shift change during the week; unless mutually agreed to.

6.4 There shall be one (1) ten (10) minute break during the first half of each shift.

6.5 There shall be a lunch period of twenty (20) minutes, during which Associates shall be paid. It is understood that the lunch periods will have to be staggered, in order to maintain continuous operations during the shift.

6.6 No one is permitted to punch out before the end of the shift, unless management has been notified.

## **ARTICLE 7**

### **WAGES**

7.1 (a) Wage rates as reflected in the “Base Hourly Wage” column in Attachment A of this Agreement shall be set and shall remain undisturbed for the life of this Agreement, except when substantial changes in, or introduction of new methods of operations, or job classification and evaluation shall require a change. Pay changes shall be effective upon the effective date of this Agreement after ratification of this Agreement in accordance with Attachment A on the dates provided in Attachment A, and will be included with first pay following.

7.1(b) Wages shall be paid according to Attachment A which will incorporate the following wage increases: Effective May 15, 2014, a 2.8% wage increase for all bargaining unit Associates; effective May 15, 2015, a 2.8% wage increase for all bargaining unit Associates; effective May 15, 2016, a 2.8% wage increase for all bargaining unit Associates; effective May 15, 2017, a 2.8% wage increase for all bargaining unit Associates; effective May 15, 2018, a 3.0% wage increase for all bargaining unit Associates.

Working Foreman receives his/her base hourly wage rate of his/her category PLUS seventy five cents (\$.75) additional/per hour.

Lead Person receives his/her base rate of his/her category PLUS fifty cents (\$.50) additional/per hour.

7.1(c) Associates will be hired at \$11.00 per hour for all classifications (except maintenance classifications), and have their hourly rate increased \$1.00 per hour upon completion of their probationary period. In the first pay of each quarter, following completion of their probationary period, they shall have their rate increased by \$.40 per hour until the first pay of the quarter following completion of thirty (30) months of service. At that time, their rate shall be increased to the job rate. During this period, Associates will not be eligible for any other scheduled wage increases. Once an Associate's pay merges with this scale; they should be paid in accordance with the wage scale. Quarterly increases will fall on the first pay of the following months: JANUARY, APRIL, JULY, and OCTOBER.

(Absences of more than 30 (thirty) consecutive days for any reason stop the progression until Associate returns to work.)

Any Associate who is placed in the Lead position shall bypass the two-tier wage system under 7.1(c) and shall receive the full rate of pay for that classification upon their placement into the Lead classification.

7.1(d) Once a qualified Associate satisfies his/her probation period and is temporarily upgraded to a higher classification for four(4) hours or longer, he/she shall be paid the higher rate for all such hours worked.

7.1(e) When a qualified Associate is permanently upgraded via bid process to a higher classification, he/she will be paid the rate for that classification.

7.2 The Company has established a gain sharing system for rewarding improvements in performance. Bargaining unit Associates shall be entitled to gain sharing profits on the exact same basis as non-bargaining unit Associates. The Union shall be entitled to a copy of the gain sharing plan and any amendments thereto, as well as the financial data used by the Company to calculate the gainsharing. In order to protect the confidential nature of the gainsharing financial data, the Union and its designated accountants shall execute appropriate confidentiality agreements to obtain the financial data enabling the Union's accountants to audit the accuracy of the gainsharing calculations. The Company has the exclusive right within its sole discretion to discontinue or terminate the gain sharing system or plan including but not limited to changing thresholds and charges and to within its sole discretion decide not to make gain sharing payments at any time regardless of whether those payments would have been earned pursuant to the existing or expired gain sharing system.

7.3 JOB BIDDING & PROMOTION: The Company encourages promotions from within and will consider seniority, skill, ability, past performance and disciplinary actions on record of all bidders in the selection process. No disciplinary actions can be considered as a basis for denying promotion if the discipline is more than nine months old. Certain skilled positions will require specific testing to qualify. In the event that a person has been out of the job or classification for a minimum of (6) six months they will be asked to retest or requalify for skilled positions. In those cases, the most senior Associate meeting the minimum required test score will be awarded the position. Test scores will be kept for a six (6) month period. Except for extraordinary circumstances all awarded bids will be filled within ninety (90) days. Promotion to Supervisor or Manager will be at management's discretion and shall not be subject to the job bidding process. The Employer shall post bids for any job that has not been filled consecutively for a sixty day period.

7.4(a) Once on a shift or in a job, the only way to move will be via the bidding process. Seniority will not determine any particular job within a classification (Example: Die Caster-seniority does not give an Associate rights to any particular job or machine within that job class). If there is temporarily no work within a particular class or specific assignment, those Associates will return to the Service Group (General Finisher) (Example: 1. Stoppage occurs during the shift, the person performing the job goes to the service group; 2. If a known stoppage is in effect prior to the start of a shift then the least senior Associate reports to the Service Group) and maintain the pay class. If there is a permanent displacement (6 (SIX) weeks), in a particular class then the Associate has the right to bump the least senior person in any job and shift that he/she is qualified to perform. The person bumped shall immediately be able to bump the least senior Associate if they meet qualifications.

**BID PROCEDURE:**

1. All permanent openings in all job classifications will be included.
2. Jobs will be posted in a designated location for eight (8) working days.
3. Information included on the posting will be date and time posted. Date and time posting will be pulled, job title, shift requirement, job location, salary grade, job description and eligibility requirement.
4. In order to be eligible to bid for the posting, an Associate must be a regular full-time Associate who has successfully completed the probationary period, and have been in the present position for at least six (6) months. If no interest is shown during the eight (8) day posting period, the job will be open to probationary Associates for bid.
5. An Associate wishing to bid a job will be required to fill out a Bid Form and turn it in to their facilitator or Human Resources Representative prior to the time the posting is pulled.
6. The successful candidate will serve a sixty (60) calendar day training and probationary period. Associates may be disqualified during the 60 day calendar day training and probationary period or may disqualify themselves in the first 30 days during this period and return to their position.

7. Jobs not filled with the bid process will be given to the least senior qualified person or be filled by an outside hire.
8. Associates will have the ability to request a temporary trade of shift within job classification. Trades must first be approved by the Human Resource Department. Advance notice of one (1) week will be required.
9. Each bidder may accept a bid once every six months. One bid withdrawal will result in a six month waiting period before an Associate may bid for another position in the bargaining unit.

7.4(b) Upon completion of a six (6) month training period, Die Cast and Mechanic in training will be tested to assure that candidates can move to next classification. Human Resources will oversee testing. The Company will also provide a test for CNC III's to determine whether they may be moved to the next classification. The Union President shall have access to test results to assure fairness in testing. Matrix records shall be kept on all regular Associates and shall be made available to the union on request.

The Company may engage in cross-training for probationary Associates and may provide training in all facets of general finishing, trimming, CNC III, and Caster-in-training positions. This training will be designed, determined and implemented at the discretion of the Company, and shall not be subject to negotiation. Cross-training shall be scheduled by the Company and will not be provided to probationary Associates in positions where special skills or testing are involved. Cross-training of probationary Associates shall be on a time-available basis and skills received through cross-training shall not be considered as qualifying an Associate to perform a position for purposes of establishing qualifications for any type of displacement, and filling positions pursuant to Article 14 of this Agreement. The Company shall have no obligation to provide a specific amount of cross-training and cross-training opportunities will be presented only on straight time, Monday through Friday, regular work shifts.

Cross-training opportunities may also be made available at the Company's discretion to regular Associates requesting cross-training. Opportunities for cross training among current Associates shall be determined solely by the Company based on demonstrated qualification and skill. The Company shall have no obligation to provide cross-training to any Associate or any particular amount of cross-training, if it exercises its discretion in providing cross-training opportunities.

To the extent that cross-training is provided by the Company, particularly in classifications with a limited number of Associates, the Company shall have full discretion in selecting Associates from those interested in cross-training, who have the greatest opportunity to be successful in cross-training, based solely upon the Company's assessment of those Associates' skills. In that event, seniority will not be as important to the Company in selecting candidates for cross-training as the Associate's experience and skillset.

Associates shall be permitted to indicate their interest in cross-training on forms available from the HR Department; the Company will post notices outlining available opportunities as they arise. Cross-training records will be maintained by the Company and available to the Union upon request.

After discussion with the Union, cross-training may be discontinued at any time by the Company when it determines training is no longer feasible or appropriate. The Company will review the effectiveness of cross-training at regular intervals.

7.5 Overtime pay of time and one-half (1 & 1/2) the regular straight time rate shall be paid over eight (8) hours of work in a day and over forty (40) hours of work in any week. All work performed on an Associate's seventh day of his/her week shall be paid for at double time irrespective of the hours worked earlier in the week. All work performed on a holiday shall be paid for at time and one-half (1 & 1/2) the base straight time hourly rate. Associates working on a holiday shall also receive their holiday pay, provided they meet the requirements of Article VIII. Probationary Associates shall not be substituted for Union Associates.

7.6 Any Associate reporting for work shall receive four (4) hours reporting pay unless he/she has been previously notified by the Company not to report. This clause shall not apply where Associates report for work but work is not available because of acts of God, power failure over which the Company has no control or other unforeseeable events over which the Company has no control. Reporting pay shall not count as time worked for overtime purposes except to the extent that the Associate actually worked. Mechanic 1 and Mechanic 2 Associates called in for an emergency shall receive two (2) hours reporting pay. Any repeat call in events for the same mechanic on the same piece of equipment within a continuous 8-hour period shall be deemed as one event in which event said mechanic shall receive a minimum of two (2) hours pay.

7.7 There shall be a shift premium of twenty cents (\$.25) for worked performed on a swing shift, and thirty cents (\$.35) for work performed on graveyard shift.

7.8 When business conditions demand it, the Company may require Associates to work overtime. Whenever overtime is required, it will be first offered by seniority to qualified Associates in the same classification and assigned to the same shift. If a sufficient amount of Associates do not sign up, then the Company will offer the remaining overtime to qualified Associates on that shift that have signed up on a seniority basis. If no one accepts the offer of overtime, in those cases then the junior qualified Associate(s) in that class, on that shift will be scheduled to perform the overtime work. The Company agrees to use all efforts to minimize mandatory Holiday and Sunday overtime and will discuss such needs for mandatory overtime with the Union prior to exercising. Anyone scheduling vacation for Friday or Monday will not be mandated for the intervening weekend.

**ARTICLE 8**  
**HOLIDAYS**

8.1 Any Associate who has completed the probationary period shall receive eight (8) hours pay at his/her straight time hourly rate for the following, regardless of the day of the week on which they fall:

New Year's Day	Thanksgiving Day
Good Friday	Day after Thanksgiving
Memorial Day	Monday after Thanksgiving
Independence Day	Christmas Eve
Labor Day	Christmas Day
Associate Birthday	New Year's Eve (Beginning December 31, 2016)

8.2 If a holiday falls within an Associate's vacation period, such holiday shall not be considered as part of the vacation period. The Associate shall receive eight (8) hours holiday pay.

8.3 Any holiday which falls on a Sunday shall be observed on the following Monday. The graveyard shift shall celebrate Good Friday on Easter Monday; all other holidays which fall during the regular Tuesday-Friday work week shall be observed by the graveyard shift workers on the day after the holiday. If an Associate is on an approved vacation during a designated holiday, the Associate shall have the option of receiving the holiday pay or being charged with the vacation pay.

8.4 In order to be eligible for holiday pay, the Associate must work the scheduled workday immediately before and after the holiday unless they shall have an excuse to be absent for some reason which is wholly and completely beyond their control. If an Associate schedules a vacation/personal day prior to or after a holiday, that will not be considered a scheduled workday. In this case, the Associate must work the day immediately before or after such scheduled vacation/personal day. In the event of layoff or workers' compensation leave, if an Associate works in any of the preceding seven (7) calendar days to the holiday, he shall receive holiday pay. Military leave of ten (10) months or less will be counted as time worked for purposes of calculating vacation entitlement.

**ARTICLE 9**  
**VACATION**

9.1 Vacations shall be provided and paid pursuant to the following schedule:

YEARS OF SERVICE	VACATION
1 YEAR	1 WEEK
2 YEARS	2 WEEKS
5 YEARS	3 WEEKS
17 YEARS	4 WEEKS

9.2 (a) Insofar as possible, the Company will arrange the vacation of an Associate at the time requested by the Associate. Two (2) weeks' notice is required for vacation requests, except that 20% of an Associate's vacation may be taken as floating days without risk of penalty. Associates having the greatest plant seniority will be given first choice in selecting the time of their vacation, except when upon granting the aforementioned vacation it causes more than 25% of any department to be off at one time. Vacation shall accrue from the date of initial hire, provided the Associate has completed their probation period.

(b) A vacation day may be used with submission of a doctor's excuse except as it pertains to Article 8.4.

9.3 In order to be eligible for vacation, the Associate must have completed the years of service noted above.

9.4 In order to be eligible for a full vacation, the Associate must not have been absent or missed work because of sickness or other personal reasons for more than six (6) weeks. If an Associate is off for such reason for more than six (6) weeks, their vacation shall be prorated. In the event an Associate has been laid-off for three (3) months or less, he/she shall receive a full vacation. In the event of a layoff totaling more than three (3) months, vacation shall be prorated. In the event an Associate is on workers' compensation leave for four (4) months or less, he/she shall receive a full vacation. In the event of a workers' compensation leave totaling more than four (4) months, vacation shall be prorated.

9.5 In order to be eligible for a full vacation, the Associate must not have been absent or missed work due to hospital confinement and post-hospital convalescence for more than twelve (12) weeks; in such case, their vacation shall be prorated. This is not meant to include sporadic occurrence of chronic absenteeism throughout the seniority year.

9.6 Associates shall be required to use 50% of their allotted vacation within any FMLA absence.

**ARTICLE 10**  
**HOSPITALIZATION INSURANCE/HEALTH BENEFIT PLAN**

10.1 The parties agree eligible Associates shall have the option to elect one of the following: (I) Highmark PPO Blue plan, (II) Highmark Community Blue plan, (III) Highmark PPO Blue Smart plan, or (IV) Highmark Community Blue Smart plan. The option to select one of these four plans shall occur approximately in the month of June for an effective date of July 1 each year during the term of the Agreement.

The level of benefits provided under the above plans shall be more particularly described in their specific Summary Plan Document as required by law.

Claims for benefits shall be brought under the applicable Summary Plan Document and shall not be subject to the grievance or arbitration provisions of this Agreement.

Required Associate contributions for participating Associates are outlined in Article 10.5 of this Agreement for all plans.

10.2 Coverage as described in Article 10.1 under the stated plans shall be available for full-time Associates, spouses and their dependents with benefits effective the first day of the month immediately following successful completion of the eligible Associates' probationary period. Eligible Associates must make application to participate and pay their monthly premium contribution by their due date.

10.3 Hospitalization coverage and benefits will discontinue:

- a.) the last day of the sixth (6<sup>th</sup>) month following initiation of workers' compensation leave; or
- b.) one (1) month following the date of layoff; or
- c.) Upon expiration of a leave permitted by the Family Medical Leave Act, Associates on Family Medical Leave Act will be permitted to maintain Health Insurance coverage during approved leave providing they continue to pay their portion of the monthly premium; or
- d.) upon resignation or discharge; or
- e.) as provided by the terms of the applicable health care plan.

10.4 Participating Associates will be permitted to continue to participate in the health care plan as permitted by the COBRA law. Enrollment and re-enrollment may be restricted by Plan terms or by law.

10.5 Level of Coverage: Highmark PPO Blue, Highmark Community Blue, Highmark PPO Blue Smart plan, or Highmark Community Blue Smart plan.

(a) The Company shall schedule annual open enrollment to allow Associates to make their annual elections for each plan year of this Agreement. Those elections will go into effect on or about July 1<sup>st</sup> of each plan year of this Agreement. In years 2 through 5 of this Agreement, the Company will establish and post all plan cost changes, either increases or decreases, to the plans provided in Article 10.1. All changes in the costs, either increases or decreases, will be calculated and delivered to both the Union and the Company each year on or about April 1 by Highmark.

(b) Highmark PPO – Weekly Associate premiums (“weekly contributions”) will be as follows:

	FIXED RATE	Company/Union Cost Sharing of Annual Cost Increases/Decreases			
WITH HRA*	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
EE	\$40.00	80/20	80/20	80/20	80/20
FAMILY	\$60.00	80/20	80/20	80/20	80/20

	FIXED RATE	Company/Union Cost Sharing of Annual Cost Increases/Decreases			
WITHOUT HRA	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
EE	\$58.00	70/30	70/30	70/30	70/30
FAMILY	\$106.00	70/30	70/30	70/30	70/30

\*Throughout this Agreement “HRA” means Health Risk Assessment.

Highmark Community Blue - Weekly Associate premiums (“weekly contributions”) will be as follows:

	FIXED RATE	Company/Union Cost Sharing of Annual Cost Increases/Decreases			
WITH HRA	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
EE	\$30.00	80/20	80/20	80/20	80/20
FAMILY	\$50.00	80/20	80/20	80/20	80/20

	FIXED RATE	Company/Union Cost Sharing of Annual Cost Increases/Decreases			
WITHOUT HRA	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
EE	\$47.00	70/30	70/30	70/30	70/30
FAMILY	\$88.00	70/30	70/30	70/30	70/30

Highmark PPO Blue Smart - Weekly Associate premiums (“weekly contributions”) will be as follows:

	FIXED RATE	Company/Union Cost Sharing of Annual Cost Increases/Decreases			
WITH HRA	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
EE	\$20.00	80/20	80/20	80/20	80/20
FAMILY	\$35.00	80/20	80/20	80/20	80/20

	FIXED RATE	Company/Union Cost Sharing of Annual Cost Increases/Decreases			
WITHOUT HRA	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
EE	\$40.00	70/30	70/30	70/30	70/30
FAMILY	\$65.00	70/30	70/30	70/30	70/30

Highmark Community Blue Smart - Weekly Associate premiums (“weekly contributions”) will be as follows:

	FIXED RATE	Company/Union Cost Sharing of Annual Cost Increases/Decreases			
WITH HRA	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
EE	\$15.00	80/20	80/20	80/20	80/20
FAMILY	\$28.00	80/20	80/20	80/20	80/20

	FIXED RATE	Company/Union Cost Sharing of Annual Cost Increases/Decreases			
WITHOUT HRA	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
EE	\$27.00	70/30	70/30	70/30	70/30
FAMILY	\$55.00	70/30	70/30	70/30	70/30

**FOR ALL ASSOCIATES THAT PARTICIPATE IN AN HRA IN THE CURRENT YEAR:**

For all Weekly Contribution tables above which are designated “80/20” with HRA, the Year 2 – Year 5 contributions are calculated as follows:

Current Year Weekly Contribution = Previous Year Contribution within the 80/20 table and within the same coverage category (i.e. EE or FAMILY) for the current year + 20% of annually quoted increase or decrease within the same coverage category for the current year.

NOTE – If an associate and his/her spouse is covered under one of the offered plans as a family, both the associate and the spouse must participate in the HRA to be eligible for this weekly contribution table.

**FOR ALL ASSOCIATES THAT DO NOT PARTICIPATE IN AN HRA IN THE CURRENT YEAR:**

For all Weekly Contribution tables above which are designated “70/30” without HRA, the Year 2 – Year 5 contributions are calculated as follows:

Current Year Weekly Contribution = Previous Year Contribution within the 70/30 table and within the same coverage category (i.e. EE or FAMILY) for the current year + 30% of annually quoted increase or decrease within the same coverage category for the current year.

NOTE – If an associate and his/her spouse is covered under one of the offered plans as a family and one or both of the associate and spouse choose not to participate in the HRA they fall into this weekly contribution table.

(c) The Company will offer the Pace Dental Plan as fully funded by the associate at the following monthly rates for first year of this Agreement:

VALUE PLAN		PREMIER PLAN	
EE	\$12.48	EE	\$23.10
EE + Children	\$27.47	EE + Children	\$49.83
EE + Spouse	\$25.39	EE + Spouse	\$46.41
Family	\$44.33	Family	\$78.48

For years 2-5 of this Agreement, the above Dental rates will be subject to change as determined by the Dental Plan carrier. These rates will be established during the same period as the health care cost changes each year.

(d) Associate contributions will become effective upon the effective date of the agreement, and on annual anniversaries of the effective date. Associate contributions may be paid through payroll deduction when applicable.

(e) Associate on leave or continuing coverage as permitted by COBRA must make health care premium payments in full by their due dates with payments to be made as directed by the Company.

10.6 Full time Associates who have completed their probationary period and who become disabled and unable to work may be eligible for a monthly sickness and accident benefit of up to: three hundred twenty five dollars (\$325.00) per week for up to twenty-six (26) weeks effective May 15, 2014; and three hundred and fifty dollars (\$350.00) per week effective May 15, 2017. Applications for benefits and Summary Plan Description describing benefits and terms are available through the Human Resource office.

10.7 The Company shall also provide group term life insurance coverage of \$20,000 (twenty thousand dollars) for each Associate.

10.8 An eye care benefit plan shall be provided by the Company that covers prescription eyeglasses for Associates and covered dependents who participate in hospitalization coverage. The current benefit level must be sustained for the length of agreement.

The level of benefits provided under the Pace Dental Plan shall be more particularly described in the Summary Plan Document as required by law. Applications for benefits and Summary Plan Description describing benefits and terms are available through the Human Resource Office.

10.9 An Associate assistance program will be made available to Associates and covered dependents who participate in hospitalization coverage.

10.10 Structure of Retiree Health Plan: The Company will sponsor a group health plan for retired associates (the “Retiree Health Plan”). The Retiree Health Plan shall be offered to associates who retire after the effective date of this Agreement, provided that such associate is at least 62 years of age and has 5 years of continuous service as of his/her retirement date. Coverage under the Retiree Health Plan shall cease for the retiree when he/she becomes eligible to enroll in Medicare. The spouse of the retiree may be enrolled in the Retiree Health Plan only while the retiree is also enrolled, subject to any continuation requirements under COBRA. Coverage under the Retiree Health Plan shall be provided by the Highmark Community Blue Smart Plan and subject to the relevant summary descriptions for the Retiree Health Plan. The applicable monthly retiree contributions will be as follows:

Highmark Community Blue Smart - Monthly Associate premiums (“monthly contributions”) will be as follows:

	FIXED RATE	Company/Retiree Cost Sharing of Annual Cost Increases/Decreases			
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
EE	\$239.40	50/50	50/50	50/50	50/50

FAMILY	\$651.52	50/50	50/50	50/50	50/50
--------	----------	-------	-------	-------	-------

If at any time during the period of retiree health coverage, the retiree fails to pay the monthly contribution for 3 consecutive months, the retiree will be considered in default and the coverage will be discontinued on the 10<sup>th</sup> day after the due date of that 3<sup>rd</sup> missed payment. To avoid discontinuation of the coverage, the premiums must be paid in full (completely caught up). Once discontinued, coverage will no longer be eligible to the defaulted retiree under this plan. The due date for each monthly contribution will be the 1<sup>st</sup> of each month.

10.11 The Company and the Union agree to use their best efforts to comply with the Federal guidelines under Patient Protection and Affordable Care Act “PPACA” and agree to work together during the life of this Agreement to incorporate potential changes provided by law including but not limited to the offering of health care exchanges, coverage levels and contributions. The parties acknowledge that changes as required by law to this Agreement will be subject to discussion and agreement by both parties.

10.12 The Company agrees to reimburse associates up to ten dollars (\$10)/month to a gym membership of their choosing. The associate will be required to supply proof of expense to be reimbursed.

**ARTICLE 11**  
**PENSION**

11.1 The Company shall make contributions to the Laborers' International Union of North America National (Industrial) Pension Plan (the "Pension") on behalf of the Associates covered by this agreement; except as provided in this Article. The Company shall remain in the Preferred Schedule Fund in accordance with its terms and this Agreement.

11.2 During the term of this agreement, the Company shall make contributions to the Pension Fund (not to exceed the amounts referenced in the column labeled "Pension" in Appendix A to this Agreement) on behalf of all bargaining unit Associates who have completed their probationary period, which shall not exceed ninety (90) days, in accordance with the rate ("Contribution") established by the Preferred Schedule as provided in the Addendum Adopting Preferred Schedule signed by the Company on July 26, 2012 and signed by the Union on July 30, 2012 ("Pension Addendum") for each calendar week or portion of a calendar week for which each such Associate receives pay from the Company. The Company and the Union agree to adopt the Pension Addendum and the Preferred Schedule for the term of the Agreement, and the Pension Addendum shall be considered as a part of this Agreement. In the event the Company is legally permitted to cease payments of the Contribution to the Pension or legally precluded from making payments of the Contribution to the Pension, an amount not to exceed the Contribution will be made to a substitute fund or benefit as mutually agreed to by the Company and the Union. In the interest of further clarity, Contributions are owed for any calendar week or portion of a week for which an Associate is on paid vacation, holidays, sick leave, personal leave or other type of leave, except that no Contributions are owed (and no Pension credit is earned) for periods during which an Associate is receiving Workers' Compensation, unemployment compensation, short term disability benefits, or long term disability and not receiving pay from the Company.

**ARTICLE 12**  
**SICK LEAVE OR PERSONAL DAYS**

12.1 Sick or personal leave shall be extended to all full-time Associates as follows: as of January 1, of each calendar year, sick or personal leave shall be to the extent of three (3) days per year. In addition, 20% of vacation may be used as floating without risk of penalty. For example: an Associate with two (2) weeks vacation can use two (2) of his vacation days as floating days.

12.2 ELIGIBILITY: Sick leave pay is to be based upon legitimate absences from work due to illness and disabilities not work related. The Associate will make an honest attempt to notify the Company of their illness if possible, so that the Company can make necessary adjustments.

12.3 Associates shall be eligible for three (3) sick/personal days January 1<sup>st</sup> of each year. Sick days for newly hired Associates: new Associates must work six (6) months or one-hundred, thirty (130) working days to be eligible for one (1) personal day; and must work nine (9) months or one-hundred, ninety-five (195) working days to be eligible for the additional two (2) personal days.

12.4 BUY-BACK: UNUSED SICK DAYS: the Company will compensate the Associates at the rate of one-hundred percent (100%) for each day, based on their regular wages (excluding overtime). Unused sick days will be bought back the last pay of December.

**ARTICLE 13**  
**PROBATION**

13.1 It is agreed that all new Associates shall be subject to a ninety (90) day probationary period. At the end of those ninety (90) days or any time therein, the Associate shall be retained or released by the Company at the sole discretion of management. Upon successfully completing the ninety (90) day probationary period, Associates shall be entitled to the various benefits enumerated in this agreement. Upon completion of their probationary period Associates shall be given credit for the length of service from their date-of-hire.

**ARTICLE 14**  
**SENIORITY**

14.1 (a) In the event of a layoff, Associates working in the classification of Mechanic 1, Mechanic 2, Tool Room 1, and Quality Tech 1 will not be displaced so as long as there is work within their classifications. During any layoff which the provision of this Article is enacted, remaining Associates in the above mentioned classifications will not be moved into jobs outside of their classifications without reconsideration of plant wide seniority. In the event work is not available in their department, they will fall back into the general population of the plant based on their plant wide seniority and be subject to layoff as otherwise provided in this agreement.

(b) Except as is provided in subsection (a) above, plant-wide seniority shall prevail under this agreement and shall govern and control all layoffs and recalls from layoffs except in a situation where an Associate has disqualified himself/herself from die casting. Such disqualified individuals will be subject to layoff prior to a less senior, qualified die caster. Other than layoff, recall, and vacation (as specified in Article 9.2a), all other instances should be based upon departmental seniority respectively.

(c) In the case of a layoff, the parties agree to meet and confer to consider the implementation of a process that would provide for the taking of a voluntary layoff.

(d) In the event a probationary Associate is off of work due to worker compensation during their probationary period, the seniority progression and 90 day probation period will stop and hire date will be adjusted by the number of work days missed.

14.2 Seniority of non-probationary Associates shall be terminated for the following reasons only

1. voluntary quit or resignation
2. discharge for just cause
3. layoff for more than twelve (12) consecutive months
4. termination of employment as outlined in the attendance policy.
5. Failure to report after three (3) working days from written notice (by Certified mail) to return from layoff.
6. workers' compensation and sickness/accident for length of seniority or a maximum of 24 months.

## **ARTICLE 15**

### **DEATH IN FAMILY**

15.1 Associates, after the completion of their probationary period, will be excused from work; in the event of a family death through the day of internment as follows: three (3) consecutive working days for the death of a spouse, parent, child, step-child, brother, sister, grandparent, grandchild, mother-in-law, father-in-law, grandparents-in-law, brother-in-law, sister-in-law, and legal guardian (with proof). The Associate will be paid for the days excused provided, however, that there is no intent in granting this benefit to enrich an Associate beyond the extent of lost wages. Example: death on Saturday, internment on Tuesday, back to work Wednesday (two (2) days excused and paid).

15.2 An Associate will be excused from work without pay for one (1) day for the death of an aunt, uncle, niece, or nephew. The Company will allow the use of sick day or vacation day if requested in these events.

**ARTICLE 16**  
**JURY DUTY**

16.1 When an Associate is called for service as a juror, he/she will be paid the difference between the fee he/she received for such service, and the amount of straight time hourly earnings lost by reason of such jury duty service up to a limit of eight (8) hours/per day and forty (40) hours/per week.

**ARTICLE 17**  
**DISCIPLINE AND DISCHARGE**

17.1 The Employer shall maintain a record of all disciplinary actions taken against any Associate and further; furnish a notice to the Union of any action taken within forty-eight (48) hours.

17.2 Disciplinary action may be taken in accordance with the following:

1. first offense—verbal warning
2. second offense—written warning
3. third offense—three (3) day suspension without pay
4. fourth offense—one (1) week suspension without pay
5. fifth offense—dismissal

17.3 Upon completion of their probationary period, Associates can be disciplined or discharged for just cause. Disciplinary action may range from verbal warning through immediate dismissal; depending upon the circumstances. Associates disciplined or discharged may file a grievance as provided or under the terms of the grievance procedure. An Associate has a right to have a Union representative present upon request during any disciplinary proceeding or investigative proceeding that may lead to disciplinary action.

17.4 Nine (9) months from their last offense, the Associate will begin a clean slate.

**ARTICLE 18**  
**GRIEVANCE PROCEDURE**

18.1 For the purpose of this agreement, the term “grievance” shall mean any dispute arising under this agreement between the Company and the Union; or between the Company and any Associate.

18.2 All grievances shall be settled in accordance with the following:

Any dispute or grievance shall be taken-up by the steward, the aggrieved Associate and the Company supervisor involved. If the grievance has not been settled with four (4) working days, it shall be then taken-up between the Union Business Agent or his designated representative, and the general manager of the Company; and reduced to writing at that step. If the grievance has not been settled within ten (10) working days, it may then be submitted to arbitration within ten (10) working days. The arbitration shall be conducted, pursuant to the labor arbitration rules of The American Arbitration Association. The parties shall share the cost of the arbitrator and the arbitrator shall have no authority to modify or alter this agreement in any way.

**ARTICLE 19**  
**PICKET LINES**

19.1 The Company will not, as a condition of continued employment, require Associates to cross a picket line. However, it is understood that Associates are required to make a reasonable good faith effort to come into work in the event of a picket line.

**ARTICLE 20**  
**UNION VISITATION AND REPRESENTATION**

20.1 The Company agrees that the Union Business Agent or his designated representative shall, upon notification of the plant manager; have access to the plant to talk to Associates during working hours.

20.2 The Union shall appoint a shop steward. Those stewards shall have access to all Associates covered by this agreement, regardless of location. They shall, however, make every attempt to satisfy their duties with the least possible impact on production.

**ARTICLE 21**  
**PROTECTIVE CLOTHING**

21.1 The Company shall provide any and all protective clothing and equipment where necessary. This shall include, but not be limited to: aprons, gloves, and protective face shields. A maximum of \$110.00 (One Hundred Ten Dollars)/per Associate will be reimbursed for safety shoes per contract year; however, Metal Tenders and Mechanics shall be reimbursed a maximum of \$150.00 (One Hundred and Fifty Dollars) for safety shoes per contract year. The Company will comply with all relevant regulations and standards pursuant to The Occupational Safety and Health Act of 1970, as well as applicable state regulations and laws with respect to occupational safety and health.

**ARTICLE 22**  
**SUBCONTRACTING**

22.1 The Company shall have the right to subcontract normal bargaining unit work only when such subcontracting does not result in a layoff, unless in cases of normal subcontracting work done by outside contractors not usually performed by bargaining unit Associates. The Company shall have the right to continue subcontracting normal non-bargaining unit work during layoffs.

**ARTICLE 23**  
**TERM OF AGREEMENT**

23.1 This agreement shall be effective as of the 15<sup>th</sup> day of May 2014, unless otherwise indicated. The entire agreement shall continue in full force and effort until the 15<sup>th</sup> day of May 2019, and from year to year thereafter unless either party to this agreement shall give written notice by certified mail to the other of a desire to modify, alter, change or terminate the agreement or any part hereof.

This notice shall be given in writing no later than sixty (60) days prior to the termination of this agreement. The failure to proper notice shall cause the agreement to renew automatically for an additional year and so on from year to year until proper notice is given.

**IN WITNESS WHEREOF**, the parties have hereunto set their hands and seals this

\_\_\_\_\_ day of \_\_\_\_\_, 2014.

AIRO DIE CASTING

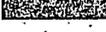
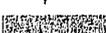
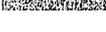
FACTORY WORKERS LABORERS' LOCAL UNION#1357

x \_\_\_\_\_

x \_\_\_\_\_

**ATTACHMENT A**  
**Airo Die Casting**  
**Wage and Pension Rates**  
 (Collective Bargaining: Airo Die Casting FWLU, Local #1357)

Job Classifications	CURRENT May 15, 2013 - May 14, 2014			YEAR 1 PROPOSED May 15, 2014 - May 14, 2015			YEAR 2 PROPOSED May 15, 2015 - May 14, 2016			YEAR 3 PROPOSED May 15, 2016 - May 14, 2017			YEAR 4 PROPOSED May 15, 2017 - May 14, 2018			YEAR 5 PROPOSED May 15, 2018 - May 14, 2019		
	Base Hourly Wage as of 5/15/2013	*Pension	Base+Pension	Base Hourly Wage as of 5/15/2014	*Pension	Base+Pension	Base Hourly Wage as of 5/15/2015	*Pension	Base+Pension	Base Hourly Wage as of 5/15/2016	*Pension	Base+Pension	Base Hourly Wage as of 5/15/2017	*Pension	Base+Pension	Base Hourly Wage as of 5/15/2018	*Pension	Base+Pension
<b>MAINTENANCE DEPARTMENT</b>																		
11/1/900																		
Mechanic 1	\$21.52	\$2.17	\$23.69	\$22.12	\$2.39	\$24.51	\$22.74	\$2.63	\$25.37	\$23.38	\$2.90	\$26.28	\$24.03	\$3.19	\$27.22	\$24.75	\$3.51	\$28.26
Mechanic 2	\$18.74	\$2.17	\$20.91	\$19.26	\$2.39	\$21.65	\$19.80	\$2.63	\$22.43	\$20.36	\$2.90	\$23.26	\$20.93	\$3.19	\$24.12	\$21.56	\$3.51	\$25.07
*Janitor	\$12.27	\$2.17	\$14.44	\$12.61	\$2.39	\$15.00	\$12.97	\$2.63	\$15.60	\$13.33	\$2.90	\$16.23	\$13.70	\$3.19	\$16.89	\$14.11	\$3.51	\$17.62
<b>TOOL ROOM DEPARTMENT</b>																		
Tool Room 1	\$19.35	\$2.17	\$21.52	\$19.89	\$2.39	\$22.28	\$20.45	\$2.63	\$23.08	\$21.02	\$2.90	\$23.92	\$21.61	\$3.19	\$24.80	\$22.26	\$3.51	\$25.77
Tool Room 2	\$18.17	\$2.17	\$20.34	\$18.68	\$2.39	\$21.07	\$19.20	\$2.63	\$21.83	\$19.74	\$2.90	\$22.64	\$20.29	\$3.19	\$23.48	\$20.90	\$3.51	\$24.41
<b>QUALITY DEPARTMENT</b>																		
Quality Tech 1	\$17.90	\$2.17	\$20.07	\$18.40	\$2.39	\$20.79	\$18.92	\$2.63	\$21.55	\$19.45	\$2.90	\$22.35	\$19.99	\$3.19	\$23.18	\$20.59	\$3.51	\$24.10
Quality Tech 2	\$17.70	\$2.17	\$19.87	\$18.20	\$2.39	\$20.59	\$18.71	\$2.63	\$21.34	\$19.23	\$2.90	\$22.13	\$19.77	\$3.19	\$22.96	\$20.36	\$3.51	\$23.87
<b>DIE CAST DEPARTMENT</b>																		
Die Cast 1	\$18.86	\$2.17	\$21.03	\$19.39	\$2.39	\$21.78	\$19.93	\$2.63	\$22.56	\$20.49	\$2.90	\$23.39	\$21.08	\$3.19	\$24.25	\$21.69	\$3.51	\$25.20
Die Cast 2/Metal Tender	\$18.41	\$2.17	\$20.58	\$18.93	\$2.39	\$21.32	\$19.46	\$2.63	\$22.09	\$20.00	\$2.90	\$22.90	\$20.56	\$3.19	\$23.75	\$21.18	\$3.51	\$24.69
Die Cast 3/Trimmer	\$17.76	\$2.17	\$19.93	\$18.26	\$2.39	\$20.65	\$18.77	\$2.63	\$21.40	\$19.30	\$2.90	\$22.20	\$19.84	\$3.19	\$23.03	\$20.44	\$3.51	\$23.95
<b>FINISHING DEPARTMENT</b>																		
CNC1	\$18.76	\$2.17	\$20.93	\$19.29	\$2.39	\$21.68	\$19.83	\$2.63	\$22.46	\$20.39	\$2.90	\$23.29	\$20.96	\$3.19	\$24.15	\$21.59	\$3.51	\$25.10
CNC2	\$17.91	\$2.17	\$20.08	\$18.41	\$2.39	\$20.80	\$18.93	\$2.63	\$21.56	\$19.46	\$2.90	\$22.36	\$20.00	\$3.19	\$23.19	\$20.60	\$3.51	\$24.11
CNC3	\$17.45	\$2.17	\$19.62	\$17.94	\$2.39	\$20.33	\$18.44	\$2.63	\$21.07	\$18.96	\$2.90	\$21.86	\$19.49	\$3.19	\$22.68	\$20.07	\$3.51	\$23.58
*Secondary Operator	\$17.45	\$2.17	\$19.62	\$17.94	\$2.39	\$20.33	\$18.44	\$2.63	\$21.07	\$18.96	\$2.90	\$21.86	\$19.49	\$3.19	\$22.68	\$20.07	\$3.51	\$23.58

 Represents Total % Increase (Base + Pension Increase) for Year 1  
 Represents Total % Increase (Base + Pension Increase) for Year 2  
 Represents Total % Increase (Base + Pension Increase) for Year 3  
 Represents Total % Increase (Base + Pension Increase) for Year 4  
 Represents Total % Increase (Base + Pension Increase) for Year 5

\* Pension rates are in accordance with the Addendum Adopting Preferred Schedule executed between the parties on July 27, 2012 and July 30, 2012.

Tentative Agreement subject to agreement on all contract issues:

\_\_\_\_\_  
 Airo Die Casting

\_\_\_\_\_  
 Factory Workers Laborers' Union, Local 1357

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Date