

**AGREEMENT BETWEEN
PILOT CHEMICAL COMPANY
AND
IAM LOCAL 1943**

February 7, 2014 to February 6, 2017

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AGREEMENT

This Agreement is made and entered into by and between Pilot Chemical Company, hereinafter referred to as the "Company", and Local Lodge 1943 of the International Association of Machinists and Aerospace Workers AFL-CIO, hereinafter referred to as the "Union". Now, therefore, it is agreed as follows:

ARTICLE 1 - UNION RECOGNITION

Section 1.1. The Company hereby recognizes the Union as the exclusive collective bargaining agent with respect to wages, hours, working conditions, and other conditions of employment, for and on behalf of, all full-time and regular part-time maintenance, laboratory and operations employees including lead persons; but excluding all office clerical employees, managerial employees, professional employees, guards and supervisors as defined in the Labor Management Act of 1947, as amended.

Section 1.2. The Company, its agents, and representatives will not engage in discrimination, interference, restraint, or coercion against any employee because of membership or activity in the Union.

ARTICLE 2 – UNION SECURITY

Section 2.1 The Company agrees that all present employees covered by this agreement shall remain members of the Union as a condition of employment and that all employees covered by this agreement and hired on or after its effective date shall become members no later than 31 days after the hire date as a condition of employment and remain members in good standing in the Union during the term of this agreement. The only obligation imposed by this section shall be the payment of regular dues, initiation fees, or reinstatement fees, if any.

ARTICLE 3 – STRIKES AND LOCKOUTS

Section 3.1. During the term of this Agreement and any extension of this Agreement, there shall be no strike, sympathy strike, stoppage, deliberate slowdown, deliberate withholding of production or suspension of work on the part of the Union, its members or any employees covered by this Agreement, and no lockout on the part of the Company.

Section 3.2. The Company shall have the right to impose disciplinary measures, including discharge of any employee, for a breach of Section 3.1 above. The severity of the discipline imposed for such violation shall not be subject to arbitration. The sole question which can be submitted to arbitration is whether an employee or employees have breached the provisions of Section 3.1.

Section 3.3. All questions, disputes, or controversies concerning the language of this Article shall be settled and determined solely and exclusively by the grievance and arbitration procedures provided for in this Agreement, subject to the right of either party to institute legal action in a court of competent jurisdiction to enforce the provisions of this Article 3.

ARTICLE 4 – MANAGEMENT RIGHTS

Section 4.1. The Union recognizes and agrees that, except as expressly limited by the specific provisions of this Agreement, the Company maintains the sole and exclusive right to manage its business in such manner as the Company shall determine to be in its best interest. The Company's right to manage its business includes, but is not limited to, the right to hire, promote, demote, layoff, transfer, assign and direct employees; to discipline, suspend or discharge; to make, change, rescind, and enforce reasonable plant and safety rules and regulations; to increase or decrease the working force; to determine the number of departments and the work to be performed therein, job content, the employees to perform the work, the methods to be employed, and quality and work requirements and standards; to subcontract (except for production or lab work currently being performed in the plant); to discontinue or relocate all or any portion of the operations now and hereafter carried on the premises covered by this Agreement; to schedule hours, including overtime; to establish and change job classifications required; to maintain safety, efficiency and order; to establish, assign, and change work shifts; to change the starting and quitting times for shifts; to establish work schedules for employees including the right to determine the number of actual hours to be worked in any day, week or shift; to utilize part-time and temporary employees; to establish and/or modify acceptable performance levels by employees; to provide for safety and health; to establish and change production and incentive standards and rates; and to otherwise maintain and improve efficiency, safety, quality, and productivity. The failure of the Company to exercise any of its rights, or to exercise them in a particular way, shall not be deemed to have waived such rights or to preclude exercise in some other way. All management rights not curtailed or surrendered by this Agreement are reserved to the Company.

ARTICLE 5 – CHECK-OFF

Section 5.1 Upon receipt of a signed authorization of the employee involved, the Company shall deduct from the employee's pay an amount necessary to satisfy his financial obligations to the Union during the period provided for in said authorization. The Financial Officer of the Local Lodge will certify the amount. Deduction shall be made from the first pay of the employee after receipt of the authorization and monthly thereafter from the first pay of the employee each month.

Section 5.2 Deductions provided above shall be remitted to the Financial Officer of the Union no later than the tenth day of the month following the month in which the deduction was made and shall include all deductions made in the previous month. The Company shall furnish the Financial Officer of the Union, monthly, with a record of those for whom deductions have been made and the amounts of the deductions, and the names of those employees for whom deductions were not made and the reasons they were not made. To the fullest extent possible, the Company will remit dues and membership records electronically to the Union.

Section 5.3 If, due to illness or being on vacation, an employee's dues are not checked off, such deduction will be made no later than the tenth day of the month following her return to work.

Section 5.4 The Union agrees that it will indemnify and hold harmless the Company from any liability or loss resulting from its having acted upon such check-off authorization or upon any request from the Union affecting the tenure of employment of any employee.

ARTICLE 6 – SENIORITY

Section 6.1. The length of Company service of each employee from the most recent date of hire shall determine the seniority of the employee. Should the length of Company service be equal among two or more employees, the relative seniority of such employees shall be determined by the chronological age of the employees involved. The older employee(s) will be considered more senior than the younger employee(s).

Section 6.2. Probationary period: There shall be a probationary period of one hundred eighty (180) days from the date of hire, during which time newly hired employees are subject to separation at the option of the Company without recourse to the grievance and arbitration procedure. With respect to all other matters, probationary employees are covered by the terms of this agreement and shall have access to the grievance procedure for the enforcement of their rights thereunder. All new employees who work for the Company more than one hundred eighty (180) days shall be placed on the seniority list with seniority back to their date of hire.

Section 6.3. Seniority will terminate when an employee:

- a) Quits
- b) Is discharged for just cause
- c) Is absent for three (3) working days without notice to the Company, unless such notice is not possible
- d) Fails to return as scheduled from a leave of absence or vacation,
- e) Gives a false reason for a leave of absence
- f) Fails to return to work on the specified date following layoff
- g) Is absent from work for any reason for a period of nine (9) months, or the length of seniority, whichever is less. However, if the cause of the absence is an on-the-job injury, the employee may be absent fifteen (15) months before seniority is broken
- h) Accepts employment from another employer during a leave of absence without the Company's written permission
- i) Retires
- j) Is laid off for a period of twelve (12) months, or the length of seniority, whichever is less.

Section 6.4. In selecting employees for job vacancies and shifts, in all cases of layoffs exceeding five (5) working days, and in recalls from layoff, the following factors shall be considered: (a) seniority, (b) skill and ability to perform the job, (c) prior experience, and

(d) discipline record. Where factors b, c and d are relatively equal, seniority shall govern. In selecting employees for shifts, the most senior qualified employee on the other shifts will be offered the shift first.

Section 6.5. When the Company determines to fill a vacancy, the Company shall, within five (5) days, post the vacancy on the Plant Communications Board for a period of five (5) days. The posting will include the number of open positions, the shift, and the rate of pay of each position. A bid sheet will be posted along with the job posting for employees who wish to bid on the position. The Company will, following the selection post the name and seniority date of the successful bidder. If no qualified employee is available, then the most senior eligible bidder will be awarded the position. If there are no eligible bidders, the Company may fill the job from any source. A vacancy in the Traffic Scheduler position may be filled at the Company's sole discretion. When the Traffic Scheduler is temporarily unavailable due to sickness, vacation, or other similar reasons, the position may be filled by a non-bargaining unit employee. The incumbent will be allowed to return to her position after the expiration of any approved leave of absence.

Section 6.6. In the event of a recall, the employer will provide such laid-off employee(s) a notice sent to her by registered mail to her last known post office address. Such employee will respond by telephone within five days of receipt of notice. If such laid-off employee fails to report for work within ten (10) days of receipt of notice, she shall lose all rights to seniority, unless she is temporarily incapacitated, preventing her from reporting. An employee's seniority will continue to accumulate while she is laid off.

Section 6.7. The Company will not employ any temporary employee for more than nine (9) months. The Company will not employ a temporary or part-time employee to perform work for which a laid off employee is qualified.

Section 6.8. The Company shall prepare and maintain, subject to examination and correction by Union representatives, a seniority list to record the status of each employee in the unit. The Union shall be provided with a copy of the seniority list (with qualifications) upon request.

ARTICLE 7 – GRIEVANCE AND ARBITRATION

Section 7.1. Grievances shall be limited only to matters concerning the provisions of this Agreement. A "grievance" as that term is used in this contract means a claim that the terms of this contract have been violated, or a question concerning the proper application or interpretation of this contract. The Company and the Union agree to meet promptly through authorized representatives, after notifications by either party, to discuss and adjust grievances.

Section 7.2. Should a grievance arise, it shall be handled in the following manner:

- Step 1. When an employee has a grievance, she shall discuss the grievance with her immediate supervisor with or without Union

representation within seven (7) days of when the employee knew or should have known of the violation.

- Step 2. If no agreement can be reached with her immediate supervisor, the grievance shall be reduced to writing and the employee and/or shop steward shall present it to the production manager or other designated Company representative within fourteen (14) days of when the employee knew or should have known of the violation. A second step meeting will be held within seven (7) days of the submission of the written grievance, and the production manager or other designated Company representative will render a decision, in writing, within seven (7) days of the meeting, giving the reasons the grievance was granted or denied.
- Step 3. If no agreement can be reached with the production manager or designated Company representative, the Union business representative may present it in writing to the plant manager or other designated Company representative within seven (7) days from the Step 2 answer. The plant manager or other designated Company representative will hold a meeting with the Union within seven (7) days of the request and will render a decision, in writing, within seven (7) days of the meeting.
- Step 4. If the Company's third step answer is not satisfactory to the Union, then the grievance may be appealed to arbitration by so notifying the Company in writing within seven (7) days from the Step 3 answer.

Section 7.3. In any step of the grievance procedure where a time limit is not met, unless extended by written mutual agreement between the parties, the grievance will be deemed settled based on the last written answer of the Company or position of the Union in favor of the party who did not violate the time limits.

Section 7.4. The Union and the Company agree that the "Grievance Report" form attached hereto shall be utilized for submission of grievances.

Section 7.5. The Arbitrator will be selected, on a rotating basis, from among the following: David L. Beckman, Mitchell Goldberg, William C. Heekin, David Stanton. In the event the arbitrator cannot hear the grievance within 90 days, the next arbitrator will be selected. In the event all three arbitrators cannot hear the grievance within 90 days, the arbitrator with the earliest available date will hear the case.

Section 7.6. The arbitrator shall have jurisdiction and authority to interpret and apply the provisions of this Agreement only insofar as necessary to the determination of such grievance. He shall not have authority to add to or subtract from or modify any of said terms.

The arbitrator's award shall be final and binding on matters before him. Only a single grievance may be heard by the arbitrator at one time.

Section 7.7. The Union and the Company shall share all fees, costs, and expenses of the arbitrator, transcript, and meeting room equally.

Section 7.8. The grievance and arbitration procedure provided for herein shall constitute the sole and exclusive method for adjustment and settlement between the parties of any and all grievances.

Section 7.9. The grievance and arbitration provisions provided herein as well as any right or obligation under the Agreement are limited to grievances or claims arising during the term of the Agreement. Grievances filed under the terms of this agreement shall be processed, up to and including arbitration, under the language in the agreement at the time the grievance was filed even though a new agreement has been negotiated subsequent to the grievance being filed, unless the parties have resolved the outstanding grievance(s) during the negotiation of the new agreement.

ARTICLE 8 – DISCIPLINE AND DISCHARGE

Section 8.1. No employee shall be discharged, suspended, or otherwise disciplined without just cause. In all cases of discharge or suspension, the employee involved shall be notified before the meeting is concluded, in writing, of the action and the reason for such action, and may have a union steward present upon request.

Section 8.2. Should there be any dispute between the Company and the Union concerning a disciplinary warning, a suspension or discharge, such dispute shall be heard in Step 2 of the grievance procedure following timely submission of the written grievance. Should an arbitrator determine that the discharge, discipline, or demotion was without just cause, the Company shall reinstate the employee to her former position without any loss of seniority rights, with or without compensation, as the Arbitrator may determine.

ARTICLE 9 – DISCRIMINATION

Section 9.1. The Company and the Union agree to comply with all federal and state anti-discrimination laws, including Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans With Disabilities Act and Ohio statutes prohibiting discrimination based on race, color, creed, sex, national origin, age and disability, retaliation, veteran's disability or status as a veteran, or union membership or activity. All claims of discrimination or retaliation will be submitted to the grievance and arbitration provisions of this Agreement.

ARTICLE 10 – SAFETY AND HEALTH

Section 10.1 The Company shall provide and maintain a safe and healthy workplace, and, in cooperation with the Union, will provide programs, training, and systems which seek to prevent and eliminate industrial injuries and illnesses. There shall be a Joint

Safety and Health Committee comprised of two representatives appointed by the Company and two appointed by the Union. The purposes of the Committee include, but are not limited to: making recommendations as to the maintenance of appropriate health and safety practices; assisting in the correction of unsafe conditions; performing routine safety and housekeeping audits and performing other tasks as may be referred from time to time. Time spent by members of the Union participating in Safety and Health Committee activities shall be considered time worked and paid as such. (Including overtime and premium pay, if applicable.) Meetings and time spent on Safety and Health Committee activities will be as determined by the Company, but no less than once a month.

Section 10.2 No employee shall be required to perform work that is in violation of established health and safety rules or any local, state or federal health and safety laws or regulations. An employee's refusal to perform work that is in violation of established health and safety rules or any local, state or federal health and safety law shall not warrant disciplinary action.

Section 10.3 The Company shall maintain an emergency first-aid station to care for its employees in case of injury. When an employee at work requires immediate medical attention by a medical practitioner or at a hospital as a result of an industrial injury/illness or exposure to hazardous agents in the work environment and the employee is not able to provide her own transportation to the treatment facility, the Company will provide or arrange transportation to and from the employee's work location. If such employee is returned to the work site too late to use her normal transportation home, the Company will provide or arrange such transportation.

Section 10.4 The Company shall furnish at its expense proper and modern safety and sanitary devices for all employees working on potentially hazardous work. It shall be mandatory for the employees to use such devices when the law, Company or Joint Safety committee determines they are necessary. The Company shall replace any safety equipment provided to the employees that is accidentally and irreparably damaged during the course of employment.

Section 10.5 The Company shall furnish suitable lockers, washrooms, showers, and drinking water. All toilets, washrooms, and showers shall be kept in a clean and sanitary condition. The Company shall provide separate and adequate facilities for men and women to change their clothing and wash up, which facilities shall be heated, ventilated, and contain hot water.

Section 10.6 In lieu of supplying safety shoes, the Company will pay an \$100 shoe allowance, every six months, commencing with the effective date of this agreement, to each employee. Corrective safety glasses will be provided annually if needed. It is the employee's responsibility to obtain the prescription. The frames provided would be the basic frame with side shield that is available through the program the Company has established. The Company agrees to maintain a uniform program at no cost to the employee.

Section 10.7 No employee shall be subject to any discipline, of any kind, as a result of reporting a safety hazard or injury.

ARTICLE 11 – HOURS OF WORK

Section 11.1. The workweek, for payroll purposes, will consist of seven (7) consecutive days beginning with the first shift that commences after midnight Saturday. The Company will provide employees at least two weeks' notice of shift schedule changes.

Section 11.2. Nothing contained in this Agreement will be construed as a guarantee of any hours of work in a workday or workweek.

Section 11.3. The Company will schedule two 15-minute breaks approximately in the middle of the first and second half of the shift. Meal breaks will be scheduled as close as possible to the middle of the shift. However, breaks may be moved or rescheduled depending on production requirements.

Section 11.4. An employee called in for work or reporting for work unless notified not to report shall receive no less than 4 hours work or 4 hours pay at the applicable straight time rate, unless the failure to provide work is due to a failure of utilities or natural disasters. Any employee who works more than two unscheduled hours beyond their regularly scheduled shift will be paid a meal allowance of \$6.50.

If the employee is called in after having already worked a normal shift during the same 24 hour pay period, then that employee will be paid the greater of either 4 hours straight time or actual time at the applicable overtime rate.

Section 11.5. At times the Company will require maintenance employees to be on-call. On-call employees will be given a mobile phone or pager and must respond to calls within one hour. Employees who are on-call must adhere to all Company policies as well as the provisions of Article 21 – Alcohol and Substance Abuse. Any variance from such policies may result in disciplinary action up to and including termination.

ARTICLE 12 – OVERTIME

Section 12.1. All hours worked over forty (40) hours in any one (1) work week will be paid at the rate of time and one-half (1-1/2). Hours worked on a paid holiday will be paid at the overtime rate in addition to the applicable holiday pay.

Section 12.2. There will be no duplication or pyramiding of overtime and other premium pay for any reason. The Company retains the discretion to determine in each instance if overtime work is required, how much overtime work will be needed and which employees will be assigned overtime.

ARTICLE 13 – HOLIDAYS

Section 13.1. Employees working 8-hour shifts will receive 12 holidays paid at 8 hours. Employees working 10-hour or 12-hour shifts will receive 8 paid holidays at 10 hours and 2 paid holidays paid at 8 hours.

The following holidays will be observed for employees working 8-hour shifts:

New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving, Day After Thanksgiving, Christmas Eve, Christmas Day, New Year's Eve.

The following holidays will be observed for employees working 10 or 12-hour shifts: New Year's Day, Easter, Memorial Day, Independence Day, Labor Day, Thanksgiving, Day After Thanksgiving*, Christmas Eve, Christmas Day, New Year's Eve*.

*These two holidays will be paid at 8 hours; all others are 10 hours for employees working 10 or 12 hour shifts.

Section 13.2. For employees who regularly work Monday through Friday, when a holiday falls on a Saturday, it will be observed on the preceding Friday. When a holiday falls on a Sunday, it will be observed on the following Monday. For employees who work on a rotating schedule (such as 12-hour shifts), a holiday will be observed on the actual holiday.

Section 13.3. Only full-time employees will receive holiday pay. Employees must work their regularly scheduled working days immediately preceding and immediately following the holiday, unless an absence on either day is approved in advance by the supervisor or medical documentation is provided. Employees who are required to work on a paid scheduled holiday will receive overtime for the hours worked plus 8 or 10 hours of holiday pay depending on their shift schedule.

ARTICLE 14 – VACATIONS

Section 14.1. Full-time employees accrue paid vacation time on an annual basis according to their length of service with the Company. Vacation accrual begins when an employee starts work. Vacation will accrue at the following rates:

Length of Service	Vacation
Start	80 hours/year
5 years	120 hours/year
15 years	160 hours/year
20 years	200 hours/year

Section 14.2. Vacation time accrues continuously over the year at a rate such that the full vacation will not be accrued until the end of the year. However, vacation may be taken as earned. When a service anniversary is reached, one year's vacation will have been accrued at the higher rate. Vacation, once earned, must be taken within a reasonable time. Vacation will cease to accrue once the accrued total reaches 150% of

the amount for which the employee is currently eligible or three weeks, whichever is greater, and will not again begin to accrue until the employee uses vacation and thus causes accrued vacation to fall below the maximum level.

Section 14.3. Vacation must be approved and scheduled in advance with the Plant Manager or designee. Vacation will be scheduled only at the convenience of the Company although the Company will attempt to accommodate the employee's requests when practical. When a scheduling conflict arises, seniority will be given first consideration. Employees may take vacation in increments of no less than four (4) hours.

Section 14.4. Vacation is a vested benefit and any balance will be paid out when employment is terminated. Employees will be able to participate in a Vacation Reimbursement Program offered by the Company in the same manner as the Company's non-union employees.

ARTICLE 15 - 401(K) PLAN

The Company agrees to continue in effect and administer the 401(k) Plan.

ARTICLE 16 – HEALTH AND WELFARE BENEFITS

The Company agrees to provide health and dental insurance, life insurance, AD&D and STD coverage. Bargaining unit employees will be covered by the same plans and coverages provided to the Company's non-unit employees, and will contribute to premium costs in the same manner as the Company's non-unit employees.

ARTICLE 17 – WAGES

Section 17.1. Wage rates for each job classification shall be as set forth in Appendix "A", subject to the provisions of Section 17.2. Newly hired production employees shall be hired into Process Operator Trainee or Packaging Operator classifications. Employees in the Packaging Operator classification shall only perform the duties of drum out. In the event a Packaging Operator performs duties beyond drum out, she will be paid Process Operator Trainee pay.

Section 17.2. Employees earning below the wage rate for their job classification set forth in Appendix "A" shall move to the Appendix "A" wage rates effective September 1, 2011. Employees earning above the wage rate set forth in Appendix "A" shall not suffer a reduction in rate.

Section 17.3. The wage rates set forth in Appendix "A" (attached) shall be increased by two percent (2.0%) effective February 7, 2014, two percent (2.0%) effective February 7, 2015, and two percent (2.0%) effective February 7, 2016.

Section 17.4. Employees shall receive a lump sum payment equivalent to 2.5% of their annual base pay on or before February 28, 2014 provided that this agreement is ratified on or before February 14, 2014.

Section 17.5 A swing shift differential of 45 cents per hour will be paid for all regularly scheduled shift hours to employees whose shift begins between 1pm and 4:59pm. A night shift differential of 60 cents per hour will be paid for all regularly scheduled shift hours to employees whose shift begins between 5pm to 12am. For hours in excess of an employee's normal shift hours between 1pm and 12 am, the employee will be paid the swing shift differential of 45 cents per hour. For hours in excess of an employee's normal shift hours between 12am to 5am, the employee will be paid the night shift differential of 60 cents per hour. No shift differential shall be paid to any employees for hours between 5am and 1pm.

ARTICLE 18 - FUNERAL LEAVE

An employee who suffers a death in her immediate family will receive up to 24 hours of funeral pay (3 days for 8 hour shift employees and 2 days for 12 hour shift employees) for any days of work so lost by her from the date of death until the day after the funeral. Immediate family is defined as parent, spouse, child, grandchild, grandparent, sister, brother, step children and in-laws, and also including stepfather, stepmother, stepbrother, or stepsister where they have lived with the employee in an immediate family relationship. The days off must include the day of the funeral. The employee may request additional unpaid time-off due to death in the immediate family and said request will not be unreasonably denied, or be counted against the employee under the absence policy.

ARTICLE 19 - JURY DUTY OR WITNESS LEAVE

The Company encourages employees to serve on jury selection or jury duty or as a witness when called. Employees will receive full pay while serving up to 10 days of jury duty. Employees should notify their supervisor of the need for time off as soon as a notice or summons from the court is received. The Employee will be required to provide written verification from the court clerk of having served. If work time remains after any day of jury selection or jury duty, the Employee will be expected to return to work for the remainder of her work schedule, if practical.

ARTICLE 20 – LEAVES OF ABSENCE

Section 20.1 FMLA

Employees and the Company shall have all rights, responsibilities and obligations in accordance with the Family and Medical Leave Act ("FMLA"). A rolling 12-month period will be utilized. Paid vacation must be utilized at the beginning of a leave for child care or for the serious health condition of a family member, and may be utilized, at the employee's option, during a leave for an employee's serious health condition to substitute for unpaid leave. Paid sick time may be utilized, at the employee's option, during a leave for the serious health condition of a family member or for the employee's serious health condition to substitute for unpaid leave time. An employee returning from FMLA leave for the employee's health condition shall obtain and provide to the Company a certification from the employee's health care provider that the employee is

able to resume work in accordance with the HPE for the employee's position. Employees returning from FMLA leave will be placed in the position to which they are entitled in accordance with the provisions of this agreement. Vacation time and paid sick time do not accrue during leaves that exceed sixty calendar days. If an employee takes multiple leaves, they will be aggregated for purposes of the limitation on accrual unless the employee returns to work for at least 90 calendar days between leaves.

Section 20.2.1 Supplemental Disability Leave

Supplemental Disability Leaves of Absence are provided to eligible employees who are unable to work due to injury or illness when a health care provider certifies the injury or illness. This policy also applies to injuries or illnesses due to pregnancy, childbirth or related medical conditions. Paid sick, vacation time or short term disability may provide employees with pay during a supplemental disability leave. If these benefits are exhausted or not available or if an employee, when permitted to do so, elects not to use them, disability leaves are unpaid.

Section 20.2.2 Employees who are eligible for leave under the FMLA must exhaust all leave time that they are entitled to under that policy before they will be eligible for leave under this policy.

Section 20.2.3 Regular full-time employees are eligible for leaves under this policy after their first year of employment. All other employees are not entitled to leaves under this policy unless the leave is for an occupational injury or illness, pregnancy, childbirth or related medical conditions, and to reasonably accommodate an employee with a disability if otherwise required by law.

Section 20.2.4 An employee may request a leave under this policy when an employee is unable to work due to injury or illness for 10 or more consecutive work days.

This includes illness or injury due to pregnancy, childbirth or related medical condition.

Section 20.2.5 The maximum amount of leave which may be taken under this policy is six months from date of the injury or illness, unless otherwise required by law. Multiple disability leaves for the same injury or illness will be aggregated for purposes of calculating the six months.

The maximum amount of leave available under this policy shall be reduced by any leave taken under the FMLA for the serious health condition of an employee.

Section 20.2.6 Supplemental disability leaves are unpaid leaves except when paid sick and vacation time are used. Use of paid sick and vacation time is optional.

The use of paid sick time and vacation time does not extend leaves under this policy beyond the maximum amount specified in this policy.

Section 20.2.7 The Company will continue coverage under the Company's insurance plans on the same basis as if the employee were actively at work for the duration of the leave. This means that the employee is responsible for the employee's portion of the

insurance premium, if any, for employee and dependent coverage, if applicable, during the leave.—During any portion of the leave which is paid, premiums will be deducted from an employee's paycheck in the same manner as if the employee were actively employed. During unpaid leaves, if an employee elects to continue coverage, premium payments must be made to the Company every pay period at the same time such payments would be made if paid by payroll deduction. If payment is more than 30 days late coverage may be discontinued.

Section 20.2.8 Vacation time and paid sick time do not accrue during leaves which exceed 60 calendar days. If an employee takes multiple leaves they will be aggregated for purposes of the limitation on accrual unless the employee returns to work for at least 90 calendar days between leaves.

Section 20.2.9 Employees shall provide the Company with as much notice as possible when the need for leave is foreseeable.

Section 20.2.10 Employees are required to fill out a "Request for Leave" setting forth the reason for the leave, the anticipated duration of the leave and the anticipated start of the leave as soon as they become aware of the need or future need for a leave. This is in addition to the medical certification requirement as set forth below.

Section 20.2.11 A request for leave must be supported by a medical certification from the employee's health care provider. Medical certification must be provided to the company within 14 calendar days of the start of the leave. Documentation must be turned in to the Plant Manager or Human Resources.

In certain circumstances, the Company may require second and third medical opinions. The Company may also require recertification in certain circumstances.

If there are any limitations on an employee's ability to perform the employee's job during the pre-injury or illness period, e.g., due to a worsening medical condition or pregnancy, medical certification from a health care provider must be provided.

Section 20.2.12 An employee returning from Supplemental Disability Leave for the employee's health condition shall obtain and provide to the Company a certification from the employee's health care provider that the employee is able to resume work in accordance with the HPE for the employee's position.

An employee returning from a disability leave will be returned to the employee's former position if it is still available or to any equivalent available position. If such positions are not available, the employee will be placed in any available position which the Company in its sole discretion believes the employee is capable of performing at the pay level for that position. If no position is available, employment may be terminated.

If an employee can return to work but has limitations as applied by the employee's health care provider, an evaluation will be made of these limitations. Accommodation will be made for the employee as required by law. If accommodation cannot be made the employee will be medically separated from the Company.

Section 20.2.13 Employees may not accept employment with any other employer during a leave without Company permission. Acceptance of such employment will be regarded as a voluntary termination of employment.

This Section will be interpreted and applied in accordance with applicable Federal, State and local laws. To the extent this Section may conflict with those laws, such laws are controlling over this Section.

Section 20.3.1 Personal Leave

Employees may request a personal leave of absence for up to thirty (30) days for personal emergencies (including extended funeral leave) and for family leave purposes if not eligible for leave under the FMLA or if such leave has been exhausted. Personal leaves will be granted at the discretion of the Company and are unpaid. An employee is not eligible for a Personal Leave of Absence unless all vacation time has been exhausted.

Section 20.3.2 Regular full-time employees with one or more years of continuous service are eligible for leaves under this Section. All other employees are not eligible for leaves under this Section.

Section 20.3.3 Personal leaves may be requested for a variety of personal emergencies as well as for family leave purposes if an employee is not eligible for such leave under the FMLA or if such leave has been exhausted. A personal leave will be granted only after all accumulated vacation time has been exhausted. Personal leaves are granted at the discretion of the Company. Factors which will be considered in determining whether to grant a personal leave include, without limitation, an employee's length of service, performance level, responsibility level, and the reason for the request, the extent to which the employee has previously taken leaves, the impact on other employees and the business needs of the Company.

A leave will not be granted under this policy if the employee is eligible for a leave under the FMLA.

Section 20.3.4 The maximum duration of leave (including extensions) which may be taken under this policy is 30 calendar days. This shall be reduced by the amount of any leave taken under the FMLA for the birth of a child, the placement of a child with the employee for adoption or for foster care to care for a child, spouse, or parent with a serious health condition if the personal leave is being requested for the same reason.

Section 20.3.5 The Company will continue coverage under the Company's insurance plans on the same basis as if the employee were actively at work during the leave. This means that the employee is responsible for the employee's portion of the insurance premium, if any, for employee and dependent coverage, if applicable, during the leave. During any portion of the leave which is paid, premiums will be deducted from an employee's paycheck in the same manner as if the employee were actively employed. During unpaid leaves, if an employee elects to continue coverage, premium payments must be made to the Company every pay period at the same time such payments would

be made if paid by payroll deduction. If payment is more than 30 days late coverage may be discontinued.

Section 20.3.6 Vacation time and paid sick time do not accrue during leaves which exceed thirty calendar days. If an employee takes multiple leaves, they will be aggregated for purposes of the limitation on accrual unless the employee returns to work for at least 90 calendar days between leaves.

Section 20.3.7 If the need for a leave is foreseeable, the employee shall provide the Company with as much notice as possible but not less than 30 days before the requested leave is to begin except that if the nature of the event requires leave, if approved, to begin in less than 30 days, the employee shall provide such notice as is practicable.

Section 20.3.8 Employees must fill out and submit a "Request for Leave" setting forth the reason for the leave, the anticipated duration of the leave and the anticipated start of the leave as soon as they become aware of the need or future need for a leave. The request must be approved by Human Resources. The Company may require updates on an intermittent basis, solely at the Company's discretion.

Section 20.3.9 Employees may not accept employment with any other employer during a leave with Company permission. Acceptance of such employment will be regarded as a voluntary termination of employment.

ARTICLE 21 – ALCOHOL AND SUBSTANCE ABUSE

Section 21.1 It is the intention of the Company to provide a drug/alcohol free workplace for the benefit of the employees, employer, customers, and clients. To achieve a drug free workplace, the parties have agreed to a drug and alcohol-testing program. The entire bargaining unit is covered by this program and will be required to submit to testing as required. The following are prohibited:

1. Driving a Company vehicle while under the influence of alcohol or an illegal controlled substance.
2. Possession or use of alcohol, or being under the influence of alcohol on Company property or while on the job. Use of alcohol in certain business-related social activities with customers is exempted from this prohibition.
3. Distribution, sale or purchase of an illegal substance on Company property or while on the job.
4. Possession or the use of an illegal substance or being under the influence of an illegal substance on Company property or while on the job.
5. Refusal to consent to required testing.

"Under the influence" means testing at or above any current Department of Transportation standards for illegal drugs and .02 or above for alcohol.

Section 21.2 Testing is required in the following circumstances:

1. Post offer/pre-employment as a condition of future employment
2. Upon reasonable suspicion
3. Follow up testing after a return to duty from assessment or treatment for six months after the return
4. Random testing and regular testing. This includes testing as part of required physicals.
5. Post accident

Testing will be done at Department of Health certified facilities meeting Department of Transportation drug and alcohol testing protocol requirements.

Section 21.3 Being under the influence of alcohol or illegal drugs is grounds for immediate dismissal. Violation of any of these rules or standards is grounds for immediate dismissal. The refusal to submit to testing or the alteration of a testing sample also is grounds for immediate dismissal. The Company may also bring the matter to the attention of the appropriate law enforcement authorities. In order to enforce this policy, the Company reserves the right to conduct searches of Company property.

Section 21.4 An employee's conviction on a felony charge of illegal sale or possession of any illegal substance while off Company property is grounds for immediate dismissal.

Section 21.5 The Company offers and will continue an Employee Assistance Program (EAP), which confidentially refers employees to a substance abuse professional. Voluntary self-referral is encouraged. Employees who come forward with a substance abuse problem before a policy violation will be referred to the EAP, without fear or loss of employment for coming forward.

ARTICLE 22 – SICK PAY

Section 22.1 Sick pay is provided to full-time employees as described below when such employees are unable to work because of illness or injury not related to work. Sick pay is not intended for personal business. Sick Pay may be used for medical or dental appointments or for care of a sick spouse, child or stepchild. In order to use sick pay, an employee must talk to her Supervisor at least one hour before her scheduled shift. Sick pay will accrue at a rate of 40 hours per year. Unused sick pay will be allowed to accumulate from year to year up to a total of 1000 hours.

Section 22.2 Before sick pay is provided, the Company reserves the right to require medical evidence that the employee is unable to work due to illness or injury not related to work. In certain circumstances, the Company may require medical certification the employee's entitlement to sick pay and fitness to return to work. If an employee does

not bring in a doctor's statement as required, the absence will be unexcused; she will not receive sick pay and will be charged with vacation. If an employee is absent due to illness or injury not related to work but does not have the necessary sick pay balance to cover the absence, and has vacation time available, vacation time will be used. If the employee does not have the necessary vacation or sick pay, the absence will be unpaid. Sick pay is not a vested benefit. If the employee's employment ends for any reason, she will not be paid for unused sick pay.

ARTICLE 23 – MISCELLANEOUS

Section 23.1 The Company agrees to furnish a bulletin board which shall be used exclusively for the purpose of posting Union notices concerning:

1. Union recreational and social affairs;
2. Union elections;
3. Union appointments and results of elections;
4. Union meetings; and
5. Union educational and training notices.

Any postings that are obscene, inappropriate, or otherwise inconsistent with the above-stated authorized purposes shall be immediately removed.

Section 23.2 International Union Representative(s) will be granted reasonable access to the facility to confer with members of the Union. Such visits shall not interfere with the efficient operation of the plant. The representative(s) shall prearrange any visit with the Plant Manager or his designee after at least 24 hours notice.

APPENDIX A

	2/7/13	2/7/14	2/7/15	2/7/16
LEAD OPERATOR A	\$25.57	\$26.08	\$26.60	\$27.13
LEAD OPERATOR B	\$24.38	\$24.87	\$25.37	\$25.88
PLANT OPERATOR A	\$23.14	\$23.60	\$24.07	\$24.55
PLANT OPERATOR B	\$22.25	\$22.70	\$23.15	\$23.61
PROCESS OPERATOR A	\$20.76	\$21.18	\$21.60	\$22.03
PROCESS OPERATOR B	\$19.98	\$20.38	\$20.79	\$21.21
PROCESS OPERATOR C	\$19.41	\$19.80	\$20.20	\$20.60
PROCESS OPERATOR TRAINEE	\$17.39	\$17.74	\$18.09	\$18.45
PACKAGING OPERATOR	\$13.46	\$13.73	\$14.00	\$14.28
MAINTENANCE ADMINISTRATOR	\$24.52	\$25.01	\$25.51	\$26.02
ENGINEERING TECHNICIAN	\$28.54	\$29.11	\$29.69	\$30.28
TRAFFIC SCHEDULER	\$23.97	\$24.45	\$24.94	\$25.44

ARTICLE 24 – DURATION

This Agreement shall be effective as of February 7, 2014 and shall terminate on February 6, 2017 provided that unless sixty (60) days' written notice is given by either party prior to such expiration date of its desire to negotiate a new agreement, this Agreement shall remain in full force and effect from year to year, subject, however, to the giving of such notice sixty (60) days prior to February 6 of each year.

INTERNATIONAL ASSOCIATION
OF MACHINISTS AND AEROSPACE
WORKERS AFL-CIO, LOCAL
LODGE 1943

PILOT CHEMICAL COMPANY

Neil B. Douglas

Gregory W. Swartz

Pamela R. Butcher

MEMORANDUM OF UNDERSTANDING

The parties agree that, in the event the Company determines to subcontract maintenance work which affects the employees currently working in maintenance positions, these employees will be offered the opportunity to transfer to another position in the bargaining unit, and such transfer(s) will not result in the displacement or layoff of other unit employees.

INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE
WORKERS AFL-CIO, LOCAL LODGE
1943

PILOT CHEMICAL COMPANY

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