

K # 9451

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Girard Machine Company

Union Contract

This agreement made and effective as of December 1, 2012 for a term of forty-eight(48) months Ending November 30,2016 is by and between Girard Machine Company Inc.(hereafter referred to as the Company) and the independent union of Girard Machine Company employees (hereafter referred to as the Union).

By execution of this agreement, the parties intended to establish their rights, obligations and responsibilities as contained in the body of the agreement and to provide the authority and means for orderly settlement of all issues arising between the parties thereto. The company recognizes and the employees accept the union as the exclusive bargaining agent for interpretation and enforcement of the terms of this Agreement.

Membership

All employees, excluding executives and supervision on and after ninety (90) days of continuous full-time service or the effective date of this agreement whichever is later, Shall as a condition of employment become and remain members Of the union in good standing for the duration of this Agreement Full time status is considered to be at least forty (40) hours per week. Enrollment into the Union after ninety (90) days does not wave probationary period of one year. The employee will remain on probation For the first full twelve (12) months of service. During this period management has the right to terminate without any right to recall.

Deductions

Deductions shall be made by the company from the pay of all members of the union and must be remitted to a representative of the union according to properly authorized demands by union. Deduction will be made the first pay period of each month.

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SECTION I

HOLIDAYS

Eight (8) hours shall be paid for the following nine (9) Holidays:

- 1. New Year's Day**
- 2. Good Friday**
- 3. Memorial Day**
- 4. Independence Day**
- 5. Labor Day**
- 6. Thanksgiving**
- 7. Day after Thanksgiving**
- 8. Christmas Eve**
- 9. Christmas Day**

When a man is called out to work on a paid Holiday, he will be paid time and a half in addition to his paid Holiday. Holidays, which fall on a Saturday, shall be observed on Friday and not on such Saturday. Holidays which fall on Sunday, shall be observed on Monday. When a Holiday occurs during an eligible employee's scheduled vacation he shall be paid for the unworked Holiday in addition to his vacation pay. However the employee must return to work the next scheduled workday after his vacation has elapsed in order to receive Holiday pay. There will be no pay due for employee who does not return to work the day following a Holiday unless failure was due to sickness per Doctor's slip or death in the immediate family or some other cause approved by management. If any employee is receiving any compensation from insurance due to an accident or illness, the Holiday will not be paid.

Employees laid off will be entitled to paid Holidays only if called back to work in the pay period in which the Holiday occurs

SECTION II

OVERTIME

Time and one half the regular rate shall be paid for:

- A. Excess of eight (8) hours in any one working day.
- B. Excess of forty (40) hours in any one- work week.
- C. Saturday work only for hours over forty (40) for the week.
- D. Double time for Sunday.

Distribution of Overtime

- A. Overtime work shall be worked by employees in the classification in which the work is needed. Employees shall not be entitled to jump classifications unless all employees in that classification asked to work.

SECTION II (Continued)

OVERTIME

B. If a job has no classification and overtime is needed the employees who normally performs that job will be given the overtime.

Example: Welders working as fitters helper.

C. There shall be no bumping between turns for overtime.

D. If overtime is ten (10) hours or more an additional ten (10) minute break shall be given.

E. When overtime is for a specific job (when entire shop is not working)

1. When overtime is required on a specific job and the entire shop is not working, it will be offered first to the employee(s) currently working on the job without management being required to ask all employees within the classification that have more seniority.

2. Management will commit to equalizing overtime offers amongst employees so that one employee does not work more than 20 hours of overtime more than any other employee within their classification in a given month. If an imbalance occurs, union and management agree to meet and determine an acceptable corrective action to equalize the overtime offers.

3. When an employee accepts an overtime offer they are subject to the same attendance policy and procedure as regular scheduled work hours. For example, if any employee is asked to work on Saturday or Sunday when the entire shop is not working and you accept you are held to the attendance policy. If you cannot work Saturday or Sunday just decline the overtime offer and you are not penalized.

SECTION III

HOURS OF WORK

A. Normal work day shall be eight (8) hours in any one work day.

B. Normal work week shall be forty (40) hours consisting of five (5) consecutive work days: Monday through Friday.

C. Normal shift hours

1st Shift: 5:30 am. to 2:00 pm.

2nd Shift: 2:00 pm. to 10:30 pm.

D. The management has the right and obligation to adjust schedules meet its commitments and retain its workforce.

E. If any employee reports to work on a scheduled work day and is sent home for either lack of work or any act of God, the company shall pay him for four (4) hours

SECTION IV

SHIFT DIFFERENTIAL

Each employee scheduled to work on the second (2) Shift shall be paid a premium of forty (40) cents per hour for all hours worked on that Shift.

SECTION V

WAGE RATES

- A. All new employees are on a trial basis for one (1) year and will start at a rate not less than the lowest rate classification for which he is hired. At the end of one (1) year the company may exercise the right to release or retain the employee at an appropriate rate.
- B. Employees hired after 12-1-04 will start at a minimum of the lowest and will be moved toward the highest rate at management discretion. This means that because an employee is hired after 12-01-04, doesn't mean he cannot someday achieve the highest rate.
- C. Employees hired after 12-01-12, will receive 2013 pay schedule.

APPRENTICE AND LEARNER JOBS

If management would decide to train an employee who is not qualified for a particular job rather than hire an experienced person from outside, the following points shall be considered:

1. When the job is based without regard for qualification the senior employee will be given the first opportunity for the job, if he is physically fit for the job.
2. Job will be posted for ten (10) working days on the company bulletin board. The employee with most seniority who signs the bid list will be given first consideration for the job. Failure by any employee to sign the bid list within the ten (10) days period means he relinquishes rights to that job.
3. Employee will be considered a trainee for a period of one thousand forty (1040) working hours. If after two hundred forty (240) hours the employee shows lack of aptitude for the particular job skills, the management has the right to go to the next senior employee on the list.
4. During the trainee period the employee's pay scale will be twenty (20) cents lower than the lowest classification for that job. After completion of the training period his pay will then be equal to the lowest classification.
5. If any employee receives three (3) reprimands for poor workmanship during a calendar year he can be demoted one (1) classification in pay for a period of one (1) year. Management, union representative, and affected employee must view work before reprimand is issued.

MANAGEMENT PERFORMING BASIC SHOP TASKS

Shop superintendent is able to perform and assist employee's with basic shop tasks (operate cranes and handle material) in an effort to improve efficiency and eliminate in the production process. Superintendent will not fit, weld, tack grind, burn, drill, machine, load or unload furnace, perform maintenance activities, sandblast or paint.

SECTION VI

FIELD WORK RATES

- A. Any field work that requires an overnight would receive \$27.00/ hour
- B. Local field work would receive \$5.00/ hour over their current rate.

SECTION VII

LAYOFF AND SENIORITY

A. Seniority, Promotion and Demotion

1. In regards to promotion or demotion of employees the following factors shall be considered and where factor B and C are relatively equal, factor A shall govern.
Factor A Shall be continuous service
Factor B Ability to perform the work
Factor C Physical Fitness
2. If after a reasonable lapse of time, not exceeding thirty (30) workdays, a promoted employee fails to perform satisfactorily the duties of the position to which he was promoted, as substantiated by record of his performance, the management of the company shall have the exclusive right at its Discretion to remove such employee from such position and return him to his former position. In making a new appointment to said position in such case, the procedure outlined in the first paragraph of this section shall be followed, providing that no discrimination will be exercised against any employee for any reason.

B. Increase or Decrease of workforce

1. Whenever an increase or decrease of workforce is necessary, the company will consider the following: Factor A shall govern where Factor B & C are relatively equal.
Factor A Continuous Service
Factor B Ability to perform the work
Factor C Physical Fitness
2. In the event of a decrease of work or work shortage, the youngest man is laid off and so on down the line with the oldest man working his forty (40) hours per week, with the exception that the company has the option of cutting that week to thirty two (32) hours for a maximum of four (4) weeks per each contract year
3. An employee laid off due to lack of work automatically loses his seniority status if he is laid off for a period equal to his time of employment not to exceed two (2) years. If the employee is to be called back in that time period the company must use the following procedure for recall:
 1. Try to contact employee at last known phone number, if no response.
 2. Try to contact employee at last known address by registered mailIf employee fails to respond within one (1) week such employee will be subject to discharged.
4. In the event of a work shortage and a subsequent layoff, an employee cannot bump into a higher class-job, nor can he bump into a class, which he has previously refused. There shall be no bumping into a lower job classification except for lack of work.

- #### C. An employee with five (5) years of service or more, laid off due to lack of work, automatically loses his seniority status if he is laid off for a period of more than two (2) years. For employees with more than one and less than five (5) years of service laid off due to lack of work, will lose his seniority, if he is laid off for a period of more than one year. This pertains to only employees hired after 12-01-04. All current employees hired before 12-01-04 would fall into the two (2) year period.

SECTION VIII

JOB BIDDING PROCEDURES

- A. Job Bidding Procedures
 - 1. Any job openings will be posted for bid for two (2) weeks, stating the job responsibility, wage shift, etc.
 - 2. Job will be assigned to the employee with most seniority.
 - 3. Management after a two (2) week period must accept the bid, and the bidder must be given an ample break-in time. Not to exceed thirty (30) days. Failure to bid on a job opening will be considered a refusal.
 - 4. The job is to be rewarded on basis of seniority and qualification as determined by management, if the job being bidden on is being considered by seniority only without regard for qualification, then the senior employee selected for the job under the bidding procedure has the option of accepting the job under a learner program.
 - 5. Records of all bidding will be duplicated and will be retained by management and the union grievance committee.
 - 6. An employee promoted to a new job position will be considered for a raise to the next higher class after working one-thousand-forty (1040) hours at the new position. The raise will be granted if the employee is qualified, at the discretion of management, however, union is to be given written explanation if employee is not promoted.
- B. All employees hired before 12-01-04 that bid on future posted jobs would train at \$1.00 below the highest listed rate as a trainee for a period one-thousand-forty (1040) working hours. All employees after 12-01-04 would train .20 cents lower than the lowest classification.

SECTION IX

VACATIONS

- A. All vacations shall be determined on a calendar year basis. One year shall be twelve (12) months.
- B. Earned rights to vacation
 - 1. Initial year means twelve (12) months from date of hire. During initial year employee shall have received earnings in at least 50% of the pay periods and have completed the full year.
 - 2. Subsequent years means the years following the end of his initial year. During The subsequent calendar year, the employee shall have received earnings in at least 50% of the pay periods.
 - 3. 50% Rule: Employee must receive earnings in at least 50% of pay periods during the twelve (12) months from January 1st through December 31st.

SECTION IX (Continued)

VACATIONS

C. Eligibility and Exceptions

1. If employee without giving two (2) weeks written notice, he forfeits any accrued vacation benefits.
2. If employee is prevented from working 50% of pay-periods because of compensable occupational disability, he shall receive vacation benefits in the calendar year of injury as if working but he must work 50% pay-periods in calendar year following injury to qualify for vacation benefits in the calendar year subsequent to year of injury.

D. Length of Vacation

1. One (1) week provided such employee has attained one(1) full year and less than three (3) full years of continuous service in any such calendar year.
2. Two (2) weeks provided such employee has attained three (3) full years of continuous service in any such calendar year.
3. Three (3) weeks provided such employee has attained ten (10) years of continuous service in calendar year.
4. Additional day for each full year over ten (10), not to exceed four (4) weeks.

E. Rate of Vacation pay

1. The rate of vacation pay is based on rate of pay in year it was earned.
Example: 2013 rate will be based on 2012 pay rate

A one (1) week notice would be needed for a vacation day, without management approval. This will enable us to better prepare our work schedule and avoid untimely delays in production. During the course of the year an employee may use vacation time for an emergency unexcused absence a maximum of three (3) incidents

An employee may use vacation time when off due to illness as long as the illness is supported with a doctor's slip.

Vacation time can only be taken in half day or full day increments.

SECTION X.

FUNERAL LEAVE

1. The company will pay for three (3) days lost time due to a death in immediate family. For the purpose of the provision this is limited to Mother, Father, Brother, Sister, Children or Spouse.
2. An employee will receive one (1) day lost time (day of funeral only) due to death of mother-in-law, father-in-law, stepparent, stepsibling, or stepchild.
3. An employee will receive funeral pay only if the days taken off would have been scheduled workdays in which he would of had worked. If an employee is on vacation lay-off, or disability he will not be given funeral pay.

SECTION XI

LEAVE OF ABSENCE

A. How Granted:

All leave of absence shall be in writing and shall be granted only by the company. Each of which shall state the conditions thereof and be signed by the union who shall be given a copy.

B. How and when application are made

Application for such leave shall be made through the company and in sufficient time to allow the company to make proper provisions to fill the job being vacated.

C. Notice to the Union:

when granted ,a copy of each leave of absence for a period over two (2) weeks, except in automatic sick leaves,will be furnished to the union. Employee who overstay their leave of absence shall be terminated.

SECTION XII

CALL IN TIME

A. In the event that an employee must take time off from a scheduled workday,he is obligated to furnish satisfactory reason for absence and establish it by the following procedure.

1. He must notify foreman within one (1) hour of his starting time,his call shall be referred to management, if they are available. If call cannot be referred to management,employee must contact management prior to his scheduled quitting time to establish acceptable notice.

B. A pink slip for each offense is to be issued by management to a member of the grievance committee to be given to violator

SECTION XIII

FIRST AID

The company shall make reasonable provisions for the safety and health of its employees while they are working on its premises, providing them with the necessary supplies such as: First Aid, Eye Lotion, etc., at all times

SECTION XIV

HOSPITALIZATION & LOST TIME

A. All of the hospitalization and insurance rates to be paid by the company of each employee provided he is working in that month, or in the of a layoff, company will pay premiums in the following manner:

1. Employee with less than one (1) year service: The month of lay-off only.
2. Employee with 1 to 12 years: Month of lay-off plus two (2) months.
3. Employee with 12 or more years: Month of lay-off plus three (3) months.

B. An employee injured in the process of his duties will be paid lost time for the day on which the injury occurred; however, the employee shall finish out the day provided he is discharged from the doctor.

C. An employee shall be paid eight (8) regular hours base pay less amount paid for jury duty for each workday that he serves on jury duty.

D. Hospitalization caps will be the following amounts:

Insurance Caps:

January 1, 2013	\$900.00
January 1, 2014	\$1,000.00
January 1, 2015	\$1,100.00
January 1, 2016	\$1,200.00

Insurance cap to be \$110/pay for employee.

Anything over \$110/ pay, Girard Machine to cover cost.

Girard Machine Co. put half deductible in on January 1st of each year, \$1,250 family/ \$625 individual.

Balance to be put in over 6 months period beginning Feb, 1st thru July 1st in equal installments.

If an employee use up his deductible prior to fully funding, GM Will help that individual on an as needed basis to get the employee to the \$ 2,500/ \$ 1,250 deductible.

Girard Machine to offer 5 hours OT per month to help employee offset cost of insurance.

Health insurance continuation while on approved medical leave.

1. 1 year service - 1 month of coverage
2. 3 year service - 2 months of coverage
3. 5 years service - 3 months of coverage
4. 8 years service - 4 months of coverage
5. 12 years service - 5 months of coverage
6. 15 years service or more - 6 months of coverage

If the listed premium exceed any of the above amounts for the dates listed, we will renegotiate the hospitalization to keep the premiums at said amounts or the employees can choose to make up any difference between the new rate and the maximum allowed for that time period.

Note: Management realizes that increases in hospitalization are not predictable. Therefore, when the new rates become available each year management is willing to sit down with the employees to discuss any unexpected financial burden it may place on the employee and the company.

XV PENSION PLAN

401K PLANS

The company's contribution to the plan shall conform to the following format. Each employee shall be compensated .02 cents per every year of service times (X) the number of hours worked.

Example: Employee X 25 years of service with Girard Machine and works 2,100 hours in a calendar year .

Formula: .02 cents / Hr. X 25 years X 2,100 Hrs. + \$1,050.00

Note: Over-time hours count as regular hours for compensation.

In addition to the company's contribution, the employee will also be allowed to contribute to the plan within the guidelines of the 401K plan.

Allow employees to begin 401K withdrawals at age 59 1/2.

SECTION XVI

GRIEVANCE

The establishment of a written grievance procedure providing for 4 steps, starting with an oral conference with the foreman, reduced to writing to foreman, presented to president or vice-president of company, and finally to final arbitration.

SECTION XVII

MAINTENANCE OF STANDARD CLAUSE

Once a provision in fact is negotiated it shall remain agreement unless mutually agreed to exclude.

SECTION XVIII

SHOP DISCIPLINE

Any outside reading material, recreation equipment, etc., found within the work area of the shop, will be confiscated. Use of shop phone for other than true emergencies on time other than lunch and breaks when your time card shows you are working must be authorized by the management, if available;\; or by foreman if not available. Any caught reading outside material, engaging in unwarranted horse-play, making unauthorized phone calls or violating and established rules will be subject to discipline as follows.

- 1st Offense: Issued a Warning Slip
- 2nd Offense: Subject to Three (3) Day Suspension
- 3rd Offense: Subject to Five (5) Day Suspension
- 4th Offense: Subject to Dismissal with Just Cause

SECTION XIV

NEGOTIATE NEW CONTRACT

In order to expedite negotiations for a new contract prior to its expiration of the present one, the union agrees to submit its demands not later than Ninety (90) days prior to the expiration and the company agrees to submit its off within Thirty (30) days from receipt of the union demands.

Each employee to receive a copy of the contract with wage rate schedule coinciding with time of hire.

Girard Machine Company, Inc.

Signed: Management

Robert Malito _____

Mark Malito _____

Thomas Malito _____

Independent Union Girard Machine/Employees Grievance Committee

Signed:

Raymond Newton _____

Christopher Smith _____

Joseph Futey _____

Kevin Corley _____