

COLLECTIVE BARGAINING AGREEMENT

between

**Management Consulting, Inc.
(MANCON)**

and

**International Brotherhood of
Electrical Workers
Local Union 543**



Effective

October 1, 2012 through September 30, 2014

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**ARTICLE ONE
PARTIES OF AGREEMENT**

This agreement, made and entered into this February 6, 2013, and effective as of October 1, 2012, between Management Consulting, Inc. (MANCON) hereinafter referred to as the Company and the International Brotherhood of Electrical Workers Local Union 543 hereinafter referred to as the Union, Local Union and meaningful to articles, sections and provisions of this Agreement. This agreement shall expire on September 30th, 2014 or shall continue year after year unless either party requests to terminate or amend.

The parties signatory hereto recognize this Agreement as binding upon the Company and the International Brotherhood of Electrical Workers for all eligible organized employees of the Company and employed on Delivery Order 0053 (Point Mugu) of Contract N00244-11-D-0025 for work being performed for the United States Department of the Navy by the Company.

**ARTICLE TWO
RECOGNITION**

The Company recognizes the Union as the sole and exclusive representative for the purpose of bargaining with respect to wages, hours, and other terms and conditions of employment for all employees in the following bargaining unit.

All full-time and regular part-time employees employed by the Employer at Point Mugu at which it performs contract work on Delivery Order 0053 of contract N00244-11-D-0025 and follow-on contracts or succeeding Contracts covering this work at this location which may be included under the present or future delivery order numbers, including employees sent on temporary assignment to other areas but excluding office clerical employees, professional employees, guards and supervisors as defined in the Act.

**ARTICLE THREE
PURPOSE AND INTENT**

It is the intent and purpose of the Company and the Union to set forth herein the entire Agreement with respect to wages, hours, and working conditions as relates to the Delivery Order covered by this Agreement. Further, it is the intent of the parties to secure maximum efficiency of the operation and maximum production of the employees; and to provide a fair and prompt grievance procedure for the peaceful settlement of employee grievances; and to ensure there shall be no interruption and impeding of operations during the term of this Agreement.

**ARTICLE FOUR
UNION SECURITY CLAUSE**

Membership in the Union is not compulsory. However each employee who is employed by the Company performing work covered by this Collective Bargaining Agreement under delivery order 0053 (Point Mugu) of contract N00244-11-D-0025 must either be a member of the union and pay union dues or pay an agency fee to the union but not both. Employees have the right to join, not join, maintain or drop their membership as they see fit. Neither party shall exert any pressure on or discriminate against an employee in regards to such matters.

Each employee in the bargaining unit shall, beginning on the 31st day following the execution of this Agreement or the 31st day following his/her employment, rehire, reinstatement, reemployment, recall, transfer, or regression into the bargaining unit, execute and deliver to the Company a payroll deduction authorization as provided for in this Article, or pay directly to the Union an amount of money equal to the Union's regular and usual initiation fee and its regular, usual monthly dues.

**ARTICLE FIVE
DUES CHECK-OFF AND AUTHORIZATION FORM**

Section 1. Upon presentation to the Company of a signed check-off authorization form signed by an employee on the wage assignment form printed below; the Company will deduct from the wages due such employee for each pay period, the amount of the Union dues (and initiation fee, as appropriate) uniformly required as a condition of acquiring or maintaining Local Union membership. The amount of semi-monthly dues and the amount of the initiation fee shall be fixed by the Union in accordance with the Constitution and Bylaws of the Local Union and shall be certified to the Company by the Financial Secretary of the Local Union as being so fixed.

Section 2. The wage deductions referred to in Section 1 of the Article will be remitted monthly by check made payable to the Local Union having jurisdiction within fifteen (15) days following the month in which such deductions are made. Together with the monthly check, the Company will forward a list of the employees for whom deductions have been made.

Section 3. A check-off authorization or revocation shall become effective on the first day of the pay period following the week in which it is delivered to the Company.

Section 4. In the event the Local Union shall inform the Company of the omission of a dues or initiation fee deduction as to a particular employee for whom a wage assignment form was timely filed, the deduction shall be made out

of the next semi-monthly earnings of adequate amount for that employee following the notice from the Local Union, as long as no revocation letter was timely filed.

Section 5. The Local Union shall indemnify, defend and hold harmless the Company against any all claims or liabilities arising out of the administration of this Article.

Section 6. The dues authorization and assignment is made pursuant to Section 302 of the National Labor Relations Act, as amended, and is in full force and effect to the extent permitted by that Act.

Section 7. For the purpose of this Article, wage assignments shall be in the following form:

I hereby authorize and request my employer, _____ to deduct an initiation fee in the amount of \$_____, and such amount of money equal to monthly Union Dues as may be from time to time certified to the Company by I.B.E.W. Local Union No. 543, in equal semi-monthly amounts, for semi-month I am compensated and to forward such deduction to the Financial Secretary of the Local Union hereinabove designated.

This authorization shall remain in effect and be irrevocable until the anniversary date of the current Agreement and shall automatically renew itself and be irrevocable until successive anniversary dates unless revoked by me at ten (10) days, but not more than twenty (20) days, prior to any anniversary date by notifying the Company and the Union by registered mail of my desire to cancel said authorization.

DATE _____
SIGNED _____

ARTICLE SIX RIGHTS OF MANAGEMENT

Except as specifically limited by the express language of this Agreement, the Company has and retains exclusively to itself, all rights in the exercise of the functions of Management, including, but not limited to the following rights: to manage and operate its business facilities; to direct its employees; to direct, plan and control all operations; to establish and/or change existing methods, productivity standards, materials, equipment, facilities and accounting methods; to determine what products shall be handled or distributed and services or work performed at its facilities or by employees covered by this agreement and/or where they shall otherwise be handled or services and/or work performed to utilize suppliers and subcontractors. To test select and hire employees and assign them to work as needed; to establish hours of work; to transfer, promote

and demote employees; to suspend, discipline, and discharge employees for just cause or relieve them from duty for lack of work; and to establish and enforce reasonable rules and regulations relating to the operation of any and/or all facilities and to employee conduct. The Company agrees not to use their rights to subcontract out work that could be performed by bargaining unit personnel to avoid filling a bona fide position within bargaining unit and will not lay-off employees and subcontract out their work.

ARTICLE SEVEN NO STRIKE - NO LOCKOUT

Section 1. **No Strike.** During the term of this Agreement there shall not be, nor shall the Local Union, its agents, or members, for any reason, authorize, institute, aid, condone, or engage in, a work slowdown, work stoppage, picketing, or interference in any way whatsoever with the operation of the Company, or any part or facility of it for any reason whatsoever.

Section 2. **No Lockout.** During the term of this Agreement, the Company shall not lockout employees covered by this Agreement.

ARTICLE EIGHT BARGAINING UNIT WORK

Employees of the Company who are not covered by this Agreement shall not perform any work or operation normally performed by an employee covered by this Agreement except: (1) in any emergency, including the need to meet requirements imposed by the United States Navy; (2) while training employees; (3) while inspecting the work of employees; (4) when testing and/or developing new equipment, processes or measuring production standards.

ARTICLE NINE SAFETY

Section 1. Necessary tools, safety equipment and materials as required by the Navy or other government authority will be furnished to employees. No employee will be disciplined for not being able to complete an assigned task due to the unavailability at the facility of such necessary tools, equipment and materials. A safety shoe allowance of one-hundred and fifty dollars (\$150.00) shall be provided to those employees in classifications requiring their use every two years or earlier provided that the employee can demonstrate their safety shoes are worn out or defective to his Manager.

Section 2. The parties agree the employees must comply with all applicable regulations pertaining to safety and dress standards.

Section 3. The Company may require random drug testing for illegal drugs and alcohol in accordance with the requirements of the U.S. Government or in the event of any vehicular accident involving injury involving forklifts or other mobile vehicles.

ARTICLE TEN BULLETIN BOARDS

The Company agrees to allow the posting of notices of Union business and meetings on existing bulletin boards at those sites where Union members are routinely working.

ARTICLE ELEVEN COMPANY RULES

The Company may establish reasonable rules not in violation with the terms of this Agreement. The Company will provide a copy of the current rules in effect and subsequent revisions it puts into effect to the Local Union. Response from the Union pertaining to any or all potential rules must be received by the Company within thirty (30) calendar days from the time they are received by the Union. Copies of rules will be provided to all employees.

ARTICLE TWELVE SENIORITY, PROMOTIONS, LAYOFF, and RECALL

Section 1. Definitions.

(a) Company Seniority.

Company seniority is measured by the employee's length of service whether employed by the Company or its predecessors at Point Mugu Naval Station for all employees employed on the date of ratification of this agreement. For new employees hired after November 1, 2012, their Company seniority date shall be their date of hire. Company seniority shall apply for the purposes of determining vacation.

(b) Bargaining Unit Seniority

Bargaining Unit seniority is defined as the length of a current employee's unbroken assignment on the Point Mugu Naval Installation and the successor contractors on the Point Mugu Naval Installation. For all current employees who are employed on the date that this agreement was ratified, it is understood that their Bargaining Unit Seniority date shall be their Company seniority date as defined in section (a) of this article. The Bargaining Unit Seniority dates for all new employees that are subsequently hired after the date of initial ratification of this agreement shall be the date of hire by the current contractor to perform work on the Point Mugu Naval Installation that is covered in this agreement. Bargaining Unit seniority shall apply for purposes of layoff, bumping, and recalls

as provided in this Agreement. All positions require qualified candidates as determined by the Program Manager. Where there are two employees who have the same bargaining unit seniority date, the employee with the last four of their social security number who is the lowest shall be considered more senior.

Section 2. Initial Review Period. New employees shall be on initial review for ninety (90) calendar days. Upon satisfactory completion of the initial review period seniority shall be credited from the date of hire. Any employee with less than ninety (90) calendar days of service, who, in the sole opinion of the Company is not performing satisfactorily, shall be subject to disciplinary action and or dismissal without access to the grievance procedure.

Section 3. Promotions and Transfers. An employee who desires consideration for an available higher rated bargaining unit job opening shall make written application on a form specified by the Company, stating his/her qualifications and the position for which he/she is applying. The Company will consider all such written requests on the basis of skill, ability, experience, performance, and quality of work, conduct, and adherence to work rules and attendance in making promotions. When qualified employees exist and all such factors are equal as determined by the Management, bargaining unit seniority will be the governing factor.

An employee who desires consideration for a transfer to an available bargaining unit job opening which is the same or lower Labor Grade shall make written application on a form specified by the Company stating his/her qualifications and the position for which he/she is applying. The Company will make reasonable efforts to accommodate such transfers considering such factors as skill, experience, performance, quality of work, conduct, adherence to work rules, attendance, and operational requirements. When qualified employees exist and all such factors are equal, bargaining unit seniority shall be the governing factor.

All requests for promotions or transfers will be answered by the Company. The Company will then notify the Union and all applicants within five (5) working days of the resulting award. Employees transferred or promoted into a new classification must work in the classification for a minimum of six (6) months (excluding progression within a classification) before they are eligible for promotion or transfer to a different classification. This provision may be waived by mutual agreement.

An employee who has seniority in a classification within the bargaining unit, and who is subsequently transferred to a non-bargaining unit position, shall be deemed to have retained seniority rights in accordance with the provisions of this Agreement for a period of two (2) years from the date of transfer or promotion, minus any time in a non-bargaining unit position at the Point Mugu Naval installation. If, in the opinion of the Company, it becomes necessary or advisable to return him/her to a position within the Bargaining Unit, all seniority rights

accrued before such transfer or promotion will be restored within the two (2) year period. In no case shall he/she displace any member of the Unit.

Section 4. Layoff.

- (a) When it becomes necessary to reduce the work force the least senior employee(s) in the classification(s) will be laid off. Where there are two employees in the same classification who have the same bargaining unit seniority date, the employee with the last four of their social security number who is the lowest shall be considered most senior.
- (b) Where there are reductions in force involving job families having two or more classifications the least senior employee in the job family will be laid off.
- (c) An employee who is laid off under the provisions of sub-sections (a) or (b) above may displace the employee with the least Bargaining Unit seniority in any equal or lower rated occupational classification provided he/she has greater Bargaining Unit seniority than the employee being displaced and is qualified to perform the work. Employees in one classification attempting to bump into another classification must have the requisite certification.
- (d) The exercise of seniority rights in this section is dependent upon the individual employee's ability to perform the available work.

Section 5. Recalls/Return from Downgrade. When the work force is increased following a layoff, employees will be recalled to any full time/non-temporary occupational classification provided that they have the qualifications and ability to perform available work. This shall be done in accordance with the employee's official bargaining unit seniority as defined in Article 12 section B. This provision shall also apply where the employee is working in a downgraded position as a result of the displacement procedure set forth in Section 4 (Layoff).

Section 6. Breaking of Seniority.

- (a) Resignation
- (b) Discharge
- (c) Layoff for a period of equal to the employee's seniority or for one (1) year, whichever is less.
- (d) Failure to notify the Company within ten (10) working days after a recall notice has been sent by certified return receipt mail, or failure to report to work within five (5) working days of such notice.

- (e) If the employee engages in other gainful employment without Company approval while on approved leave of absence.
- (f) Failure to report to work within three (3) working days following expiration of an approved leave of absence.
- (g) Settlement is reached with employee for total disability.
- (h) The employee retires, is retired or dies.
- (i) If the employee is absent from work, fails to report his/her absence from work; or overstays a vacation for three (3) consecutive working days, except for good cause.
- (j) If the employee fails to supply the Company with justification for the need of a Medical Leave of Absence within five (5) working days after the last day worked.
- (k) The employee is unable to return by the end of the reinstatement period.

Section 7. Seniority on Recall. An employee who has been laid off, and who has been recalled and accepted for active full time/non-temporary employment with the Company, will retain his/her original Seniority Date.

ARTICLE THIRTEEN SUCCESSORSHIP

This Collective Bargaining Agreement shall be binding upon the Union and the Company, their successors and assigns, and shall continue in full force and effect in the event of the sale or other transfer of the business covered by this Agreement. As a condition of the sale or other transfer of the business covered by this Collective Bargaining Agreement, the Company shall require the transferee to assume and adopt the terms and conditions of this Collective Bargaining Agreement and to continue to recognize the Union as the sole bargaining agent for the employees covered by this Collective Bargaining Agreement.

ARTICLE FOURTEEN LEAVES OF ABSENCE

Section 1. Personal reasons. The Company may, in its sole discretion, allow an employee a personal leave of absence if requested in writing of up to two (2) weeks without pay. Provided that a requested leave of absence for personal

reasons will not interfere with the efficient operation of the Company's business, the Company will not unreasonably deny a request for such leave.

Section 2. Military Leave. Any employee who enters the Armed Forces of the United States shall have the right to reinstatement in his former job and other re-employment rights in accordance with applicable Federal law.

Section 3. Procedure Upon Return. If upon the expiration of this leave of absence, the employee would have been laid off in accordance with the application of this Agreement notwithstanding his leave of absence, the employee shall go immediately on layoff. If layoff is not appropriate, and if the employee returns on the expiration date of his leave, the employee shall be placed in his previous job, or in a comparable job, provided he is qualified to perform such job.

Section 4. Outside Employment Exclusion. A leave of absence will not be granted and shall not be used to enable an employee to try for or accept employment elsewhere or for self-employment.

Section 5. Union Business. Any employee who may be elected an officer, or appointed a delegate to represent the Union shall be granted a leave of absence for the period of time required without pay. The Union shall give the Company written notification no less than five (5) working days prior to the leave of absence. This notification shall provide the name(s) of the person(s) involved and the probable start and stop dates of the leave of absence.

Section 6. The Company shall, upon written application, grant a leave of absence without pay for a period of not to exceed twelve (12) weeks during a 12 month period, for illness or injury (including work-related) that prevents the employee from working. The employee shall be required, as soon as possible, to substantiate his reason for his inability to work and the anticipated time that he will be absent from work. The Company must be notified of any extensions of absence beyond the date initially given and the expected new date of return to work. The Company may, at its sole discretion, approve up to an additional two (2) months of medical leave under this section. Any leave granted under this section shall run concurrently with leave available to the employee under the Family Medical Leave Act and all other applicable State and Federal laws.

ARTICLE FIFTEEN SHOP STEWARDS

Section 1. The Company recognizes the necessity for the Union to designate Shop Stewards from the Company's employees but no more than one (1) Steward will be designated unless mutually agreed upon. All Stewards shall be appointed by the Union and the Company shall be notified in writing of all such appointments.

Section 2. It is agreed upon and understood the Steward is to continue to be a productive, contributing and working employee of the Company subject to all the normal and usual rules and regulations of any other employee. However, the Steward will be granted permission, when requested, to receive and process grievances in and about those work sites for which he is responsible normally between the hours of 11:00 a.m. and 1:00 p.m. The Company will grant permission for the Steward to receive and process grievances outside these time frames when circumstances make it appropriate to do so.

Section 3. Employees working at remote locations where no Steward is on site will have access to his steward through his supervisor. Each employee covered by this Agreement must go to his supervisor to request a Steward's presence. The supervisor will ensure the employee's request is passed to the appropriate steward within four (4) on-duty hours of having received the request from the employee. "Request for Steward Assistance" forms will be filled out in duplicate by the appropriate Steward's Supervisor and presented to the Steward who will sign and date/time both forms retaining one for him and returning one to his supervisor.

Section 4. It is mutually understood the Steward selected must be able to conduct himself in a professional manner and maintain channels of communication.

Section 5. To the greatest extent possible, the Company will not transfer or reassign a Steward away from his usual work place. This is to ensure ready accessibility of the Stewards to the employees and to standardize the usual locations of the Stewards.

ARTICLE SIXTEEN DISCIPLINE

Section 1. No employee shall be discharged or disciplined without just cause, nor in a manner nor for any reason which violates the terms and conditions of this Agreement.

Section 2. The Company's Standard Schedule of Disciplinary Offenses and Penalties will be posted at all major work sites and personal copies made available upon request to employees and to the Business Manager. Employees guilty of a violation of Company Rules shall be disciplined in accordance with Article 32.

Section 3. The Company will provide the employee and the Shop Steward with a written explanation as to any and all disciplinary actions taken against the employee within one (1) work day of the action.

Section 4. All employees are expected to be at their assigned work stations, ready to work, on time, at the time specified for the beginning of their shift, and to remain at their work until the end of their assigned shift, or until specifically relieved by their supervisor.

Section 5. All absences shall be considered unexcused except in the following instances:

- a. When the employee has requested the time off in advance, in writing, and the Company has granted permission to be absent in writing.
- b. When the employee is on an approved leave of absence, vacations, bereavement leave, holiday or other form of authorized leave.
- c. When the employee notifies the Company prior to or within one hour of the start of the employee's shift the employee will not be present and then providing the employee offers an acceptable excuse.

Section 6. An acceptable excuse includes but is not limited to the following:

- a. Too ill to work; substantiated by a doctor's slip for absences of two (2) days or more or for repeated absences (two (2) or more occurrences in a six (6) month period) stating the employee was seen and exempted from work by the doctor for a medically verified condition which temporarily incapacitates the employee. Doctor's slip must be presented to the Company by the employee upon the employees return to work stating the medical diagnosis and duration of the employee's incapacitated condition.
- b. Emergency repairs at home providing some acceptable substantiation is submitted.
- c. Traffic accident involving the employee substantiated by a copy of the accident report or citation.
- d. Medical emergency, involving immediate family to include self, spouse, dependent children, other actual household members. Supporting documentation required upon reporting to work.
- e. Unforeseen and unpredicted extreme and unusual weather conditions such as heavy snow, iced-over roads, flooding etc., and which also caused others to be similarly delayed may be excused.

- f. Such other special circumstances as deemed acceptable to and at the sole discretion of the Company may be excused.
- g. While all acceptable excuses cannot be specifically defined herein, they may be considered acceptable when they fall within the related elements of items (a.) through (f.) above, providing they are reasonable.

Section 7. The Government may direct the Company to remove certain individuals. It is understood the Company may terminate any employee if directed to do so by the Government under the provisions of its Contract or if the Government denies the employee access to any of the work sites or if the employee is not bondable. The Company and the Local Union agree to intercede collectively or independently on the employee's behalf if there are extenuating circumstances which, in the opinion of the Parties, tend to make the decision made by the Government unfair to the employee. This is not, however, a matter that is subject to the grievance procedure. Should the employee prevail in their appeal of the Government's denial of base access; said employee shall be re-instated to his former position upon approval of his right to re-access the base providing the employee complies with the appeals process set forth by the government. Where the Company asserts any employee to be not bondable, the employee and the Union shall be furnished with reasons for denial and the employee shall have sixty (60) calendar days to remedy this bonding issue. In all cases, the employee shall be placed on un-paid leave of absence pending the decision of the appeal or pending the bonding of the employee.

ARTICLE SEVENTEEN GRIEVANCES

Section 1. Purpose. Any dispute regarding the interpretation and/or application of this Agreement and any charge of violation of this Agreement or applicable State and Federal laws may be resolved through the grievance procedure. The grievance procedure shall serve as the exclusive means to resolve any such dispute(s), or charge(s). The time frames referred to in this Article may be extended by mutual consent of the Company and the Union. A grievance settlement agreed to by the Company and the Union Business Manager at step two of the grievance process binds both parties and sets the precedent for any future grievance settlements on the same issue unless otherwise stated and agreed to by both parties.

Section 2. Grievance Procedure. Grievance shall be raised and processed while facts and recollections are still fresh and available. All employee grievances must be presented within ten (10) working days, (excluding Saturdays, Sundays, and Holidays) after the event giving rise to the grievance becomes known, or reasonably should have been known, to the employee and

the Union. The procedure for discussing and settling a grievance shall be as follows:

Grievances shall be on a form provided by the Local Union and shall state, when possible, the Article of the Contract violated, a description of the Act which is allegedly in violation of the Agreement, the grievant's name, the remedy sought and will be signed by the grievant and/or Steward or Union representative.

Step One Informal Discussion

The grievant shall discuss the grievance with his immediate supervisor specifically telling the supervisor this may be a subject for the second step process of the grievance procedure. He may bring with him his shop steward if he so desires. If this discussion does not resolve the matter, the supervisor shall give his answer to the employee by the end of the second working day following the day of the oral discussion.

Step Two

The step one answer shall settle the grievance unless the grievance is placed in writing and delivered to the Company's Site Manager within ten (10) working days after the day on which the Step One answer was given. The written grievance shall state the facts of the grievance and shall cite the provisions of this Agreement, if any, that are claimed to have been violated. The written grievance must be dated and signed by the shop steward and/or by the grieving employee(s). The Company Site Manager shall meet with the shop steward, the aggrieved, the Union Business Manager and witnesses promptly to discuss the grievance and any settlement arrived at shall be reduced to writing and signed by both parties. The Site Manager's step two answer shall be given in writing to the shop steward and the Union Business Manager within three (3) working days following the day of the meeting.

Step Three

The step two answer shall settle the grievance unless it is appealed to the Company's Designated Representative within five (5) days of the shop steward's and Union Business Manager's receipt of the step two answer. The Company's Designated Representative shall meet with the Union Business Manager promptly to discuss the grievance and any settlement arrived at shall be reduced to writing and signed by both parties. If no settlement is achieved, the Company's step three answer shall be given in writing to the Union Business Manager within five (5) working days following the day of the meeting. The step three answer shall settle the grievance

unless it is appealed to arbitration in accordance with Article Eighteen (18).

Section 3. The shop steward shall be paid at his regular straight-time hourly rate for all time actually spent in processing a grievance(s). Each grievant and witness shall be paid at his regular straight-time hourly rate for all time actually spent in steps one, two or three of this Article. The Union will hold the number of its witnesses to the minimum needed to present its' case.

ARTICLE EIGHTEEN ARBITRATION

Section 1. The Union may appeal a grievance to arbitration by giving written notice to the Company within fifteen (15) calendar days following the receipt of the Company's step three answer. After such notice has been given, the requesting party shall request the Federal Mediation and Conciliation Service to submit to them a list of the names of seven (7) potential arbitrators. The party requesting the first arbitration shall strike first. The first strike of names shall be alternated between the Union and the Company. Each shall strike one (1) name during their turn and the remaining name shall be the arbitrator.

Section 2. The arbitrator shall promptly schedule a hearing in the general area of the work site where the grievance arose, at which each party shall have the right to present evidence, examine and cross-examine witnesses, and have a stenographer present to record the arbitration proceedings.

Section 3. The arbitrator shall consider only the issues raised in the step three grievance form, or in the writings involved in the "Grievance" Article or any other article in the collective bargaining agreement, and shall have the power to interpret and/or apply the terms of this Agreement, without adding to, subtracting from, ignoring, or amending the express terms of this Agreement.

Section 4. The arbitrator must state his decision in writing within thirty (30) calendar days following the date of the hearing. The arbitrator's duly rendered decision shall be final and binding on the Company, the Union, and all employees.

Section 5. The fees and expenses of the arbitrator and the hearing room shall be shared equally by the Company and the Union. All other expenses shall be borne by the party incurring them. In the event either party requests the services of a Stenographer and a report is requested by the party not employing the services; then both parties shall equally share the cost of such services and pay separately for any transcripts requested. If the Arbitrator requests a copy of the Stenographer's hearing transcript, then both parties shall equally share this expense.

ARTICLE NINETEEN HOURS OF WORK AND OVERTIME

Section 1. Nothing in this Article shall be construed as a guarantee of a maximum or minimum number of hours of work per day, per week or per year.

Section 2. The work week shall be seven (7) consecutive days commencing at 12:01 a.m. Monday and ending 12:00 midnight Sunday. The workday shall commence at 12:01 a.m. and run for twenty-four (24) consecutive hours each day of the work week. An employee's normal work week shall consist of five (5) consecutive, eight (8) hour days, Monday through Friday. An employee's normal workday shall consist of eight (8) consecutive hours, exclusive of lunch time. All employees shall receive a one-half (1/2) hour lunch period.

Section 3. When an employee is required to work and works in excess of forty (40) hours in a work week, such work shall be classified as overtime and paid for at the rate of one and one-half (1 1/2) times his regular straight-time hourly rate. Employees shall not have their work hours adjusted from their normal schedule of work for the purpose of avoiding paying overtime premiums.

Section 4. The Company will make overtime available among those employees who normally perform the tasks for which overtime is required, and then by seniority insofar as practical among other qualified employees as determined by the Company.

Section 5. Each employee is entitled to fifteen (15) minutes break time in the first half and fifteen (15) minutes break time in the second half of his/her shift. The Company has discretion to allow a "break" at the same time as other employees or at staggered intervals during the shift.

Section 6. Supervisors will ask those employees currently working on the job for which overtime work is required, to determine if the overtime work can be performed by volunteers with the ability to perform the job prior to mandatory overtime assignments. Volunteer overtime will be awarded to the most senior employee who volunteers for the overtime assignment. Mandatory overtime will be assigned by inverse seniority within that job. If additional employees are required to work overtime upon completion of canvassing mandatory assignments such additional employees will be assigned by inverse seniority from other Company bargaining unit employees possessing the ability to perform the job for which overtime is required.

Section 7. Hours paid for leave and holidays not worked shall not be counted as hours worked for the purpose of calculating overtime premiums.

ARTICLE TWENTY TEMPORARY TRANSFERS

An employee who is temporarily transferred to a job classification carrying a rate of pay higher than his regular classification shall receive the rate of pay applying to the temporary job for all time worked in that temporary job. If an employee is temporarily transferred to a classification carrying a lower rate of pay the employee shall continue to receive his/her regular rate of pay.

ARTICLE TWENTY-ONE PAID HOLIDAYS

Section 1. The following are the paid holidays for purposes of this provision:

- New Year's Day
- Washington's Birthday
- Memorial Day
- Independence Day
- Martin Luther King's Birthday
- Columbus Day
- Veterans Day
- Thanksgiving Day
- Christmas Day
- Labor Day

Section 2. **Holiday Pay Not Worked.** An eligible employee who does not work on a holiday listed in Section 1 above shall be paid holiday pay of eight (8) hours of pay at his regular straight-time rate.

Section 3. **Eligibility Rules.** To be eligible for holiday pay an employee must have worked the last scheduled work day prior to and the first scheduled work day after such holiday unless excused by management in advance, when possible. If the absence is due to an illness, a physician's note will be required to authorize the absence as excused.

Section 4. **Holiday falling Within a Leave Period.** An employee shall receive the holiday pay for each holiday listed in Section 1 of this Article which occurs while the employee is out on approved leave, as provided in this Agreement.

Section 5. Holidays will be observed on the date established by the Federal Government. Holidays which fall on Saturday or Sunday will be observed on Friday or Monday.

Section 6. **Holidays worked.** An employee, who works on one of the holidays designated above, shall receive his/her hourly rate of pay for all hours worked on that day in addition to holiday pay. An employee who is properly scheduled to work on one of the designated holidays and fails to report for such work will not be entitled to receive holiday pay unless his/her absence was reasonably beyond his/her control.

ARTICLE TWENTY-TWO LEAVE

Section 1. Length of Service Determination. Length of service for leave shall be determined by the employee's length of continuous service with the Company and/or with any number of contractors from his anniversary date of employment for services now covered by Delivery Order 0053 under contract number N00244-11-D-0025 or succeeding delivery orders/contracts covering this work at these or any other locations which may be included under the present or future contract numbers.

Section 2. Paid Leave. Upon hire, employees will accrue paid leave each pay period, based on the number of hours paid during the pay period. Leave is not calculated on overtime hours, and is subject to a maximum accrual each pay period. No leave may be taken in advance of the accrual on the employee's pay statement. The maximum yearly accrual is based on the employee's length of service as shown in the below table.

Number of Full Continuous Years of Service as of Anniversary Date	Accrual Rate Per Hour	Maximum Leave Accrual Per Year
Years 1 through 3	0.06154	128 hours
3 years through 8 years	0.08077	168 hours
9 Years + Over	0.10000	208 hours

When an employee misses time for an entire day from work, any available leave must be used. In addition, when an employee misses any time during a pay period any available leave must be used for the hours missed. For example, if an employee only works 84 hours during an 88 hour pay period, they must use 4 hours of paid leave if available. The computation for this will be based on hours worked in the pay period including regular, overtime, holiday and paid leave hours.

Section 3. Carry Over of Leave Balances. Employees will only be allowed to carry over a maximum of 240 hours (6 weeks) of leave from year to year. Employees with balances of more than 240 hours after the January 31st pay period each year will be paid out their excess balance on the February 15th pay period.

Section 4. Payment of Leave. Leave shall be paid to the eligible employee in conjunction with his/her normal pay day. The amount of such pay for each week of leave shall be forty (40) times the employee's regular straight time hourly rate at the time the leave is taken, but shall be no less than the employee's rate of pay for his/her permanent position. There will be no pay in lieu of time off and no advances on leave will be given resulting in any type of negative leave balance.

Section 5. Scheduling and Taking Leave. As far as practicable, leave shall be granted at times most desired by the employee, with preference to employees with greatest seniority in case of conflict. An employee who requests vacation and is approved ninety (90) calendar days in advance of the first day of absence beginning the leave, shall not have his scheduled vacation cancelled by the Company nor may any senior employee bump this leave period requested and approved. The right to schedule leave is reserved to the Company in order to ensure orderly and efficient operations.

Section 6. Jury Duty. Any employee who has passed his/her initial review period and is called to and reports for jury duty or is subpoenaed to appear in court as a witness shall be paid by the Company for each day partially or wholly spent in performing jury duty. The Company's obligation to pay an employee for the performance of jury duty is limited to a maximum of (3) three days in any calendar year. In order to receive payment, an employee must give the Company prior notice that he/she has been summoned for jury duty and must furnish satisfactory evidence that jury duty was performed on the days for which he/she claims such payment. The provisions of this Article are not applicable to an employee who, without being summoned, volunteers for jury duty. However, when subpoenaed by a party other than the Company, the employee will not be compensated if the employee, or the Union is a party in the case, or if the employee has any direct interest or financial interest in the case.

**ARTICLE TWENTY-THREE
WAGES**

Section 1. The classifications and regular straight time hourly rates of pay for all employees under this contract will be in accordance with the table below.

Labor Category	FY13 Wage (Effective 10/1/12)	FY14 Wage (Effective 10/1/13)
Administrative Specialist	\$26.44	\$27.50
Supply Technician	\$30.17	\$31.38

**ARTICLE TWENTY-FOUR
CLASSIFICATIONS**

Section 1. In the event new classifications are created the company and the Union will meet promptly to negotiate the proper classification description and the wage rates for the classification.

Administrative Specialist: Provides administrative services, conducts office operations, maintains command directives, and prepares and processes NAVSOC official correspondence to ensure timely and consistent administration

support of NAVSOC operations. Must be able to support internal operations at NAVSOC HQ and all detachments. Use of the Naval Correspondence Manual and application of general Government administrative practices or other duties as may be required.

Supply Technician: Performs a variety of logistics support services that comprise planning, managing, directing, and controlling of infrastructure resources to ensure principal support services provide efficient and effective facilitation of satellite operations and administration. Typical services may include Supply Support, Stockroom Management, Shipping and Receiving, and Property Management and Accounting services or other duties as may be required.

**ARTICLE TWENTY-FIVE
INSURANCE AND ANNUAL BONUS**

Section 1. Insurance. The Company shall provide for an insurance program as well as other supplemental insurance benefits that may be offered by the Company to its employees. The provisions of which are covered in separate documents. No matter respecting the provisions of the insurance programs and plans shall be subject to the grievance procedure established in this Agreement. The Company shall have the responsibility for the administration of the programs and plans offered by the Company.

Section 2. Medical Benefits. Newly hired employees and their dependents will become eligible for coverage commencing on the first of the month following 30 consecutive days of employment with the Company. All benefits will cease at midnight on the last day worked.

It is understood and agreed that the employee(s) electing dependent coverage shall be required to pay the amounts set forth below per month toward the cost of coverage.

	2013 COST FOR EMPLOYEE ONLY COVERAGE	2013 COST FOR EMPLOYEE + CHILD or CHILDREN	2013 COST FOR EMPLOYEE + SPOUSE	2013 COST FOR FAMILY
FULL TIME	\$0.00	\$310.00	\$310.00	\$310.00
PART TIME	\$0.00	N/A	N/A	N/A

NOTE: MANCON pays 100% of insurance coverage for the employee. Dependent coverage is not available for part time employees.

- a. The insurance programs described in this Article shall be administered by the Company or through arrangements provided by it. Any contract(s) entered into by the Company with respect to language and benefits outlined in this article shall be consistent with this Article.
- b. The Company agrees the insurance costs outlined in the table above shall remain the same for employee only coverage for the duration of this agreement.

Section 3. Group Universal Life Insurance Life Insurance. The Company shall provide, at no cost to the employee, a group term life insurance and accidental death and dismemberment insurance policy in the amount of fifty thousand (\$50,000.00) dollars. The employee at their own expense may elect to purchase supplemental life coverage up to the maximum allowable by the plan. All contributions will be collected through normal payroll deductions.

Section 4. Annual Bonus. Employees will accrue one dollar (\$1.00) per hour for each straight time hour actually worked, which will be paid out in November of each year. If an employee terminates prior to pay-out, they will be paid for any accrued bonus money.

Overtime, holiday, leave, any type of unpaid leave, suspension or any time other than straight time hours actually worked shall not be counted for bonus pay purposes.

ARTICLE TWENTY-SIX SAVINGS CLAUSE

All provisions of this Agreement are subject to any applicable state and federal laws and regulations thereunder. Any provisions of this Agreement which is determined to be illegal under any state or federal law or regulation shall be open for negotiation between the Company and the Union without affecting the remainder of this Agreement or violating any provisions within the laws.

ARTICLE TWENTY-SEVEN JOB POSTING – TRAINING

Section 1. Job Posting. Available full time and temporary bargaining unit job openings shall be electronically and bulletin board posted by the Company for a period of three (3) working days, holidays excluded. The Company shall provide timely notification to the Union of any changes to the job descriptions, responsibilities, and training requirements.

Section 2. Training. The Company has the sole decision to provide training and is responsible for all costs associated with said training.

Section 3. Employee Referral. The Company will notify the Union office for such additional workers as it may from time to time require. The Company may also hire workers from other sources provided that Section 1 of this article has been complied with and there are no qualified bidders in the bargaining unit. The Company shall supply the Business Manager with the name and address of newly hired employee(s) working on Delivery Order 0053 under contract N00244-11-D-0025 within seven (7) days following beginning of employment.

ARTICLE TWENTY-EIGHT VISITATION

To the extent permitted by the United States Navy, Union representatives may briefly visit the premises on which the Company operates for the purpose of conducting Point Mugu related Union business. It is understood there is to be no interruption of the employees work process and the Union representative will make their presence known to the Company's supervisor. The Company will assist the Union with obtaining the necessary badges and stickers for entry to the bases.

ARTICLE TWENTY-NINE NO DISCRIMINATION

The Company and the Union, in the performance of this Agreement, agree not to discriminate against any employee or applicant for employment because of age, race, color, religion, creed, sex, national origin, handicap, veteran status or other status protected by applicable federal, state, or local law or regulation.

All references to "employee", "employees", "man", "men", "he", "him", or "his" in this Agreement refer to both male and female employees. The terms are used for the sole purpose of brevity and clarity of language construction only, and do not imply or refer to sex or gender in any way whatsoever.

The Company recognizes and will not interfere with the right of employees to become members of the Union and agrees there shall be no discrimination, interference, restraint or coercion by the Company or any of its agencies against any employee because of membership in, or any activity on behalf of the Union.

ARTICLE THIRTY CONTRACT BOOKLETS

The Company will provide a copy of the contract to all employees.

ARTICLE THIRTY-ONE GENERAL AND MISCELLANEOUS

Section 1. No employee covered by this Agreement shall engage in solicitation of membership for any Union, collection of dues or other Union

activities not provided for in this Agreement during their working time without the permission of the Company.

Section 2. Any written agreement relating to the interpretation or applicability of this Agreement made jointly by the Company and by the Union shall be binding on every individual employee claiming or entitled to the benefits of this Agreement.

Section 3. All compensation payable to an employee hereunder shall be paid twice monthly at the employer's option and the employees will be offered the option of direct deposit. Errors on an employee's paycheck will be corrected and paid to the employee on their next paycheck unless the error is in excess of 8 hours or \$100. In this instance, the Company shall correct the error and pay the employee within forty-eight hours (48) of the error being discovered via next day delivery by a mail carrier.

ARTICLE THIRTY-TWO PROGRESSIVE DISCIPLINE

Section 1: Steps of Discipline. In matters involving the disciplining of employees covered by this agreement, the Company agrees to abide by the following progressive steps of discipline:

First offense: Documented verbal counseling.

Second offense: Written memorandum of counseling.

Third offense: Disciplinary suspension not to exceed five (5) days and may result in termination.

The company reserves the right to discipline any employee up to and including termination for just cause (including all serious offenses) based on the severity of the incident in accordance with Company policy.

Section 2. Verbal Counseling Retention. Documented verbal counseling's shall be removed from the employee's file after one (1) year provided the employee has not received a warning for a similar offense within one (1) year from date of issuance.

Section 3. Written Memorandum Retention. Documented written memorandum counseling's shall be removed from the employee's file after two (2) years, provided the employee has not received a warning for a similar offense within two (2) years from the date of issuance.

Section 4. Documented Evidence Disclosure. Employees and the Business Manager shall be given all documented evidence used against him/her at or prior to any disciplinary meeting.

Section 5. Verbal and Written Discipline Removal. The Company shall provide employees and the Union Business Manager with written communication when an employee's discipline has been removed in accordance with sections (2) and (3) of this article.

**ARTICLE THIRTY-THREE
OFFICIAL NOTICES REQUIRED
BY AGREEMENT**

In all cases where "Official Notices" are required by this Agreement such notices shall be considered as given when sent by e-mail or certified mail, return receipt requested and addressed as follows:

The Company:

Management Consulting, Inc. dba: MANCON
Attention: Director of Operations
1961 Diamond Springs Rd.
Virginia Beach, VA. 23455
tconsford@manconinc.com

The Union:

International Brotherhood of Electrical Workers
Local Union No. 543 Attention: Business Manager
16519 Victor Street, Suite 304
Victorville, California 92395
(760) 245-8147
jerry.koger@ibew543.org

**ARTICLE THIRTY-FOUR
DURATION OF AGREEMENT**

This Agreement and the provisions hereof shall remain in full force and be binding from 12:01 a.m., October 1, 2012 until 12:00 midnight, September 30, 2014, and from year to year thereafter unless either party notifies the other party, not less than sixty (60) calendar days prior to the anniversary date of this Agreement or of an extension thereof, of its desire to terminate or amend the same. The negotiations will commence within thirty (30) days after the official written notice is received from either party.

IN WITNESS WHEREOF the parties hereto have set their hands on this sixth day of February 2013.

Management Consulting, Inc. dba
(MANCON)

International Brotherhood of Electrical
Workers Local Union 543

Richard A. Clarke
President

Jerry M. Koger
Business Manager / Financial Secretary

APPENDIX A DEFINITIONS

Many of the terms noted below are referenced in the Collective Bargaining Agreement. These definitions are an attempt to further explain the meaning of these terms and their intent.

Hours Worked	The hours the employee actually works to perform their job. It <i>does not</i> include hours paid for holiday or leave.
Hours Paid	The hours the employee is paid for performing their job <i>which includes</i> overtime, holiday, and leave.
Anniversary/Seniority date	The first day the employee started performing similar work at the same Federal facility.
Emergency	The absence of bargaining unit employees to complete the assigned work or a directive given from the government to complete an assigned task on the same day that cannot be rescheduled or completed on overtime.