

**AGREEMENT**

**Between**

**RESOURCE CONSULTANTS, INC.**

**and**

**AMERICAN DISTRICT WORKERS UNION  
DETROIT DISTRICT AREA LOCAL**

**For the Period: March 1, 2003 through February 28, 2006**

## Article 1

### Labor-Management Cooperation

1.01 This Collective Bargaining Agreement is entered into and between Resource Consultants Inc. ("Employer") and American Postal Workers Union Detroit District Area Local ("Union"). The Employer and the Union agree that the general purpose of this Agreement is to promote the interests of the Employees and the Employer and to provide for the efficient and cost-effective operation of the Employer's business under methods and conditions that will promote a safe, harmonious, and productive work environment during the term of this Agreement.

1.02 The Employer and the Union agree that on-going communication is essential for an optimal labor-management relationship and they will meet at mutually agreed times to discuss Employee suggestions, problems, methods of improving operations and morale, and other similar subjects. The parties further recognize that it is also the purpose of this Agreement to set forth in writing the entire agreement on rates of pay, and other terms and conditions of employment; to cooperate in establishing and maintaining conditions which will promote and improve industrial and economic relations between the Employer and the Employees covered by this Agreement; and to provide methods for a fair and peaceable adjustment of all disputes which may arise between them.

1.03 To foster an environment of mutual respect and open communication, the parties may, by mutual agreement, engage in joint training programs for shop stewards, Union representatives, all levels of management and other Employees. The costs of providing such joint training programs shall be divided equally between the parties.

## Article 2

### Recognition

2.01 Recognition The Employer recognizes the Union as the exclusive collective bargaining representative for all full-time and regular part-time Employees working at the Employer's Brownstown Township, Michigan facility, located at 19771 Brownstown Center Drive, in those job classifications set forth in Exhibit 1 attached and made part of this Agreement. The Employer and the Union agree that all Employees working in classifications listed in Exhibit 1 are properly within the bargaining unit. Any new classification established by the Employer where the job duties are primarily the duties of Employees covered by the Agreement shall be made part of this Agreement and the parties will negotiate an appropriate wage rate.

2.02 Scope and Exclusions. The parties agree that the bargaining unit covered by this Agreement is limited exclusively to the Employees defined in Section 2.01 and does not include any Employees working at Employer's Brownstown Township, Michigan facility in classifications not listed in Exhibit 1 such as office clerical Employees, Data Analysts, Human Resource personnel, security guards, temporary Employees, employees of subcontractors, managerial Employees, confidential Employees, or Supervisors as defined in the National Labor Relations Act. The Agreement does not apply to any of the Employer's facilities other than the Brownstown Township, Michigan MTEC facility.

## Article 3

### No Discrimination

3.01 The Employer and the Union agree not to discriminate against any Employee because of race, sex, age, color, religion, national origin or other legally protected status. There also shall be no discrimination against any Employee because of membership or non-membership in, or activity on behalf of the Union, provided that an Employee's Union activities shall not interfere with the performance of the Employee's work duties for the Employer.

3.02 The Employer and the Union are committed to maintaining a work environment that is free from sexual harassment or harassment based upon any other legally protected status.

3.03 The parties recognize their respective obligations under Title VII, state fair employment practice laws and the Americans with Disabilities Act including the Employer's obligation to make reasonable accommodation to qualified individuals with a disability.

3.04 Notwithstanding any other provision of this Agreement to the contrary, the Employer may take any action that it deems necessary to comply with the Americans with Disabilities Act. The Union reserves the right to grieve any decision which the Employer contends is based upon the Americans with Disabilities Act obligations which conflicts with this Agreement or applicable law. Such grievance shall be processed pursuant to Article 17 of the Agreement.

## Article 4

### Hours of Work

4.01 Application of Article. This Article is intended only to describe the current normal work schedules and to establish the basis for calculating overtime payments. Nothing in this Agreement shall be construed as a guarantee of hours of work per shift, per day, or per week.

4.02 Workday and Workweek. Except for full-time Employees who typically work an abnormal shift schedule or where the Employer schedules mandatory overtime shift(s), the standard workday and workweek for regular full-time Employees will normally consist of eight (8) hours per day five (5) days per week. Part-time Employees will be scheduled in accordance with the Employer's operational and staffing needs as determined at the Employer's sole discretion. The starting and ending time of all shifts shall be established by the Employer. The Employer may alter at any time the standard workday and/or workweek for some or all Employees. Except where such schedule changes are for temporary or emergency circumstances, the Employer will give three (3) calendar days advance notice to the Union and affected full-time Employees of any changes to the workweek, workday, or shift schedule of a full-time Employee. The workweek for payroll purposes will be 12:01 AM Saturday through 12:00 Midnight Friday unless changed by the Employer (for some or all Employees) where production, scheduling, or other circumstances warrant.

4.03 Lunch and Rest Periods. All Employees shall be given a one-half (1/2) hour unpaid lunch period per eight (8) hour shift. All Employees shall be given two (2) ten (10) minute periods per eight (8) hour shift. The Employer also agrees to grant a ten (10) minute rest period after each two (2) hours of authorized overtime is worked. It is understood and agreed that all rest periods are to be with pay. Each Employee must be at his work station or area until the rest or lunch period starts and must be at his work station or area when it ends. Scheduling of such lunch and rest periods is within the sole discretion of the Employer.

**4.04 Overtime.** The Employer will pay Employees one and one-half (1-1/2) times their regular straight-time hourly rate for all hours worked in excess of forty (40) hours in any work week. For purposes of this Article, only actual time worked will count towards hours worked. The Employer reserves the right to require overtime work and Employees may not refuse overtime assignments.

**4.05 Scheduled Additional Shifts for Full-Time Employees.** Where the Employer has sufficient prior notice of its need for full-time Employees to work an additional shift of four (4) hours or more, the opportunity shall be posted in such a manner to allow full-time Employees on all shifts to sign up for the additional shift. The Employer shall offer the additional shift to:

- (1) Qualified full-time Employees, who signed the posting, within the classification in which the additional shift is needed in order of seniority;
- (2) If the Employer still needs full-time Employees to work the additional shift, the opportunity shall be offered to qualified, full-time Employees, who signed the posting, not in the classification in order of seniority;
- (3) Once the Employer completes the above procedure, it may use, at its discretion, any Employee to perform the work or may require qualified full-time Employee(s) with the least seniority within classification to work the additional shift. Where the Employer requires an Employee to report for an additional shift, the Employee's refusal or failure to report for the additional shift shall subject the Employee to discipline up to and including immediate termination, and

**4.06 Same Day/Unscheduled Extended Shift for Full-Time Employees.** When the Employer needs full-time Employees to work an extended shift, except where the work in progress or specific skills or experience require, in the Employer's discretion, that a particular Employee perform the work, the extended shift opportunity shall be offered to:

- a. Qualified full-time Employees present within the classification in which the extended shift is needed in order of seniority;
- b. If the Employer still needs full-time Employees to work an extended shift, the opportunity shall be offered to qualified full-time Employees present not in the classification in order of seniority; and
- c. Once the Employer completes the above procedure, it may use, at its discretion, any Employee to perform the work or may require qualified full-time Employee(s) with the least seniority within classification to work the extended shift. Where the Employer requires an Employee to stay for an extended shift, the Employee's refusal or failure to stay for the extended shift shall subject the Employee to discipline up to and including immediate termination.

The Employer may fulfill its obligations to offer additional or extended shift opportunities under this Article by any method including, but not limited to, posting the opportunity or announcing the opportunity and soliciting volunteers.

**4.07 Early Dismissal/Unscheduled Day Off for Full-Time Employees.** When the Employer determines it may provide an opportunity for full-time Employees to leave early or not report for a scheduled shift due to lack of work, the opportunity to leave early or not report shall be offered to full-time Employees, within the classification the Employer in its discretion chooses, in order of seniority. If insufficient number of full-time Employees elect to leave early or not report, the Employer may require full-time Employee(s) with the least seniority within the classification to leave early or not report. When a full-time Employee is required by the Employer to leave early, the Employer shall pay the full-time Employee for all hours worked but, at a minimum, shall pay the

full-time Employee for four (4) hours.

**4.08 Early Dismissal/Unscheduled Day Off for Part-Time Employees.** When the Employer determines it may provide an opportunity for part-time Employees to leave early or not report for a scheduled shift due to lack of work, the opportunity to leave early or not report shall be offered to part-time Employees, within the classification the Employer in its discretion chooses, in order of seniority. If insufficient number of part-time Employees elect to leave early or not report, the Employer may require part-time Employee(s) with the least seniority within the classification to leave early or not report. When a part-time Employee is required by the Employer to leave early, the Employer shall pay the part-time Employee for all hours worked but, at a minimum, shall pay the part-time Employee for four (4) hours.

**4.09 Reporting on Unscheduled Work Day:** If the Employer requires an Employee to report to work on an unscheduled workday and the Employee reports to work and is required by the Employer to leave early, the Employer shall pay the Employee for all hours worked, but at a minimum, shall pay the Employee for four (4) hours.

## Article 5

### Vacation, Holidays, and Personal/Sick Time

#### 5.01 Vacation

- a. **Eligibility.** Upon completion of each full year of continuous service, Employees shall be eligible for a paid vacation, according to the following schedule:

Years of Continuous Service	Amount of Paid Vacations
Less than one year	None
One year to five years	10 days
More than five years	15 days

Employees who are paid for fewer than 1,800 hours during a one (1) year period of continuous service, shall be entitled to paid vacation time on a pro-rata basis determined by the ratio of hours paid to 1,800 hours rounded to the nearest whole day.

- b. **Scheduling of Vacations.** Vacation leave must be earned before it can be taken. Vacation is earned on the Employee's anniversary date. All vacation allowance must be taken in full day increments. Vacations shall be bid in full week increments by classification seniority and shift between January 1 and February 15 for the period March 1 of the current year to February 28 of next year subject to this Article. Once a vacation has been bid, it shall remain the same in case of transfer of the Employee. An Employee may bid his entire vacation entitlement in week increments at one time; provided that if the week selected is a week with a holiday he may also take the last scheduled work day in the week immediately preceding or the first scheduled work day in the week immediately following the week selected. If an Employee bids in less than full week increments, he may only bid two selections. After February 15, vacations shall be granted on a first come, first served basis; provided the Employee gives the Employer at least five (5) working days prior written notice of his request for vacation leave. If there is a conflict between two Employees who submit requests the same day, classification seniority will govern.

- c. **Cap on Number of Employees Off** Notwithstanding any other provision of this Article, the Employer will permit a maximum number of Employees in each job classification to take vacation or unpaid personal/sick days in accordance with the chart in Exhibit 2 attached to this Agreement.
- d. **Vacation Utilization**. The Employer understands the importance of time off from work, and encourages Employees to utilize their vacation time to ensure a balance between work and family. Employees may carry-over a maximum of five (5) earned vacation days following the one (1) year period in which the vacation days were earned. Employees may not bank more than a total of five (5) carried-over vacation days. Any earned vacation days over five (5) that are not used by the end of the year in which they are earned shall be forfeited.
- e. **Vacation Pay**. Vacation pay shall be based upon an Employee's regular straight time hourly wage rate at the time of the vacation. It is understood that current rate of pay will apply regardless of whether or not the rate of pay was more or less than the rate of pay in effect at the time the vacation was earned.
- f. **Payment of Unused Vacation**. Employees leaving the Employer with at least one (1) year of continuous service shall receive pay for earned and unused vacation time upon separation except in the following circumstances:
  - 1) When the separation is the result of dishonesty, theft, or gross misconduct (such as fighting, violence, threatening others, violation of the Employer's drug and alcohol policy); or
  - 2) When the separation is the result of a resignation and the Employee has not provided at least two (2) weeks notice of his/her intent to resign, except in the case of an emergency.

**5.02 Recognized Holidays**. The following days shall be recognized as Holidays under this Agreement:

New Year's Day	Martin Luther King Day
President's Day	Memorial Day
Independence Day (4th of July)	Labor Day
Columbus Day	Veteran's Day
Thanksgiving Day	Christmas Day

- a. Eligible full-time Employees who do not work on the designated holiday will receive eight (8) hours of holiday pay at their straight hourly rate. Eligible full-time Employees who work on a designated Holiday shall receive eight (8) hours of Holiday pay in addition to their straight time hourly rate for hours actually worked on the Holiday. Part-time Employees are not eligible for holiday pay.
- b. To be eligible for holiday pay, full-time Employees must have:
  - i. Completed the probationary period;
  - ii. Worked on the observed holiday when scheduled to do so; and,
  - iii. Worked on his/her scheduled shift immediately before and immediately after the designated holiday unless the Employer authorized the absence in advance or the absence is due to medical reasons verified by a Doctor's note.
- c. An Employee who is on Leave of Absence or lay-off is not eligible to receive

Holiday pay for any Holiday that falls within the time period of his/her Leave of Absence or lay-off.

**5.03 Unpaid Personal/Sick Days.**

- a. Upon completion of the Employee's probationary period and, thereafter, on each anniversary date, Employees shall receive five (5) Unpaid Personal/Sick days.
- b. For each such Personal/Sick day, an eligible Employee will receive a day off without pay. Employees shall not be entitled to receive pay for any Personal/Sick days upon termination or at any other time.
- c. Personal/Sick days may be accumulated from anniversary year to anniversary year, with a maximum accumulation of fifteen (15) days. Accumulated Personal/Sick days over fifteen (15) will be forfeited.
- d. Personal days must be taken only in half or full day increments. Personal days shall be requested on a first come, first served basis; provided that the Employee gives the Employer at least five (5) working days prior written notice of the request, except in case of emergencies. If there is a conflict between two Employees who submit requests on the same date, classification seniority will govern. The Employer will permit up to a maximum number of Employees in each job classification to take vacation and unpaid Personal/Sick days in accordance with the chart at Exhibit 2 attached to this Agreement.
- e. Sick days may be taken for an absence of an Employee on a scheduled day, by reason of (1) illness, (2) accident, (3) illness of dependent child, or (4) need to care for family member with serious health condition. Sick leave must be taken only in half or full day increments. Employees are encouraged to schedule medical and dental appointments outside of working hours, but sick leave may be used for scheduled medical or dental appointments if such leave is requested at least five (5) working days in advance and is approved by the Employer. Employees who need sick leave for the reasons stated herein but who have exhausted their sick days may request vacation or leave of absence subject to the provisions of this Agreement. The Employer may require proof of illness or accident, including certification from a physician, when the Employee takes sick leave. If requested, such proof must be provided prior to Employee returning to work. In the event of a false claim of illness by an Employee under this Article such false claim shall constitute just cause for discharge of the Employee.

**Article 6**

**Bereavement**

**6.01** Full-time Employees with at least six (6) months of service shall be eligible to utilize up to three (3) days of Bereavement Leave with pay for the death of parents, spouse, children, and siblings. Employees with fewer than six (6) months of service and part-time Employees shall be eligible to utilize up to three (3) days of Bereavement Leave without pay for the death of parents, spouse, children, and siblings. These categories include step and foster relatives.

**6.02** Employees shall be eligible to utilize up to three (3) days of Bereavement Leave without pay for the death of grandparents, grandchildren, and in-laws (parent, child, sibling).

6.03 Employees may be granted other leave in conjunction with Bereavement Leave at the Employer's discretion.

6.04 The Employee shall provide documentation confirming need for Bereavement Leave within seven (7) days of the Employee's return to work.

## Article 7

### Seniority

7.01 Seniority. Seniority shall be defined as that length of service from the Employee's date of hire. Seniority within the Employee's job classification, however, shall be used to determine shift preferences, vacation scheduling, days off, the right to accept overtime, and lay-off and recall rights.

7.02 Seniority List The Employer shall prepare and keep updated a seniority list of all Employees covered by this agreement and such list shall automatically be provided to the Union one (1) month after the effective date of this Agreement, and thereafter every January 1 and June 1. The Seniority list will include date of hire and seniority within the Employee's current job classification and prior classification, if any.

7.03 Same Classification Seniority. In the event of Employees having the same classification seniority date, house seniority (hire date) will be used to rank the affected Employees.

7.04 Same Day Hire Dates. In the event of Employees having the same seniority date, the ranking of seniority shall be decided by the drawing of lots by the affected Employees with the shop steward present.

7.05 Notice Of Lay-offs. For the purpose of this Article, lay-offs shall be defined as an Employee not being scheduled by the Employer for one (1) week or more due to lack of work. In the event lay-offs become necessary, the Employer shall notify the Union one (1) week prior to the commencement of the lay-offs. Such notice shall specify the job classification(s) and the number of Employees that are likely to be affected.

7.06 Order Of Lay-off In the event of a lay-off, the Employer will seek, by seniority, volunteers from Employees within the affected job classification. In determining tie order of lay-off, Employees will be scheduled for removal or lay-off in the inverse order of their class seniority within the affected job classification. An Employee who is laid off shall, if he or she chooses, be entitled to bump into his or her prior job classification, if any, and bump an Employee who has less job classification seniority.

7.07 Recall. Laid-off Employees shall be placed on a recall list for the period of one year and shall be recalled to any previously held job classification based on job classification seniority. An Employee who chooses not to exercise his bumping rights to a previously held job classification or declines a recall opportunity in any classification forfeits all recall rights to such classification(s).

7.08 Recall Procedure. In the event of lay-off and recall, the Employer shall contact the Employee at the telephone number of record and by certified mail to the last known address. The Employee shall be required, within five (5) working days (excluding Saturday and Sunday) of delivery or attempted delivery of the notice of recall, to notify the Employer of his intent to return to work and return to work on the date specified for recall. The Employee shall be required to be available for work within two (2) weeks of the notice.

**7.09 Job Bidding.** Except for lead positions (which the Employer may fill on the basis of “best qualified”) all job vacancies will be posted and open for bidding for a period of forty-eight (48) hours excluding Saturday, Sunday and holidays. The posted bid will include the classification, qualifications, anticipated date of placement, and shift. The Employer will determine in its sole discretion the qualifications necessary for the position. The Employer will select the most senior qualified bidder for the position with preference being given to Employees within the classification where the vacancy exists. Employees on vacation or absent due to disability may exercise their seniority when returning to work with respect to the bid(s) posted during their absence; provided they submit a bid within forty-eight (48) hours of returning to work. A copy of the posted bid and name of the successful bidder will be provided to a shop steward. If no Employees qualified for the vacancy submit bids, the Employer may fill the job from any source.

**7.10 Break Of Seniority** Seniority shall be broken by:

- a. Discharge;
- b. Voluntary resignation or retirement;
- c. Twelve (12) months consecutive unemployment from the Employer regardless of the reason;
- d. Twenty- four (24) months consecutive unemployment from the Employer for work related disability;
- e. Failure to report as required by recall;
- f. Acceptance of supervisory position on the ninety first (91st) day after promotion, and
- g. Failure to return to work upon expiration of leave of absence.

**7.11 Temporary Reassignment.** Temporary Reassignments to a different classification shall be made from the applicable pre-qualification list of the Employees present at the time of reassignment in order of seniority. The Employer will bid any opening on the pre-qualification list pursuant to this Article and Article 18.

**7.12 Pre-Qualification List.** Employees currently on the pre-qualification lists will be grandfathered with their current ranking and an effective date of this Agreement.

## Article 8

### Wages

**8.01 Purpose.** The purpose of this article is to provide a basis for the computation of wages for Employees.

**8.02 Pay Days.** Employees shall be paid bi-weekly in accordance with the pay cycle schedule currently utilized.

**8.03 Applicable Wage Rates.** The wage rates applicable to Employees covered by this Agreement are set forth in Exhibit 1 attached to this Agreement.

- a. **New Hire Wage Rate.** Employees hired after the effective date of this Agreement

shall receive the “New Hire” wage rate listed in Exhibit 1 according to his or her respective job classification.

- b. **Six-Month Wage Rate.** Employees hired after the effective date of this Agreement shall receive the “Six Month” wage rate listed in Exhibit 1, according to his or her respective job classification, after six (6) calendar months of service. The Six-Month wage rate will be effective the first day of the first payroll period following the completion of the six-month period.
- c. **Regular Wage Rate.** Employees hired after the effective date of this Agreement shall receive the “Regular” wage rate listed in Exhibit 1 attached to this Agreement, according to his or her regular job classification, after one calendar year of service. The Regular wage rate will be effective the first day of the first payroll period following the completion of one year of service. Current Employees at the time of execution of this Agreement shall also receive the regular wage rate listed in Exhibit I according to his or her regular job classification.
- d. For purposes of this Article only, absences for other than work-related disabilities of more than thirty (30) days shall be deducted from the computation of continuous service when calculating calendar months of service.

## Article 9

### Probationary Period

9.01 All newly hired Employees shall serve a training and probationary period during the first ninety (90) calendar days of their employment. During such period, the Employer may evaluate the Employee’s performance and may discipline or discharge a probationary Employee at its sole discretion without just cause. Discharge and/or disciplinary action of a probationary Employee can not be challenged by the Employee or the Union through the grievance and arbitration procedure established in this Agreement. When the probationary period has been completed, the Employee will be placed on the seniority list retroactive to his or her date of hire.

## Article 10

### 401(K) Retirement Plan

10.01 **401K Plan** The Employer will continue to provide a 401K Plan for all regular full-time and regular part-time Employees covered by this Agreement. Employees may elect to contribute from 1 to 10 percent of their salary on a pre-tax basis.

10.02 **Matching Schedule.** The Employer will match the first 1 to 6 percent of the Employee’s contribution at fifty (50%).

10.03 **Plan Documents Control** The terms of the applicable Plan documents with respect to vesting and all others matters will govern this benefit. Any questions or disputes concerning said 401K Plan or benefits there under will be resolved in accordance with the terms and conditions set forth in the Plan documents. No dispute arising or relating to this Article shall be subject to the grievance and arbitration procedures set forth in Article 17, except an allegation that the Employer has failed to make matching contributions as required by the Agreement.

10.04 **New Employees Eligibility** New Employees will be eligible for this benefit after completing six months of continuous employment.

## Article 11

### Health & Welfare

**11.01 Health & Welfare Benefits.** The Employer shall continue to provide, in accordance with its present policy and subject to any applicable conditions or limitations therein, the following benefits to eligible full-time Employees; provided that should the following benefits change for nonexempt Employees company-wide, such changes will also be made in the benefits provided in this Article. Part-time Employees are not eligible for Health and Welfare benefits.

- a. **Health Insurance Benefits.** Subject to this Article and Side Letters 1 and 2 of this Agreement, the Employer will provide a comparable level of health insurance benefits as it currently provides.

Employee share of premiums are made via payroll deduction on a pre-tax basis under Section 125 of the Internal Revenue Code unless the Employee provides a written request for post-tax deductions to Employer's corporate Human Resources department.

- b. **Dental Insurance.** Subject to this Article and Side Letters 1 and 2 of this Agreement, the Employer will continue to provide the current or comparable level of dental insurance benefits.
- c. **Vision Insurance.** Subject to this Article and Side Letters 1 and 2 of this Agreement, the Employer will continue to provide the current or comparable level of vision insurance benefits.
- d. **Life Insurance.** Subject to this Article and Side Letters 1 and 2 of this Agreement, the Employer will continue to provide the current or comparable level of life insurance benefits.
- e. **Short Term Disability.** Subject to this Article and Side Letters 1 and 2 of this Agreement, the Employer will continue to provide the current or comparable level of short term disability insurance benefits.
- f. **Long Term Disability.** Subject to this Article and Side Letters 1 and 2 of this Agreement, the Employer will continue to provide the current or comparable level of long term disability insurance benefits.
- g. **125 Plan.** Subject to this Article and Side Letters 1 and 2 of this Agreement, the Employer will continue to provide a Section 125 plan.
- h. **Employee Assistance Program** Subject to this Article and Side Letters 1 and 2 of this Agreement, the Employer will continue to provide an Employee Assistance Program.

**11.02 Three Month Waiting Period.** The benefits described in this Article will be made available to eligible full-time Employees on the first day of the first month following completion of three (3) months continuous service.

**11.03 Termination of Coverage.** Except as is otherwise required pursuant to sections 602 through 608 of the Employee Retirement Income Security Act of 1974 with respect to coverage under the insurance programs set forth in Section 11.01 of this Agreement, coverage of an Employee under the insurance programs set forth in Section 11.01(a) through 11.01 (g) of this Agreement shall terminate upon the earlier of (i) the termination of this Agreement pursuant to

Article 25 of this Agreement; (ii) termination of seniority in accordance with Article 7.10 of this Agreement; (iii) if the Employee is on lay-off pursuant to this Agreement, on the first day of the first month on or after thirty (30) calendar days from the Employee's last day of actual work for the Employer; or (iv) except as may be required under the Family Medical Leave Act of 1993; if the Employee is on unpaid leave, on the first day of the first month on or after such leave commences. Notwithstanding any provision of this Agreement, the Employer shall have no obligations to pay any of the costs of the coverages set forth in this Agreement on behalf of any Employee who is engaged in a strike.

**11.04 Right to Change Providers/Carriers.** The Employer reserves the right to change insurance carriers, health maintenance organizations, plan administrators, or to self-insure, as it deems appropriate and consistent with the terms of this Agreement. If the Employer intends to make such a change, the Employer will provide the Union with reasonable notice and an opportunity to present alternative bids for consideration by the Employer.

**11.05 The Language of the Policies Govern.** The extent of coverage under all Employer insurance policies (including HMO) referred to in this Agreement will be governed by the terms and conditions set forth in said policies or plans. Any questions or disputes concerning said insurance policies or plans or benefits there under will be resolved in accordance with the terms and conditions set forth in said policies or plans.

**11.06 Scope of Employer Responsibility** It is expressly agreed and understood that the Employer does not accept, nor is it to be charged with, any responsibility or liability in any manner for any benefit afforded by this Article pursuant to or under an insurance contract, plan or program, including determination of coverage, qualification for or payment of benefits to or on behalf of an Employee, or otherwise, and the Employer's sole liability shall be limited to making payment to the insurer of any required premium payment. No dispute arising or relating to this Article shall be subject to the grievance and arbitration procedures set forth in Article 17, except an allegation that the Employer has failed to pay premiums required to purchase insurance coverage. Nothing in this Agreement will be construed to relieve any insurance carrier(s) or plan administrator(s) from any liability it may have to the Employer, Employee, or beneficiary of any Employee.

## Article 12

### Leave of Absence Without Pay

**12.01** The Employer may grant Employees a leave of absence without pay of up to twelve (12) weeks for reasons including bona fide serious health condition, industrial injuries, and personal or Union business in accordance with this Article. A leave of absence is not automatic but may be granted in the Employer's discretion where it is requested properly and approved by the Employer in writing. The Employer will comply with the provisions of the federal Family and Medical Leave Act ("FMLA") where applicable.

**12.02 Eligibility.** Employees will be eligible for a leave of absence after they have completed one year of employment with Employer. Employees being laid off are not eligible for leaves of absence.

**12.03 Procedure.** Employees must submit a written request for leave of absence to Human Resources with thirty (30) days notice where possible. The written request must include the start and end date requested, and the reason for the leave. The Employer may require Employees requesting leave due to illness or injury or medical reasons to provide documentation from a health care provider regarding the need for and duration of the leave prior to the leave of absence being approved. Failure to provide sufficient documentation may result in the leave being delayed or denied.

**12.04 Benefits.** The Employer will continue to provide health insurance coverage for eligible Employees in accordance with the requirements of the FMLA. An Employee not eligible for FMLA leave will continue to receive health insurance coverage through the end of the month in which the leave commences. Except to the extent required by law, Employees will not accrue any benefits or be eligible for holiday pay while on a leave of absence. For leaves longer than one month, the Employee may be required to pay both Employer and Employee share of the premiums to continue insurance coverage under the applicable insurance plan

**12.05 Work While on Leave Prohibited.** Engaging in gainful employment for any other Employer while on a leave of absence, unless specifically approved by the Employer in writing, will be deemed just cause for termination of employment.

**12.06 Return to Work.** Employees on leave of absence due to their own illness, injury or serious health condition may, prior to returning to work, be required to provide documentation from a health care provider certifying their fitness for duty and ability to perform the essential functions of their job. An Employee returning from a leave of absence will be returned, where possible, to his or her regular job classification and shift without a loss of seniority. Employees will be returned to work at the same disciplinary status as when they commenced the leave. Health insurance benefits will be restored effective the first day of the first month following return to work. Failure to return to work upon expiration of an approved leave of absence will be deemed just cause for termination of employment.

**12.07 Military Leave.** Employees enlisted or entering the military or naval services of the United States shall be granted all rights and privileges provided by the applicable federal laws.

**12.08 Extension.** The Employer may grant an extension of a leave of absence in its discretion. The Employee may be required to submit written documentation to support need for an extension. Such extensions must be approved in writing by the Employer.

**12.09 Union Business Leave.** Employees granted Union business leave without pay under this Article, upon their return to work for the Employer, shall be paid for hours worked for the Employer at the applicable wage rate for their classification including any increases to the wage rate. Vacation or sick leave will be earned in accordance with this Agreement based upon hours worked for the Employer.

- a. Union officers and Shop Stewards may be granted leave without pay or paid vacation, at the election of the Employee, to attend National, State, and Regional Union Conventions (Assemblies) provided that such a request for leave has been submitted by the Employee as soon as practicable and provided the approval of such leave does not adversely affect the operational needs of the Employer's facility. Other Employees may be granted paid vacation leave to attend National, State, and Regional Union Conventions (Assemblies) provided that such a request for leave has been submitted by the Employee as soon as practicable and provided the approval of such leave does not adversely affect the operational needs of the Employer's facility.
- b. The Employer agrees to grant vacation leave requests by Employees to attend National, State, and Regional Union Conventions (Assemblies) with priority over other vacation requests provided the requests are submitted prior to the vacation selection period consistent with the procedures set forth in this Agreement; provided that no previously approved vacation will be cancelled to accommodate a Union business leave request. In the event requests are made after the vacation selection period set forth in this Agreement, the Employer will make reasonable efforts to grant such requests consistent with the operational and staffing needs of the facility.

- c. The Acceptance of a full-time position with the Union will constitute a long-term leave of absence (which may exceed 12 weeks). The Employee will not accrue any benefits or receive any insurance coverage provided by the Employer while on such leave. Employees who accept full-time employment with the Union and subsequently wish to return to work with the Employer will be reinstated to the same job classification with no loss of seniority so long as the Employee is qualified to perform the job. The Employee will return to work at the same disciplinary status (including attendance) as the Employee had upon commencement of the leave.

## Article 13

### Jury Duty Or Court Appearance

#### 13.01 Jury Duty.

- a. A full-time Employee required to perform jury duty receives his or her straight time rate of pay, less jury fees received for up to two (2) weeks per year. Compensation for jury duty is based on the number of hours the Employee would regularly have worked on those days. Part-time Employees are not eligible for paid jury duty leave.
- b. To receive pay under this Article, Employees receiving a jury summons must present the summons and a leave request to Human Resources immediately and must furnish Human Resources with proper written documentation of performed jury duty and fees received.
- c. An Employee is required to work on a regularly scheduled work day if he is not required for jury duty on a particular day or if he is dismissed early enough to work two (2) hours or more of his shift. In the event that the Employee's jury duty service is canceled, every attempt shall be made to ensure the Employee retains his or her regular number of work hours.
- d. Time spent on jury duty is not used for purposes of calculating overtime pay.

#### 13.02 Court Appearance.

- a. An Employee required to appear in court or at administrative proceedings on behalf of the Employer shall receive his or her regular straight time hourly rate of pay.
- b. Time spent at administrative hearings or court proceedings on behalf of the Employer is used for purposes of calculating overtime pay.

## Article 14

### Training & Development

14.01 The parties recognize that job training is an important tool for promoting the development, success, and advancement of Employees.

14.02 Employees who successfully complete the Employer's training program for a classification covered by the Agreement, except as otherwise specified in the Agreement, shall be considered qualified for that classification for purposes of transfers, promotions, and temporary reassignments pursuant to this Agreement.

14.03 Employer training programs for purposes of transfers, promotions, and temporary reassignments shall be made available to qualified Employees based upon seniority; provided the Employees satisfy the licensure and/or certification requirements for the classification to which the training applies.

14.04 Joint Labor Management Training Committee. The parties agree to establish a Joint Labor Management Training Committee, which shall meet quarterly and provide suggestions and recommendations to the Employer to improve, enhance, and supplement the Employer's training programs. The Joint Labor Management Training Committee shall be comprised of three representatives of the Union and three representatives of the Employer.

## Article 15

### Substance Abuse And Testing Program

15.01 General The parties recognize that Employees adversely affected by drugs or alcohol may pose a risk to themselves as well as to other Employees. For purposes of this Article, "drug" is any "controlled substance" as listed in Schedules I-V of 21 C.F.R. Part 1308 not being used properly under the supervision of a licensed health care professional

15.02 Prohibitions. In an effort to promote a drug-free and safe working environment:

- a. Employees are prohibited from using, possessing, manufacturing, distributing, dispensing, selling, or buying drugs or alcohol on Employer property, while operating Employer equipment/vehicles, or during working time.
- b. Employees may not be under the influence of drugs or alcohol on Employer property, while operating Employer equipment/vehicles or during working time.

15.03 Testing. Employees may be tested for drugs and/or alcohol in the following circumstances:

- a. **Reasonable Suspicion:** Where the Employer has a reasonable suspicion and objective evidence that an Employee is using, under the influence of, in possession of, distributing, manufacturing, buying, or selling drugs or alcohol on the Employer's property while operating Employer's equipment vehicles, or during working time, the Employer shall have the right to test for the presence of drugs and/or alcohol. "Reasonable suspicion" for purposes of this Article means a belief based upon objective facts sufficient to lead a reasonable person to suspect that drug or alcohol use has occurred or is occurring on Employer property, while operating Employer equipment/vehicles or during working hours; such facts include, but are not limited to:
  - 1) Observation of circumstances consistent with use, possession, sale, manufacture, or distribution of alcohol or a drug;

- 2) Observation of the Employee exhibiting irregular behavior, slurred speech, uncoordinated movement, gait stupor, excessive giddiness, unexplained periods of exhilaration or excitement, impaired judgment or other behavior or characteristics that indicate the Employee may be under the influence of alcohol or a drug; or
- 3) Detection of the odor of alcohol on the Employee's breath.

The Employer will develop guidelines to assist Supervisors in making the initial determination that testing should be conducted. The Employer shall provide a copy of such guidelines (and any modifications thereto) to the Union. The Employer shall train managers in the application of the guidelines.

- b. **Post Accident/injury/Unsafe Act:** Where the Employee is involved in an accident that causes an injury or property damage on the Employer property while operating Employer equipment/vehicles or during work hours, is injured in the workplace, or is otherwise observed by the Employer engaging in an unsafe act on the Employer property while operating Employer equipment/vehicles or during work hours, the Employer shall have the right to test for the presence of drugs and/or alcohol.
- c. **Follow-up:** As part of a follow-up program under this Article, the Employer shall have the right to test for the presence of drugs and/or alcohol.
- d. **Random:** Due to the safety risk posed by the equipment utilized and the nature of the work performed in the plant and in an effort to ensure the health and safety of Employees working in the plant, Employees may be selected for drug and/or alcohol testing pursuant to a random selection process by a scientifically valid method; provided that no Employee shall be required to undergo a random test under this section more than two times per calendar year.

#### **15.04 Disciplinary Penalties.**

- a. The use, possession, manufacture, sale, or distribution or being under the influence of alcohol or a drug on Employer property, while operating Employer equipment/vehicle or during working time shall constitute just cause for immediate discharge of the Employee.
- b. A confirmed positive test result for drugs from a test administered pursuant to this Article shall constitute just cause for immediate discharge of the Employee. "Positive test result" for purposes of this paragraph means a test performed on a specimen provided by the Employee which detected an amount of a drug at or above the levels set forth in 41 C.F.R. Part 40.
- c. A confirmed positive test result which measures an ethyl alcohol concentration of .04% or higher for alcohol from a test administered pursuant to this Article shall constitute just cause for immediate discharge of the Employee.
- d. Intentionally submitting or attempting to submit an adulterated, diluted, or substituted specimen, whether the Employee's own specimen or another's specimen, shall constitute just cause for immediate discharge.

- e. Refusal to take or cooperate in a drug and/or alcohol test pursuant to this Article or refusal of a referral to the Employer's Employee Assistance Program (EAP) and/or treatment shall constitute just cause for immediate discharge.
- f. Any other violation of this Article shall subject the Employee to discipline and/or discharge for just cause.

**15.05 Testing Procedures** Testing will be conducted by a laboratory that holds a Michigan license in the discipline of job-related alcohol and controlled substances testing. Except as provided below, testing by the Employer will be at the Employer's expense. Positive tests will be reviewed and confirmed by a Medical Review Officer. Any Employee tested will receive, upon request, the name and address of the testing laboratory. Any Employee who tests positive for alcohol or a drug shall receive the name and address of the laboratory, the name and address of the Medical Review Officer, a copy of the test results, a copy of this provision, written notice of the Employer's intent to take disciplinary action, if applicable, and a statement informing the Employee of his right to request independent testing of the same sample by a Michigan licensed laboratory of the Employee's choosing for verification of the test result. The cost of such independent testing, including any costs associated with specimen handling and transport will be paid by the Employee. This information will be provided to the Employee within seven (7) days from the date the confirmed positive test results are received by the Employer. The Employer will take reasonable steps to ensure the confidentiality of the testing process and results.

**15.06 Employee Assistance Program** The Employer will maintain an Employee Assistance Program ("EAP"), which can assist Employees who come forward with drug and/or alcohol abuse problems before being selected for a test. The Employer will encourage Employees who have alcohol or drug-related problems to use the EAP. Employees who come forward voluntarily to an Employer representative, prior to being selected for a drug and/or alcohol test under this Article, will be referred to the EAP or such other treatment as may be appropriate. Employees who seek such treatment may be granted a leave of absence to undertake such treatment. Any costs associated with such treatment that are beyond those covered by the Employer's medical insurance shall be borne by the Employee.

- a. **Pay While Seeking Treatment:** Any Employee who takes approved leave to obtain treatment for drug and/or alcohol abuse shall not be paid during the leave period; provided, however, that the Employee may choose to use accrued paid leave for such leave. Nothing in this subparagraph (a) prevents the Employee from receiving any employment benefits he is otherwise entitled to receive.
- b. **Return to Work:** Any Employee who is offered and takes leave for treatment related to drug and/or alcohol abuse shall, before returning to work, provide (i) written confirmation that the Employee has successfully completed the treatment program; (ii) certification of fitness for duty from the Employee's physician, and (iii) a signed agreement that the Employee understands he will be subject to follow up testing as a condition of his reinstatement to work for a period of up to three years following his return to work and that a subsequent positive test will subject him to immediate discharge.

**15.07 Searches.** To the extent allowable by federal and state law and upon reasonable cause, the Employer reserves the right to search any Employer property, including but not limited to any desk, drawer, file, locker, or other container of any nature on the Employer's premises and any package, bag or container of any nature whatsoever brought on or removed from the Employer's premises.

## Article 16

### Discipline

#### 16.01 Just Cause for Discharge.

- a. No Employee having completed the probationary period shall be disciplined and/or discharged except for just cause. The Employer shall follow a system of progressive discipline. The parties agree that progressive discipline normally requires, prior to suspension or discharge, that an Employee be given written notice of the deficiency and opportunity to correct the deficiency. The parties agree that within the principle of progressive discipline, however, the Employer may impose immediate suspension or discharge for just cause for dishonesty, gross misconduct, insubordination, serious discourteous conduct, failure to report to work without just cause, walking off the job during a shift, or drinking alcohol or using a controlled substance, or being under the influence thereof, during an Employee's shift or on the Employer's premises. Discipline for attendance-related issues shall be in accordance with Exhibit 3.
- b. When an Employee who has completed his or her probationary period is disciplined and/or discharged, the reason will be given to the Employee in writing. When an Employee is suspended or discharged, copies of the written notice to the Employee will be sent to the Union within seventy-two (72) hours of the effective date of the suspension or discharge. Upon request by the Union, legible copies of documents relevant to the discipline or discharge shall be provided to the Union.

16.02 Warning Notices. Warning notices issued to Employees shall specify the events or actions for which the warning is issued. Warning notices shall be issued to Employees reasonably promptly after the Employer is aware of the event or action for which the warning notice is issued and has a reasonable period of time to investigate the matter. A copy of the warning notice shall be provided to the Employee. Employees shall be required to sign all warning notices for purpose of acknowledging receipt and may include a rebuttal statement in addition to his or her signature. If an Employee refuses to sign the notice, a management witness will sign the notice confirming that the Employee was issued the notice.

16.03 Time of Discharge. Both the Employer and the Employees will approach the disciplinary process in a professional and respectful manner. No Employee shall be discharged for just cause on a scheduled day off or while on vacation.

16.04 Disciplinary suspensions, warning notices, and written complaints concerning the conduct of an Employee shall become inactive twenty-four (24) months after the date of their issuance [but twelve (12) months after their date of issuance for such materials issued before the ratification date of this Agreement] and may not thereafter be used as a basis for or in support of any subsequent discharge or disciplinary action. Nothing contained in this section shall preclude the use of any information contained in an Employee's personnel file in any administrative or judicial proceeding.

16.05 Upon an Employee's request, a Union representative will be present at an interview, investigation or meeting regarding disciplinary action against that Employee. For purposes of this Article, "disciplinary action" shall not include informal counseling or directing of the workforce by management of the Employer. The Employer will not require or request an Employee to resign, or to sign a confession or statement concerning his or her conduct, unless the Employee is first given an opportunity to have a Union representative present and, if so requested, the Union representative appears without undue delay.

16.06 The Union shall have the sole right to take a suspension and/or discharge as a grievance to the third step of the grievance procedure, and the matter shall be handled in accordance with this procedure.

16.07 Upon request, an Employee may arrange an appointment with the Human Resource office to review his or her personnel file. The Employee must provide reasonable notice of this request, and must engage in the review when he or she is not scheduled to work. The Employee may add a rebuttal statement to the file, and may receive a copy of the file.

## Article 17

### Grievances and Arbitration

17.01 The Employer and the Union agree that Employees should attempt to resolve issues or concerns with their Supervisor prior to initiating the Agreement's grievance procedure. The parties agree to utilize the following procedures for resolving the grievance of Employees that are not resolved through consultation with their Supervisor:

- a. **Step 1. Plant Level** As promptly as possible, but no more than ten (10) calendar days after the occurrence or event giving rise to the grievance, or within ten (10) calendar days of the time the Employee or the Union reasonably could have obtained knowledge of the event or occurrence, the Employee/Union shall submit his or her grievance in writing to Human Resources. If this initial step is not fully complied with, the Employee and Union shall be deemed to have waived whatever rights they otherwise would have had under this Grievance and Arbitration procedure. An attempt will be made by the Employer at the Plant level to settle the controversy within ten (10) calendar days after receipt of the written grievance. If the Employer does not provide a written response within the aforesaid ten (10) calendar days the grievance shall be upheld.
- b. **Step 2. Division Level** If the grievance is not resolved at Step 1, the Employee/Union shall submit the written grievance and Employer Step 1 response to the Division Human Resources Manager within seven (7) calendar days of the Employer's response. The Division Human Resources Manager and/or designee of the Division Vice President will attempt to resolve the grievance with the Union's Designee at the Division level. The Employer will provide a Step 2 written response to the grievance within seven (7) days of the Union's submission of the grievance to the Division Human Resources Manager.
- c. **Step 3. Arbitration** If resolution cannot be reached at Step 2, either party may initiate the arbitration process within ten (10) calendar days of the Employer's Response at Step 2 by requesting in writing (with a copy to the other party) a panel of arbitrators from Federal Mediation and Conciliation Service. The parties shall select a neutral and impartial arbitrator by alternately striking from the list provided by the Federal Mediation and Conciliation Service.
  1. The arbitration shall be conducted within ninety (90) days of the written request for a panel of arbitrators to the Federal Mediation and Conciliation Service unless otherwise agreed to by the parties.
  2. The procedures shall be pursuant to the labor arbitration rules of the American Arbitration Association.
  3. The decision of the arbitrator shall be final and binding on both parties hereto. The arbitrator's decision shall be in writing.

4. The cost of the arbitrator shall be borne equally by the parties. The cost of preparation for the arbitration will be borne by each party respectively.
5. The cost of cancellation of an arbitration shall be borne equally by the parties where the cancellation is due to settlement of the grievance. Each party may cancel up to two (2) arbitrations per year for any reason other than settlement with the costs of the cancellation being borne equally by the parties; for cancellations exceeding two (2) per year by a party, the cost of cancellation shall be borne by that party.
6. It is expressly understood and agreed that the arbitrator is not authorized or empowered to change, modify, or add to this Agreement but is strictly limited to the interpretation and application of this Agreement.

17.02 All time limits in the above procedure may be waived by mutual written agreement of the parties.

17.03 Mitigation of Damages. If an Employee is separated by the Employer and the Employee disputes that his or her separation was for just cause the Employee must mitigate any potential damages the Employer may eventually owe that Employee.

## Article 18

### Management Rights and Responsibilities

18.01 All management rights, authority, functions, and responsibilities which are not unequivocally and expressly restricted or limited by a specific provision of this Agreement are retained by the Employer and shall remain vested exclusively in its sole discretion without regard to any past practice or condition. The parties recognize that such rights, authority, functions, and responsibilities include but are not limited to:

- a. The full control, planning, management, and operation of its business and its facilities; the determination and scope of its activities and/or products or services to be offered, developed, eliminated, modified, or used and all methods pertaining thereto, including the location, size, and number of departments and facilities; the determination of materials, parts, products, machinery, and equipment to be acquired, utilized or discontinued and the layout and scheduling thereof; the right to determine, increase or decrease staffing for any department; the right to organize, reorganize, combine, or discontinue departments, consistent with this Agreement and applicable law; and the right to contract or subcontract non bargaining unit work and maintenance and repair work for the facility, building, and operating equipment;
- b. The determination of hiring and qualifications for Employees; the training of new Employees; the right to require Employees to submit to a medical examination by the Employer or to test for alcohol or substance abuse consistent with this Agreement and applicable law; the establishment of quality standards and performance standards, procedures, and evaluations; the determination of Employee schedules, shifts, and the right to require overtime work of Employees; the right to set or change the shift times and number of hours to be worked;
- c. The right to introduce new or improved procedures, methods, services, machinery or equipment, to make technological changes or to discontinue procedures,

methods, services, machinery, or equipment; the right to lay-off or RJF Employees; the right to discipline, suspend, demote, or discharge Employees for just cause; the right to promote or transfer Employees consistent with this Agreement;

- d. The right to terminate, merge, consolidate, sell, or otherwise transfer its business or any part thereof; the right to enter joint ventures; the right to determine the number of Employees and the assignment of duties thereto; the right to select lead and Supervisory personnel and the assignment of their work, including the right to assign, on an emergency or temporary basis, to Supervisors or others work normally performed by members of the bargaining unit covered by this Agreement; the staffing of equipment and the right to change, increase, or reduce the same; the right to establish, combine, add, change or abolish jobs, duties, classifications and descriptions; and,
- e. The right to maintain order and efficiency and to issue, modify, delete, and enforce rules, regulations, and policies governing Employee conduct and Employer operations.

18.02 The Employer's failure to exercise any such right, prerogative, or function hereby reserved to it or the Employer's exercise of any such right, prerogative, or function in a particular way, shall not be considered a waiver of the Employer's right to exercise such right, prerogative, or function or preclude it from exercising the same in some other way not in conflict with the express provisions of this Agreement.

## Article 19

### Union Security

19.01 Union Shop. Subject to applicable law, all Employees who are members of the Union on the effective date of this Agreement shall remain members in good standing as a condition of continued employment. An Employee shall be considered in good standing within the meaning of this Article if the Employee tenders the periodic dues and initiation fees uniformly required as a condition of acquiring and retaining membership in the Union. All Employees covered by this Agreement who are not members of the Union on the effective date of this Agreement, as a condition of continued employment shall, on the 30th day following the effective date of this Agreement, become and remain members of the Union. All Employees hired on or after the effective date of this Agreement shall, within thirty (30) days after employment in a classification covered by this Agreement, become and remain members of the Union as a condition of continued employment for the duration of this Agreement.

19.02 Indemnification The Union agrees to defend, indemnify and hold the Employer harmless from any and all legal claims or liability (including reasonable attorneys fees incurred by the Employer) that arise out of or by reason of actions taken or not taken by the Employer in accordance with this Article.

19.03 Enforcement Mechanism Within thirty (30) days after receipt of a request to terminate and written notice from the Union that an Employee covered by this Agreement has failed, pursuant to the terms of this Article, to tender payment of the periodic dues or initiation fees uniformly required as a condition of membership in the Union, the Employer will terminate the employment of such Employee.

Article 20

Dues Check-Off

20.01 The Employer, during the term of the Agreement, agrees to deduct each month Union membership dues and initiation fees from the pay of those Employees who have voluntarily authorized such deductions in writing as provided in Section 20.02. Such membership dues shall be limited to amounts properly levied by the Union.

20.02 The required authorization shall be in the following form:

**PAYROLL DEDUCTION AUTHORIZATION**

Date:

I, the undersigned, hereby request and voluntarily authorize the Employer to deduct from any wages or compensation due me, an amount equal to the initiation fee and the regular monthly dues uniformly applicable to members of ("Union") in accordance with the Constitution and Bylaws of the Union.

This authorization shall remain in effect and shall be irrevocable unless I revoke it by sending written notice to both the Employer and the Union by registered mail during the period commencing thirty (30) days prior to and ending five (5) days prior to the anniversary date of this authorization or of the expiration of the contract between the Employer and the Union, whichever occurs sooner, and shall be automatically renewed as an irrevocable check-off from year to year unless revoked as herein above provided, irrespective of whether I am a Union member.

Signed \_\_\_\_\_

Social Security No. \_\_\_\_\_

Address \_\_\_\_\_

Job Title \_\_\_\_\_

20.03 Deductions shall be made only in accordance with the provisions of said Authorization for Check-off of Dues, together with the provisions of this Check-Off Agreement.

20.04 The original or a facsimile of a properly executed form for each Employee for whom Union membership dues are to be deducted hereunder shall be delivered to the Employer before any payroll deductions are made. Deductions shall be made thereafter only under forms which have been properly executed and are in effect. Any form which is incomplete or in error will be returned to the Union by the Employer.

20.05 Check-Off deductions under all properly executed forms which have been delivered to the Employer on or before the fifteenth (15) day of any particular month thereafter shall begin with the following calendar month.

20.06 Payroll deductions will be made in twenty-six (26) equal payments using the following calculation:

$$\text{Monthly Dues} \times 12 / 26 = \text{bi-weekly pay period deduction}$$

20.07 Deductions shall not be made from Employees on authorized leave of absence. The Employer agrees to make deductions as otherwise provided in this Article in the case of Employees who have returned to work after authorized leave of absence.

**20.08** The Employer shall remit to the designated finance officer of the Union the amount of deductions made for that particular pay period, together with a list of Employees and their social security numbers, for whom such deductions have been made. The information shall be in computer readable electronic form, in an agreed-upon format. The Employer will forward dues payments to the financial officer of the Union within ten (10) days of each pay day.

**20.09** Any Employee's whose seniority is broken by death, quit, discharge or lay-off, or who is transferred to a position outside the bargaining unit, shall cease to be subject to check-off deductions beginning with the month immediately following that in which such death, quit, discharge, lay-off or transfer occurred.

**20.10** The Union shall indemnify, defend and hold the Employer harmless against any and all claims, demands, suits or other forms of liability (including reasonable attorneys' fees incurred by the Employer) that shall arise out of or by reason of action taken or not taken by the Employer pursuant to this Article and/or in reliance upon payroll deduction authorization submitted to the Employer.

## **Article 21**

### **Union Activity**

**21.01** The Union shall provide the Employer with a written list identifying its authorized representatives. The Union's authorized representatives shall have the right to enter and visit the facility during hours of operation for the purpose set forth in this Agreement, provided such visitation does not adversely affect the operation of the facility or unreasonably interfere with the performance of work by Employees during their working hours and provided further that the procedures of this Section 21.01 are followed. Except in the case of emergency or by mutual agreement, the Union's authorized representatives must provide at least twenty-four (24) hours prior notice to the Employer's Plant Manager of the intent to visit. In all cases, the Union's representatives shall comply with all the Employer's procedures applicable to visitors to the facility. Except as provided in this Article, non-employee representatives or agents of the Union may not enter the Employer's premises.

**21.02** The Union may select Union Stewards from among the Employees. The Union is responsible for notifying the Employer, in writing, as to the names of the Union Stewards, their jurisdictions, and keeping the Employer apprised of any changes. Union Stewards may act as Union representatives, assist Union representatives in proceedings under Article 17 (Grievance Procedure) and engage in discussions with the Employer's designated representatives regarding questions or concerns relating to the Employer's practices or procedures.

**21.03** Except as otherwise provided in this Article, a Union Steward shall not be compensated by the Employer for his duties as a Union Steward and shall perform such duties, if reasonably possible, during times when he or she is not scheduled to work for the Employer.

- a. The Employer will pay a Union Steward at straight time rate of pay for scheduled work hours lost in attendance at a meeting convened as part of the grievance procedure set forth in Article 17 of the Agreement.
- b. The Employer will pay a Union Steward at straight time rate of pay for scheduled work hours lost in attendance at a meeting called by the Employer for information exchange or other reasons designated by the Employer concerning contract application.

- c. The Employer will pay a Union Steward at straight time rate of pay for scheduled work time lost in grievance investigation, handling, and writing up to a maximum of two (2) hours per week.
- d. The Employer will pay the allegedly aggrieved Employee and Employee witnesses at straight time rate of pay for scheduled work hours lost in attendance at a meeting convened as part of the grievance procedure set forth in Article 17 of the Agreement.

The Union Steward will arrange with their immediate Supervisor before engaging in such grievance procedure activities. In the discharge of his/her duties, the Union Steward shall not interfere with the operations of the business. Union Stewards shall be excused from work to attend Union meetings without pay upon reasonable notice of not fewer than two (2) days to the Employer.

21.04 To permit the Union to properly and efficiently carry out its responsibilities, the Employer shall provide the following information to the Union on a monthly basis:

- a. A list of all Employees hired into the bargaining unit during the preceding month, including each Employee's name, social security number, address, phone number, job classification, and hire date.
- b. A list of all bargaining unit Employees terminated, placed on leave of absence of more than one week, or transferred into or out of the bargaining unit during the preceding month, and for each such Employee, the Employee's name, social security number, date of such personnel action and, if applicable, the expected date of return for leaves of absence.
- c. Within twenty (20) days of ratification of this Agreement, the Employer shall provide the Union with a list of all Employees covered by this Agreement including the Employee's name, social security number, job classification, address, telephone number, and date of hire. This information shall be in a computer readable electronic form in an agreed upon format.

## Article 22

### No Strike or Lockout

22.01 **No Strikes.** The Union, its officers, agents, representatives, and members shall in no way, directly or indirectly, authorize, call, cause, assist, encourage, participate in, ratify, condone or sanction any strike, sympathy strike, sit down, slow down, picketing, boycott, cessation or stoppage of work, or other interference or interruption of work during the duration of this Agreement. The Employer shall have the right to discharge, for just cause, suspend, or otherwise discipline any or all Employees who incite, induce, encourage, or participate in any of the above enumerated activities.

22.02 **No Lockouts.** In consideration of this no strike pledge by the Union, the Employer shall not lock out Employees during the duration of this Agreement.

22.03 **Discharge for Violation of this Article.** The Employer shall have the right to discharge or otherwise discipline any or all Employees who participate in any activity prohibited by this Article. Grievances and Arbitrations concerning any Employee(s) disciplined or discharged for violation of this Article shall be limited solely to a determination of whether the Employee(s) engaged in conduct prohibited by this Article. The failure to confer a penalty for

violation of this Article shall not be a waiver of the right to do so in any other instance, nor shall such failure establish a precedent of any kind.

### Article 23

#### Termination of USPS Contract and Successors

**23.01 Termination of Government Contract** This Agreement is expressly limited to the work assigned the Employer to be performed at the Brownstown Township, Michigan MTESC facility pursuant to the contract between the Employer and the USPS (Contract No. 102590-99-B-0003). If the USPS cancels, does not renew, or otherwise terminates its contract (Contract No. 102590-99-B-0003) with the Employer with respect to the work to be performed at the Brownstown Township, Michigan facility, all obligations on the Employer required by this Agreement shall cease, except as otherwise required by this Agreement and applicable law, upon the effective termination date of the USPS contract with respect to the work to be performed at the Brownstown, Township, Michigan facility.

**23.02 Obligations on Employer Selling or Assigning.** In the event that the Employer sells or assigns its business, the Employer shall, in addition to any statutory obligations imposed by such a sale or assignment, give the Union reasonable advance notice thereof in writing and shall make all payments which are due or shall be due as of the date of the transfer of the business for wages and benefits for Employees covered by this Agreement.

### Article 24

#### Saving Clause

**24.01** In the event that any provision of this Agreement shall be rendered invalid by applicable legislation or be declared invalid by any court or regulatory agency of competent jurisdiction, such action shall not invalidate the entire Agreement, it being the express intention of the parties hereto that all other provisions not rendered invalid shall remain in full force and effect. Both parties agree that the subject matter of any provision found to be invalid shall be renegotiated.

### Article 25

#### Term-Termination-Renewal

**25.01 Complete Agreement.** This Agreement constitutes the complete and entire agreement between the parties. This Agreement supercedes and cancels all prior practices and agreements, whether written or oral, unless expressly stated in this Agreement.

**25.02 Term.** This Agreement shall be in full force and effect from March 1, 2003 to and including February 28, 2006.

**25.03 Renewal** This Agreement will be automatically renewed from year to year thereafter unless either party notifies the other in writing at least sixty (60) days prior to the expiration date that it desires to terminate and/or modify this Agreement.

**IN WITNESS WHEREOF, the parties hereto by their duly designated representatives have hereunto set their hands.**

**FOR THE EMPLOYER  
RESOURCE CONSULTANTS, INC.**

**By:** \_\_\_\_\_  
**Its:** President  
**Date:** 24 March 2003

**FOR THE UNION  
AMERICAN POSTAL WORKERS UNION,  
DETROIT DISTRICT AREA LOCAL, AFL-CIO**

**By:** D. Duron V. Marshall  
**Its:** President  
**Date:** 3-7-2003

**Exhibit 1**

<b><u>Job Classification</u></b>	<b><u>New Hire</u></b>	<b><u>Six Month</u></b>	<b><u>Regular</u></b>
<b>Laborer</b>	<b>\$12.88</b>	<b>\$13.59</b>	<b>\$14.31</b>
<b>Inspector</b>	<b>\$14.34</b>	<b>\$15.13</b>	<b>\$15.93</b>
<b>Lead</b>	<b>\$15.42</b>	<b>\$16.27</b>	<b>\$17.13</b>
<b>Riveter</b>	<b>\$12.81</b>	<b>\$13.52</b>	<b>\$14.23</b>
<b>Forklift Operator</b>	<b>\$17.42</b>	<b>\$18.39</b>	<b>\$19.36</b>
<b>S/R Clerk</b>	<b>\$11.98</b>	<b>\$12.64</b>	<b>\$13.31</b>
<b>Auditor</b>	<b>\$16.20</b>	<b>\$17.10</b>	<b>\$18.00</b>
<b>Final Container Auditor</b>	<b>\$18.58</b>	<b>\$19.61</b>	<b>\$20.64</b>
<b>Parts Clerk</b>	<b>\$15.21</b>	<b>\$16.06</b>	<b>\$16.90</b>
<b>Mechanic</b>	<b>\$18.58</b>	<b>\$19.61</b>	<b>\$20.64</b>
<b>Welder</b>	<b>\$21.31</b>	<b>\$22.50</b>	<b>\$23.68</b>
<b>Yard Driver</b>	<b>\$19.67</b>	<b>\$20.76</b>	<b>\$21.85</b>

Exhibit 2

**Vacation/Sick/Personal Day Slots**

**September 1 to May 31**

	<u>Shift 1</u>	<u>Shift 2</u>
Laborer	3	3
Inspector	3	3
Lead	One Per Day	
Riveter	1	1
Fork Lift Operator	2	2
S/R Clerk	One Per Day	
Auditor	1	1
Final Container Auditor	1	NA
Parts Clerk	1	NA
Mechanic	1	NA
Welder	1	NA
Yard Driver	One Per Day	

**June 1 to August 31**

	<u>Shift 1</u>	<u>Shift 2</u>
Laborer	4	4
Inspector	4	4
Lead	1	1
Riveter	1	1
Fork Lift Operator	2	2
S/R Clerk	One Per Day	
Auditor	1	1
Final Container Auditor	1	1
Parts Clerk	1	NA
Mechanic	1	NA
Welder	1	NA

These slots are based on current staffing levels. Should staffing levels or operational conditions change, the parties agree to renegotiate modifications to the above slots.

## Exhibit 3

### Attendance Policy

1. **Definitions.** The following terms shall have the following meaning in this Policy:
  - A. **Unscheduled Absence.** Unscheduled absence shall be defined as an Employee's failure to complete at least four (4) hours of his/her scheduled shift without approval. See paragraph 1.D. For unscheduled absences of more than one (1) day due to illness, only one occurrence will be incurred if the Employee provides a doctor's note to Human Resources on his/her day of return that specifies that the Employee was unable to work for the duration of his/her absence.
  - B. **Unscheduled Tardy.** Unscheduled tardy shall be defined as an Employee's failure to arrive to work on time but no more than one (1) hour late for his/her scheduled start (without approval). See paragraph 1.D.
  - C. **Unscheduled Late/Leave Early.** Unscheduled late/leave early shall be defined as an Employee's failure to arrive to work within one (1) hour of his/her scheduled start time and/or failure to stay to the completion of his/her scheduled shift (without approval). See paragraph 1.D.
  - D. **Allowable Absences/Tardies/Lates/Leave Earlyes.** Allowable absences/tardies/lates/leave earlyes shall be defined as absences/tardies/lates/leave earlyes which do not result in disciplinary action as set forth in this policy. Allowable absences include: absence/tardies/lates/leave earlyes due to approved reasons such as vacation, court subpoenas, jury duty, bereavement leave, workers compensation injury, military leave, FMLA leave, short term disability (STD), or leave due to a serious health condition. Documentation for allowable absences/tardies/lates/leave earlyes must be provided by the Employee no later than the day of the Employee's return to work.
  - E. **No-Call No-Show.** No-Call No-Show shall be defined as an Unscheduled Absence where the Employee fails to report to work as scheduled and fails to call or e-mail to report his/her absence to RCI (in accordance with paragraph 2) no later than two (2) hours from the start of his/her scheduled shift. Three consecutive scheduled days of no-call no-show shall be considered job abandonment and deemed just cause for termination.
2. **Call in Procedure.** Employees who are going to be tardy, late, or absent are required to call (734) 692-1977 ext.115 or e-mail [dtwcallin@mtesc.com](mailto:dtwcallin@mtesc.com) prior to their scheduled start time and unless physically incapable of calling or e-mailing. The message must include name, date, time, and when they expect to report to work. Employees must provide documentation of all such physical incapacity to Human Resources upon their return. Employees are required to call or e-mail in each day of unscheduled absence. Pre-approved absences do not require the Employee to call in unless otherwise directed by Human Resources.
3. **Perfect Attendance.** Employees who complete an anniversary year of service with perfect attendance will be awarded a certificate and \$200 (gross) cash award. Perfect attendance is defined as being at work on time and working a full shift everyday that the Employee is scheduled. This excludes time off for approved reasons such as vacation, court subpoenas, jury duty, bereavement leave, workers compensation injury, military leave, FMLA leave, STD, or leave due to a serious health condition. Employees who are tardy, late, or absent for any other reason are not considered to have perfect attendance.

4. **Discipline.** Employees will be disciplined for No-Call No-Shows, Unscheduled Absences, Unscheduled Lates/Leave Earlys, and/or Unscheduled Tardies, consistent with the following schedule of discipline:

<b><u>TYPE OF OCCURRENCE</u></b>	<b><u>DISCIPLINE ISSUED AT:</u></b>
No-Call No-Show	Every Occurrence
Unscheduled Absence	Every 2 Occurrences
Late/Leave Early	Every 3 Occurrences
Tardy	Every 4 Occurrences

**Progressive Discipline**

- Step 1            Written Warning
- Step 2            Written Warning
- Step 3            Final Written Warning and 1 Work Week Suspension.
- Step 4            Termination

- A. For the purpose of this section, “Written Warning” shall mean that the Employee will receive a written explanation describing the number of occurrences the Employee has accumulated; that further disciplinary action including suspension and/or termination will result if the Employee’s attendance does not improve; and the benefits of exemplary attendance.
- B. For the purpose of this section, “Final Written Warning” shall mean that the Employee will receive a written explanation describing the number of occurrences the Employee has accumulated as of the date of the Final Written Warning; that the Employee is being suspended due to poor attendance; that further disciplinary action including termination will result if the Employee’s attendance does not improve; and the benefits of exemplary attendance.
- C. Occurrences will be accrued for each infraction regardless of the Employee’s availability to receive the counseling prior to the next occurrence.
- D. RCI will complete and distribute to the Employee Warnings, Suspensions and Terminations within ten (10) calendar days of the Employee’s Unscheduled Absence, Unscheduled Tardy, Unscheduled Late/Leave Early, or No-Call No-Show.
- E. Occurrences and discipline warnings will be effective for twelve (12) calendar months. Occurrences and discipline warnings older than twelve (12) calendar months will be removed on a rolling twelve (12) month basis.
- F. During an Employee’s first ninety (90) days of employment, the Employee will be considered a probationary Employee. The above discipline schedule will not apply to new hires that are still within the probationary period. RCI shall counsel, discipline, or terminate probationary Employees regarding attendance as it deems appropriate in its sole discretion. After completion of the probationary period, an Employee will receive discipline in accordance with the above schedule. All occurrences and warnings accumulated during the Employee’s probationary period will remain in effect until expiration under paragraph E of this policy.

## Side Letters

The parties agree to the following side letters.

### Stage One Side Letter

Prior to the Department of Labor issuing a new wage determination adopting this collective bargaining agreement and the new wage determination being incorporated into the Employer's contract with the United States Postal Service:

a. The Employer will convert Employees who have been working full-time hours from part-time to full-time Employees and will provide such Employees with full-time benefits in accordance with the Agreement. The Employer will provide the Union a list of such Employees prior to execution of the Agreement.

b. The Employer will delay implementing the hire and six month wage rates set forth in Exhibit 1.

c. The Employer will continue to provide health and welfare benefits consistent with the applicable wage determination. The Employer will continue to provide comparable health and welfare benefits including health insurance coverage to all regular full-time Employees. The costs of such health and welfare benefits will continue to be shared between the Employer and Employee at the same percentage rates as in effect upon the effective date of the Agreement, except the Employee monthly health insurance premium cost for double and family coverage will be reduced by 15 % effective upon the effective date of the Agreement.

d. The Employer will continue to make SCA make up payments to full-time and part-time Employees as necessary to satisfy its SCA obligations under the applicable wage determination.

e. All Bereavement Leave provided by Article 6.01 shall be unpaid.

f. The Employer will delay implementing the three (3) month waiting period set forth in Article 11.02.

g. Jury duty leave under Article 13.01 shall be unpaid.

h. Part-time employees shall receive pro-rata vacation time in accordance with Article 5 of the Agreement.

### Stage Two Side Letter

Effective after the Department of Labor issues a new wage determination adopting this collective bargaining agreement and the new wage determination is incorporated into the Employer's contract with the United States Postal Service:

a. The regular wage rate for S/R clerks shall be increased by \$1.19 per hour and the regular wage rate for inspectors shall be increased by 5.45 per hour.

b. Article 8.03's new hire and six-month wage rates shall be effective.

c. The Employer will cease making SCA make up payments to full-time and part-time Employees; except that part-time Employees employed on the effective date of the Agreement shall continue to receive the equivalent of \$1.92 per hour of work as a contribution to the

Employee's 401K account. The Employer shall provide the Union with a list of affected part-time Employees prior to the effective date of the Agreement. The Employer agrees to cap total number of part-time Employees at 1/3 of total workforce. "Part-time Employees" are normally scheduled to work 32 hours or fewer per week. If a part-time Employee works an average of more than 32 hours per week in any 3-RCI-calendar month period, provided the Employee worked at least 10 weeks in the period, the Employer will create a full-time position which shall be filled in accordance with seniority. The time period November - January shall not be considered for purposes of this provision because the parties recognize that part-time Employees may work substantially more hours in the November - January period.

d. Bereavement leave provided by Article 6.01 shall be paid in accordance with Article 6.01.

e. The Employer will continue to provide comparable health and welfare benefits including health insurance coverage to all regular full-time Employees. The costs of such health and welfare benefits will continue to be shared between the Employer and Employee at the same percentage rates as in effect on the effective date of the Agreement (as adjusted by paragraphs of Stage One Side Letter), provided that any increase in the costs of the health and welfare benefits shall be shared between the Employer and Employees as follows:

- 1) Effective January 1, 2003, the Employer will pay the total increase in costs of health and welfare benefits above the cost in effect on the effective date of the Agreement.
- 2) Effective January 1, 2004, the Employer will earmark the equivalent of \$.25 per hour worked by all Employees in fiscal year 2004 to be used to defray any increase in costs of the health and welfare benefits above the costs in effect during the fiscal year ending in 2003 ("cost defrayment pool"). To the extent the cost defrayment pool exceeds the increase in health and welfare benefit costs incurred, the remaining amount will be distributed on a pro rata basis, based upon hours worked, to the 401K accounts of all full-time Employees employed on the last day of the fiscal year in December 2004. If the cost defrayment pool will not cover the total increase in costs of health and welfare benefits, the Employee contribution levels, including those for single health insurance coverage, and/or the benefit(s) will be adjusted to cover any additional increase not covered by the cost defrayment pool.
- 3) Effective January 1, 2005, the Employer will earmark the equivalent of \$.50 per hour worked by all Employees in fiscal year 2005 to be used to defray any increase in costs of the health and welfare benefits above the costs in effect during the fiscal year ending in 2003 ("cost defrayment pool"). To the extent the cost defrayment pool exceeds the increase in health and welfare benefit costs incurred, the remaining amount will be distributed on a pro rata basis, based upon hours worked, to the 401K accounts of all full-time Employees employed on the last day of the fiscal year in December 2005. If the cost defrayment pool will not cover the total increase in costs of health and welfare benefits, the Employee contribution levels, including those for single health insurance coverage, and/or the benefit(s) will be adjusted to cover any additional increase not covered by the cost defrayment pool.

f. Article 11.02's three month waiting period for benefits shall be effective.

g. Jury duty leave shall be paid in accordance with Article 13.01.

h. The Employer will implement a health insurance opt out program which will allow full-time Employees, who provide sufficient proof of alternative, adequate health insurance coverage, to choose to receive payment equivalent to \$100 per month in lieu of the health

insurance coverage provided by the Employer. The program will be made effective in a manner consistent with the applicable plan documents and governing law.

**Stage Three Side Letter**

Effective September 18, 2004, the Employer will provide a \$.25 per hour increase in the regular wage rate of all job classifications.