Agreement

Between

Xylem, AWS

Buffalo, New York

and

UNITED STEELWORKERS

AFL-CIO-CLC

Local Number 897

**2016-2019**

Stronger Together

OUR GOAL:

To build a quality/reliable product for our customers.

To deliver to our customers on time at a competitive price

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**2016 AGREEMENT**

Agreement by and between Xylem Inc. or its successors solely with respect to The Xylem, AWS, Buffalo Plant (hereinafter referred to as the “Company”) and The United Steelworkers, A.F.L.-C.I.O.-C.L.C., on behalf of Local 897 (hereinafter referred to as the “Union”), which local is composed of employees of the Company only.

**ARTICLE I**

## RECOGNITION / EQUAL OPPORTUNITY

1.01 The company recognizes the Union as the exclusive bargaining agency in the matter of wages, hours and working conditions for all of its employees at its above designated plant, with exception of Foremen, Assistant Foremen, service department employees, pattern makers, watchmen, firemen, chief inspectors, payroll clerks, office clerical employees, engineering and drafting employees and salaried employees. The Officers and Members of Local 897 agree not to solicit such employees for membership on Company time.

1.02 It is the continuing policy of the Company and the Union to ensure equal opportunity in all aspects of employment, to prohibit discrimination, and to apply all provisions of this Agreement to all employees without regard to race, color, creed, national origin, religion, age, sex, handicap and veteran status. (The words, he, him, his, man and other references to employees in this agreement are not to identify a particular sex but are neuter in meaning.)

1.02(A) Civil Rights Committee:

A joint Committee on Civil Rights shall be established at the plant. The Union representation on the committee shall be no more than three (3) members of the Union, appointed by the Union. The Union members shall be certified to the Human Resource Manager and the Company members shall be certified to the Union.

The Company and Union members of the Joint Committee shall meet as required to review any charge of discrimination because of race, creed, color, religion, national origin, age, sex, handicap and veteran status.

The Joint Committee shall have no jurisdiction over the initiating or processing of complaints or grievances. Union members of the Joint Committee shall be paid at their straight time hourly rate for time spent in meetings.

Any charge of discrimination shall be made in writing and submitted to the Human Resource office. A copy of said charge shall be given to the appointed Union representative of the Joint Committee. Investigation of a charge of discrimination shall be done jointly by the Human Resource Manager and the appointed Union representative of the Joint committee.

1.03 In the event Xylem, AWS expands or moves its Buffalo Plant manufacturing operations in the Greater Buffalo area, the Bargaining Unit shall include such operations.

1.04 In the event of such expansion or move as provided in Section 1.03 matters of representation, seniority application, overtime distribution and the like will be established on essentially the same basis as in the provision of this agreement.

1.05 To the extent that any provision of this Agreement becomes, or is determined to be, in conflict with applicable federal, state, or local law the parties agree that the law will control and supersede that provision.

**ARTICLE II**

# PURPOSE

2.01 Both Company and Union recognize there must be the fullest cooperation between them, and both parties pledge their support to this objective.

**ARTICLE III**

**UNION SECURITY & CHECKOFF**

3.01 It will be a continuing condition of employment that all employees covered by this agreement shall become and/or will remain members of the Union in good standing with the meaning of the Labor Management Relations Act, 1947. All new employees immediately upon completion of thirty (30) working days after entering the Company’s employ shall become members of the Union.

3.02 Within five (5) regular working days after receipt of written notice from the Union Secretary that any employee covered by this Agreement is not in good standing with the Union by reason of failure to tender initiation fees and periodic dues uniformly required as a condition of acquiring or retaining membership in the Union, the Company will discharge said employees.

3.03 The Company will deduct from the pay of each employee uniform dues and initiation fee not to exceed the limitations set up in the International Union Constitution. All deductions will be made weekly and promptly remitted to the International Treasurer of the United Steelworkers as per current practice.

3.04 The Union’s Financial Secretary shall, before the end of each month, submit to the Company individual authorizations for new members for whom deductions shall be made as provided in this Agreement. An employee who quits, is laid off, or is discharged for cause, shall have the current month’s dues deducted from his final pay if such dues are owed.

3.05 The form for authorization to deduct Union dues, initiation fees and general assessments is shown on the printed form No. 530 attached hereto and made part hereof and designated as Attachment “A.”

3.06 The Union shall indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability that shall arise out of or by reason of action taken or not taken by the Company for the purpose of complying with any provisions of Article III. It is understood that continued compliance by the Company with the said provisions is contingent upon the propriety of such action under Federal and State Law.

**ARTICLE IV**

**REPRESENTATION**

4.01 The Union shall have the right to be represented by a Shop Committee of seven (7) members and the President of the Union. One of the seven members of the Shop committee shall serve as the Chairman. Committeeman representation is as follows:

Assembly Department (1)

Machine Shop (1)

Welding Department (1)

General Service (1)

Second Shift (2)

Third Shift (1)

4.01(A) At the end of the month in which the second shift exceeds seventy-five (75) active employees, a third representative will be added to the normal complement of two (2). The additional second shift representative will be subtracted at the end of the month in which the work force is reduced below seventy-five (75) active employees. At the end of the month in which the third shift exceeds thirty-five (35) active employees, an additional representative will be added. The representative will be subtracted at the end of the month in which the workforce is reduced under thirty-five (35) active employees. A maximum of five (5) Union representatives will participate in contract negotiations. They shall be the President, Shop Chairman and three (3) Committeemen.

4.02 The names of the Union officers, Chairman of Shop Committee and the Committee members shall be furnished to the Company in writing not less than twenty-four (24) hours prior to taking office.

4.03 A regular meeting between the Shop Committee and representatives of Management will be scheduled the first week of the month. Additional meetings will be called by either Management or the Shop Committee at times deemed necessary. For each meeting, the Company and the Union shall prepare an agenda two (2) working days prior to the meeting date.

4.03(A) A maximum of five (5) Union representatives will attend each meeting. They shall be the President, Shop Chairman and three (3) Committeemen.

4.03(B) For time devoted to these meetings held at the Plant during regular working hours, Members of the Shop Committee shall be paid by the Company at their straight-time hourly rates.

4.04 Time spent by Committeemen at meetings of the Shop Committee called by the Shop Committee and held during working hours will not be paid for by the Company unless prior permission has been granted. Reasonable requests will not be denied.

4.05 When it becomes necessary for a member of the Shop Committee to be absent from his department on Union business, he shall contact his Foreman and request permission to leave. Reasonable requests will not be denied. He shall contact the Foreman of the department he is visiting to let him know he is in the department on Union business. He shall report to his Foreman when he returns.

4.06 The Chairman of the Shop Committee shall be excused with pay from his regular work from 2:30 to 3:30p.m., Monday through Friday, in order to handle local Union grievance matters.

4.07 If a grievance meeting is scheduled between 2:30 and 3:30p.m., the Chairman of the Committee will be excused one (1) hour prior to the meeting.

4.08 The Union agrees that no Union activities other than those provided by this Agreement shall be carried on within the Plant.

4.09 Members of the Shop Committee who attend a meeting between the Union and the Company during the course of their regular working time shall be considered as to have been working during the time attending such meetings.

4.09(A) Members of the Shop Committee who attend a meeting between the Company and the Union, other than their regular scheduled working time, shall be compensated at straight-time rate and the time so involved shall not be considered as time worked.

4.09(B) In the event that the Chairman of the Shop Committee is required to work during the time so stipulated by paragraph 4.06 of the current Labor Agreement the following shall apply:

1) If the Company notifies the Chairman of the Shop Committee prior to 1:30p.m. of the schedule to work during the time so stipulated by paragraph 4.06 then the Chairman shall have the option of appointing another employee from the Collective Bargaining Unit to take such time off on the day in question.

2) In the event that the Company fails to notify the Chairman of the Shop Committee prior to 1:30p.m. as identified above, then the Chairman shall have the option of being excused an additional one (1) hour after the following working day at straight time compensation to handle local grievance matters, or to be compensated at straight time rate for an additional hour at the conclusion of his regular work period to handle local Union grievance matters.

1. The time granted to the Chairman under the above paragraph shall be considered as time worked for application of straight time hours under Article XX of the Labor Agreement.

4.10 In the event that the Company holds a meeting with hourly employees regarding State of the Business or Business Strategies i.e. (Kan Ban, J.I.T., Lean Manufacturing, or future equivalents) the Union reserves the right to meet with the hourly employees after. This meeting will last no longer than 15 minutes. The Union will notify the Manager of Manufacturing 24hrs. prior to the meeting.

4.11 The union will be given one hour (2:30 pm – 3:30 pm) on the employee’s first day of work for union orientation.

# ARTICLE V

**MANAGEMENT**

5.01 The Management of the Plant and the direction of the working force, including the right to hire, promote, transfer, suspend, or discharge for proper cause, the right to relieve employees from duty because of lack of work, or for other legitimate reasons, and the right to determine the extent to which the Plant shall operate or be shut down or production reduced or increased, is vested exclusively in the Management, except as restricted by the terms of this Agreement.

5.01 (A)The Company will provide an office for the Local. This office will be used for the sole purpose of conducting Union Business.

5.02 Employees outside the Bargaining Unit shall not perform work performed by members of the Bargaining Unit, except in case of emergency or for the purpose of instruction and experimental work. For work performed by non-bargaining unit employees without prior approval from the local the effected employees shall be compensated a minimum of 3 hours pay or the length of time the work is performed whichever is greater.

For experimental work or fixture creation the Union will be notified in advance of the work to be performed. In the event this work will result in production parts being created a Bargaining Unit employee will be present.

5.02(A) It is the policy of the Company to utilize its employees for production and maintenance work performed in or about the plant. This is work of which they are capable and which has normally and historically been performed by them.

5.02(B) Accordingly, the Company will not contract out such maintenance work unless conditions arise which require the Company to do so. Those conditions re-defined as but not limited to:

1) The volume of work to be performed temporarily exceeds the capacity of the current workforce.

2) Specialized skills or equipment are involved that are not available in the plant; time constraints prevent the performance of the work by Company employees.

5.02(C) To prevent misunderstandings and improve employee involvement, the Company agrees to make good faith efforts to discuss all such subcontracting with appropriate Union employees. The mechanism for such discussions shall be in the form of monthly meetings of the maintenance department. These meetings will include the hourly maintenance employees, Facility Engineer and the manager responsible for Facility Maintenance. In no event shall any employee who customarily performs such work be laid off or lose normal working hours as a result of work being performed by a subcontractor**.**

5.03 The Company will not assign the Engineering Department to perform bargaining unit work.

5.03(A) If the Engineering Department requires familiarization of certain assembly techniques requiring his presence in the production areas of the Shop, the Company will notify the Union in advance.

5.04 A Production Subcontracting Committee will be established, consisting of three (3) Union representatives and three (3) members of Management. The Subcontracting Committee will meet, at the beginning of each quarter to review the projected subcontracting of production work (not including contract specific, customer service or EHS issues currently being outsourced). The committee will evaluate any proposed cost effective options regarding doing the work in house and will make recommendations accordingly.

**ARTICLE VI**

**SENIORITY**

6.01 For the purpose of this Agreement, each employee shall accumulate seniority, which shall be equivalent to the employee’s total length of service within the Bargaining Unit since his last date of hire without break in seniority as provided in Section 6.03.

(1) For the purpose of determining the order of preference between employees having equal seniority who are subject to a reduction in force or recall, an alphabetical arrangement shall be recognized between the employees so affected.

(2) The basis for determining the alphabetical status of the employees shall be the employee’s last name as shown on the company records as of June 1, 1961 or his hiring date if after June 1, 1961. Sequence for similar names or prefixes (Mac, MC, etc.) shall follow sequence arrangement of the Buffalo Telephone Directory.

1. The order of preference shall be A through Z for the first six months of each year, and Z through A the last six months of the year.
2. It is not intended that as the order of alphabetical preference changes semi-annually, the employee gaining preference shall have the immediate right to displace an employee having previously acquired a job through an alphabetical preference; such preference may be exercised only if the employee acquiring preference is on layoff or in a less than scale classification.

6.02 All new employees shall be considered as probationary employees for one hundred twenty (120) working days from the date of their employment, however, they shall be eligible for Holiday pay after completing thirty (30) working days and also life and health insurance the first of the month immediately following the completion of ninety (90) days. After such one hundred twenty (120) working day period, such employees shall be placed on the seniority list starting from the date of employment. During such one hundred twenty (120) working day period the Company may transfer, layoff or discharge such employees without limitation under the terms of this Agreement. A probationary employee laid off and later returned to work within a ninety (90) working day period of the date of layoff, and later reinstated to work, shall be assigned his seniority date of original hire if he qualifies. The employee will be given credit for all days worked cumulatively for both periods of active employment during the one hundred twenty (120) working day probationary period. The probationary period may be shortened or extended by mutual agreement of the Company and the Union.

6.03 Seniority shall be broken and employment terminated for any of the following reasons:

(1) Discharge for just cause.

(2) Failure to notify the Company within forty-eight (48) hours after the start of his shift of the reason for any absence. The forty-eight (48) hour call-in requirements shall be re-instituted any time an employee fails to return to work as reported by his most recent call-in. This shall not apply if failure to notify the Company was for good cause.

(3) Resignation/voluntary quit.

(4) Failure to return to work from layoff within three (3) consecutive working days after recall notification by registered or certified mail or receipted telegram to the employee’s last known address, unless failure to return is for good cause. A grace period of two (2) additional working days will be allowed if requested by the Union.

(5) Absence as a result of layoff exceeding Twenty four (24) months.

(6) Absence due to disability other than industrial accident exceeding six (6) months.

The Company will notify the employee by registered or certified mail or receipted telegram, to the employee’s last known address, thirty (30) calendar days before the expiration of six (6) months, that the employee’s disability period is about to expire. (The Union will receive a copy of the letter sent to an employee before termination). The six (6) month period will be extended provided the employee submits to the Company evidence of the continued disability at intervals of ninety (90) calendar days starting at the beginning of the first ninety (90) days. Failure to report before the end of the ninety (90) day period shall terminate seniority and employment.

(7) Overstaying leave of absence, without just cause.

(8) Accepting other employment including self-employment while on leave of absence, except that any member of the Union elected or appointed to a position with the International Union shall have their seniority rights frozen at that time.

(9) Accepting other employment while on a layoff resulting from signing off or removing jobs from the employees’ Jobs Held List, as allowed for under Articles 7.02, 7.01 (D).

6.04 An employee who, as a result of a chargeable industrial illness or injury, cannot physically perform work in any Bargaining Unit occupation to which he has seniority rights, shall not be placed on layoff nor shall he be subject to the loss of seniority provisions of the layoff procedure for up to two (2) years. This physical incapacity is subject of verification by a Company appointed medical doctor.

6.05 The Company will maintain such employee’s record with respect to seniority, job classification and rate. Such records shall be available for inspection by the employee or the Chairman of the Shop Committee during regular office hours. The Company will notify the Union of any changes in such record of any employee.

6.06 Employees transferred to positions outside the Bargaining Unit shall have no seniority within the Bargaining Unit.

6.07 The President, Vice President, Chairman of the Shop Committee and Committeemen of the Union shall be regarded as heading the seniority lists in the classifications held at the time of taking office. In designating such officials to the Company the Union shall designate the order in which they shall have seniority among themselves. Such preferential seniority shall be effective for force reduction purposes only.

6.07(A) In the event the job or shift of one of such officials is eliminated, he may use his actual seniority per his jobs held list (section 7.03). Such employee shall have an opportunity to file a new jobs held list.

6.07(B) An employee losing the preferential status provided above shall resume his normal seniority status and after five (5) working days after leaving office shall be subject to displacement (seniority permitting) by the senior employee displaced from his classification or from a higher classification in the occupational group who has the job listed as his preference then on file.

6.07(C) An employee on layoff who is elected to a Union office shall be permitted to exercise his preferential seniority so acquired to obtain a job in the last classification he held before layoff.

**ARTICLE VII**

**REDUCTION IN FORCE/RECALL**

7.01 For the purpose of a reduction in force, an employee’s seniority shall prevail in accordance with the provisions of this Article VII.

7.01(A) For the purpose of reduction in force or recall, and for other applications as this Agreement may provide, the parties recognize the list of job classifications set forth in Attachments “B”. Job classifications which are added or revised in accordance with Article XIV (Wages and Classifications) during the term of this agreement, will be assigned as required to each department. Lists of departments and the assigned classifications will be maintained by the Company. Employees entering a classification will have the option to select a department at that time, based on seniority.

7.01(B) In the event it becomes necessary to reduce the work in any classification on any shift, probationary employee new hires shall be the first to be displaced followed by any employee assigned to the classification(s) as a result of a PostedJobAward and not having completed sixty (60) working days, shall be the first to be displaced. Those employees already having the job on their job held list will be considered qualified for reduction in force purposes and not subject to having to complete the sixty (60) working day period. When this applies to an employee, that employee is still subject to the performance standards as set in Article 7.02(A). That employee must also fulfill the job preference process as required in Article 7.01 (D) (1), within five (5) working days from being placed on the job.

7.01(C) The least senior individual(s) in the classification on the shift in which the reduction is to take place shall be displaced.

. 7.01(D) Each employee will select those previously held jobs which they wish to preference on their “Jobs Held List”. They shall numerically sequence their preference to each job assignment and shift assignment. It is the employee’s right to preference only those jobs they wish. This preference will be honored as seniority permits, in the event of a reduction in force. In the event an employee fails to preference any job previously held on their JHL, that job classification will be removed from the JHL and the employee will forfeit any rights associated with having held the job classification. Future access to the classification can be made through the bid process as outlined in Article VIII. In the event an employee elects not to preference any job, they will immediately be put to layoff.

(1) Each employee will automatically have placed as the top preference, any job and shift subsequently qualified for through the bid process. The employee will complete a new Job Held List placing that shift and classification as the top preference following in their preferred sequence any other jobs currently on their JHL. The employee will return the completed form to the H.R. office. This will be accomplished within 5 working days after the employee receives JHL from H.R.. Failure to do so will result in the H.R. office adding that job and shift as indicated, to the individuals JHL with the remaining shifts preference as the employees 2nd and 3rd top preference. That JHL will go into effect on the Wednesday of the week following submittal.

(2) Employees may preference any job on any shift.

(3) Employees receiving medical sign off per Article VIII, will have the job deleted from the Jobs Held List until such time as the individual receives medical proof of fitness and successfully bids for (per Article VIII) and qualifies for that job. Any transaction requiring use of this list will bypass that job in sequence until said qualification takes place.

(4) All hires must qualify per Article VIII (60 working days on the job) for a job to be placed on the Jobs Held List.

(5) Each employee will be given the opportunity to change their preference sequence (Job Held List: JHL) twice a year between November 1 to October 31. Employees looking to change their JHL will notify the HR office in writing on Monday of a regular work week. New JHL’s will be made available for pick up on Wednesday of that same week. Those sheets must be returned to the HR Office by 4:00 pm on Friday of that week. The revised sheet will go into effect on the following Wednesday.

(6) When an employee on voluntary layoff bids on a job post and that position subsequently goes to lay off, prior to sixty (60) working days, that employee's Jobs Held List will then be used to determine the classification which that employee will be moved to, based on the employee's seniority. The employee may choose to return to a voluntary lay off as allowed for under Art. 7.01 E.

7.01(E) In the event of a layoff any employee working within the affected classification and shift may elect to take a voluntary layoff out of the plant. The more senior employee has the first option. The employee must notify the Human Resource Department of their intent to take a voluntary layoff, in writing, by 4:00 pm of the day following the day of the layoff notice. The length of time may be 90 calendar days with an option for an additional 90 calendar days. The employee will notify, in writing, the Human Resource Office a minimum of 10 working days prior to the expiration of the first 90 calendar day period, as to their intentions. Failure to do so will result in the Voluntary Layoff being extended the additional 90 calendar days. Employees returning from voluntary layoff shall be returned to active status in the classification and shift held prior to the layoff, seniority permitting at the first available opening. The employee's Jobs Held List shall take effect if employee is unable to be returned to that position. In the event that no employee volunteers the reduction of force will follow the rules outlined in Art. VII.

7.02 Employees will not be required to continue in a work assignment if a mutual agreement between the Company and the employee is signed off to that effect. This will remove the employee from that classification and prevent that employee from entering that same classification within one (1) year. The employee may re-enter that job classification only through the bid procedure outlined in Article 8.02. This employee will not be considered to have held the job and be qualified as outlined in Article 8.01 (4). There will be no partial sign off.

7.02(A) Employees entering or re-entering a job classification and found incapable of performing the work at a normal and average level, within thirty (30) working days shall be removed and reassigned to their previously held job and department (seniority permitting).

7.02(B) In 7.02 and 7.02(A), the classification which the employee was incapable of assignment shall automatically be removed from their “Jobs Held List”.The employee will not be eligible to bid the classification for a duration of one (1) year following the removal from the “Jobs Held List”. If an employee presents verifiable documentation pertinent to the effected job classification said employee may reapply thru the job bid procedure. The employee must present evidence of the pertinent training in writing to be eligible to apply thru the job bid procedure.

7.03 When an employee cannot be assigned in accordance with the above Section 7.01, 7.01(A), 7.01(B), 7.01(C), 7.01(D),7.01(E), 7.02, 7.02(A), 7.02(B), the employee shall be laid off.

7.04 In the event of a force reduction or recall, a list of classifications affected will be given to the Chairman of the Shop Committee. A two (2) working day notice will be given in case of layoff; notice on the first day shall be given by 2:30p.m. of scheduled work day and shall include that day as one of the two. Twenty-four (24) hours notice will be given for recalls (excluding Saturday, Sundays or Holidays). Third (3rd) shift must be notified prior to end of shift on the day the transaction occurs.

7.04(A) Failure to notify these third shift employees by the end of their shift will result in eight (8) hours’ pay at straight time, in lieu of the notice.

7.05 In the event of a job classification recall, such recall shall be made on a seniority basis as follows:

(1) To the most senior employee(s) per the Jobs Held List, to the number required. If the job(s) cannot be filled using the Jobs Held List, it shall be posted in accordance with Article VIII.

(2) Any employee refusing recall in accordance with the above, will automatically forfeit seniority and employment will be terminated.

(3) The above paragraphs (1 and 2) will only apply to vacancies of forty (40) or more hours. This paragraph only refers to the classification of said recall. Employees may be laid off due to reductions in force in other classifications through the reduction in force process.

(4) If similar conditions exist as described in 7.02 and 7.02(A), the same procedures shall apply.

(5) Employees on sick leave shall not be assigned jobs in the recall procedure until they have been returned to work. Once fit to return to work, the employee will return to the job they left, except that if a work force reduction in their classification during their absence occurred, they will be reassigned per their Jobs Held List.

7.06 A recall for the purpose of filling a temporary vacancy caused by a vacation, leave of absence, military reserve duty, temporary disability or workers compensation injury may be made for up toten (10) working days directly from the senior qualified employee on layoff and shall be in effect only for the length of that event. If the vacancy exceeds the ten (10)days it will be filled in accordance with Article VIII. The absent employee shall be returned to that position and department upon their return, seniority permitting. Any employee recalled under the provision of this Article will not be considered for overtime unless all other employees currently assigned to the classification have been asked to work the scheduled overtime. Should a recall under this Article bypass an employee currently in a less than scale classification, that employee will be paid at the rate of the recalled classification for all hours scheduled for employee recalled under 7.06.

**under 7.06.**

* 1. Administration of the provisions of this Article VII and the following Article VIII will be the independent responsibility of the Company, subject to grievance procedure. In the event of misapplication of any of said provisions, the aggrieved employee will be fully compensated retroactive to the date of such misapplication, but no more than thirty (30) days prior to the date a written grievance is filed at the third step of grievance procedure.

7.08 The Company may employ Temporary Help for the months of June, July, August and September.

1) The present level of vacations, on a percentage basis, will not be adversely impacted by this agreement.

2) The number of employees and their placement within the facility is limited to:

i. A2 – 4

ii. A – 2

iii. PPA- 3

iv. P – 1

v. WT/W1 – 2

vi. M2 (Deburr/Degrease/Parts wash) -1

vii. Maint. – 2

viii. PG - 1

3) No temporary employee will be asked to work overtime.

4) No temporary employee will be used until all employees on lay off are recalled (unless those employees fail to bid and are awarded a posted job in the affected areas).

5) If a temporary employee is hired permanently, all days worked would apply to the individuals seniority. This does not supersede any other affected Articles.

6) Temporary employees will be compensated at the six (6) month rate for the affected classification, with no benefits attached. Shift selection will be at the discretion of the Company.

7) Union dues will be paid by the employee.

8) No temporary employee will be paid at the six (6) month rate for work in a classification unless all permanent employees in that classification are paid at least the six (6) month rate.

## ARTICLE VIII

**JOB VACANCIES**

8.01 Job vacancies shall be filled through the following procedures:

(1) The “Jobs Held List” will be used. If a job cannot be filled using the Jobs Held List, the following Job posting procedure shall be applied:

(2) The Company shall post a notice on the job bid board. This notice will include the date and time of the posting, the shift, number of positions to be filled and a brief description of the job duties.

(3) This notice will be posted for two (2) working days. Employees may withdraw a bid (in writing) within that two (2) day period.

(4) Employees shall be considered for the job by seniority upon passing any required test(s) and as follows:

\*First: If the job was previously held and the employee is qualified per Section 7.01(D).

\*Second: Documented relevant skills and ability to perform the job.

It is understood that in the application of the above paragraph with respect to test requirement, standardized tests will be developed and administered in each case requiring such.

8.02 Any employee may apply for a Posted Job Vacancy in writing, by filling out a Posted Job Application Form in the Human Resources Office. In the event of multiple jobs, the employee will signify his preference to those posts at the time he submits his application. This will be accomplished by indicating in the bid application a priority in number form (#1 being first, etc,). The employee and Union shall receive one (1) copy of the application form. The company will select the senior qualified (qualified as defined in 8.01) applicant within three (3) working days after the application time limit and will notify the Union of the name of the employee selected as soon as it is known. Employees rejected shall be allowed to make application for posted jobs that are lower than, equal to or higher than the job they are presently in, in accordance with paragraph 8.01.

8.02(A) An individuals application remains active for (30) working days from the date the post expires. All other vacancies which occur within that classification during that time period will be filled using that posting.

8.02(B) If the company is unable to fill a vacancy by the procedures set forth above, nothing herein shall be construed to impair its right to select from the existing workforce (job offer) or hire new employees. If the Company fails to fill the vacancy within45 working days the job will be reposted.

8.02(C) Any test taken by a department employee shall be taken during working hours, and shall be paid at the employee’s regular hourly rate. An employee required to take a qualification test outside of their department will take such test outside of their regular working hours. The employee shall be paid at the employee’s regular hourly rate. Any employee failing a test which is required to enter a classification shall not be considered for entry into the classification. Said employees shall be notified of their deficiencies and counseled as to how they may overcome such deficiencies. The employee will not be eligible to bid the classification for duration of six (6) months. An employee failing a test for a second time will not be eligible to bid the classification unless documented formal training is demonstrated.

A Welder who fails a practical test required as part of a job classification or for entry into the classification shall be allowed to take two subsequent tests to demonstrate the required skill level. Failure to pass both retests will result in the employee not being eligible for entry into the classification, or disqualification from the classification.

Current employees will not be subject to testing on current or modified or new job classifications unless required by code or mutual agreement.

It is understood that new jobs involving “Skilled Labor” (i.e. welding, machine operation, packaging, maintenance, and electrical) are excluded from this exemption.

8.02(D) When an employees posted job application entitles them to be selected for a vacancy, they will be awarded the job within five (5) working days from the date of posting, and paid the rate of the job, if higher, at that time. The employees time on the job will begin at the time he is awarded the job. The probationary period, as described in 8.03, will not start until that person is physically moved into the posted job classification. The employee will be moved to the new job within twenty (20) working days.

8.02(E) Successive vacancies created by the filling of vacancies according to the above provisions shall be filled in the same manner.

8.03 In transferring to a new job as the result of a posted job, the individual shall be placed on a probationary period not to exceed sixty (60) working days. Written employee evaluations will occur on or about day 20, day 40, and day 60. If during this probationary period the employee is found to be incapable of performing the work at a normal and average level (with a minimum of 20 working days) the Company shall return the employee (seniority permitting) to their previous job or to a force reduction status.

During this time the individual will not be assigned to perform other work unless they are the only capable employee available, there is no work in the new job, or they are needed to train persons in other jobs. An employee who is placed into a posted job position who already has the job on their Jobs Held List will not be placed on probation and the move will be considered permanent at the time they enter the job. The employee is still subject to the requirements of Article 7.02 (A) and 8.03 (B).

8.03(A)When an employee enters a classification on a posted job, and is subsequently removed from that job during the sixty (60) day probation/training period, as a result of a reduction in force or a bump situation only, that person will have preference in the bid process and retain time on the job for the next 12 months in the event the job is posted during that time. Exception being a previously qualified employee bid on the job.

8.03(B) An employee may sign off a post (in writing) at any time prior to being physically moved to the new job or within five (5) working days of being placed on the job. This includes those employees who previously held the position. That employee may not bid on another posted job until the original post is no longer active per Section 8.02(A). This employee will be returned to his previous classification and department. He shall re-enter the overtime rotation according to seniority.

8.03(C) The Company will notify the Committee person representing the employee who is to be removed by the company from a posted job, prior to the employee’s removal. The company will give the Union the reasons for disqualification in writing.

8.03(D) If the posted job is vacated in accordance with the above Sections 8.03 or 8.03(B), the vacancy shall be filled by the next most senior qualified applicant in accordance with the provisions of this Article VIII.

* 1. An employee accepting assignment on the basis of a posted job, shall not be eligible to transfer to another job classification on a permanent basis for a one (1) year period of time, unless the job is assigned a pay rate equal to orhigher thanthe one he is presently in.It is understood that in the application of this paragraph, should an employee be removed from a posted job due to a reduction in force situation, he shall be allowed to make application for other posted jobs in accordance with the Agreement, Article VIII. All new hires will be restricted from bidding out of the classification they are hired into for the duration of 1 year. This restriction may be waived upon mutual agreement between the Union and the Company.

8.05 The names and seniority of employees to whom jobs are awarded under the posted job procedure will be posted on the Company bulletin board.

8.06 The Chairman of the Shop Committee will be notified of all vacancies, preferably prior to the conclusion of his scheduled work day and shall be permitted prior to the effective date of such actions to review the effect upon the employees involved.

8.07 An employee may sign off a job for medical reasons only, provided proper medical documentation is supplied. If at a later date the employee provides medical documentation proving fitness for such job, then he/she will be allowed to make application for said job through the job posting procedure per Article VIII. (Employees must re-qualify for the job under the terms of this agreement).

**ARTICLE IX**

**TEMPORARY TRANSFERS**

9.01 When employees are temporarily assigned to work outside of their job classification the Company will utilize any employee not to exceed 5 working days (except those employees that have signed off the affected classification) unless a longer period is agreed by mutual consent of the company and the Union. Employees temporarily transferred per the provisions of paragraph 9.01 shall not accumulate time towards job qualification.

Exception being employees on a job bid and subsequently laid off before qualification then temporarily assigned to said job classification shall accumulate time toward that job bid provided:

1. 3.5 or more hours per day are worked in the job bid classification. This will equal one day credit to the bid.
2. Documentation of this activity shall be initiated by employee completing the form and signed by their supervisor (indicating bid classification, hours worked, employee name/clock number)
3. Documentation is received by the Human Resources office within five (5) work days of activity noted in number 2 above.

9.02 Job assignments between shifts will not be made without the mutual agreement of the Company and the Union.

9.03 Employees temporarily transferred shall be paid according to the provisions of Section 14.05 of the Agreement. Any employee transferred for 2 hours or longer will be paid for the entire shift.

**ARTICLE X**

**LEAVE OF ABSENCE**

10.01 Employees will be granted temporary personal leave of absence in writing for a period of not more than ninety (90) calendar days without prejudice to seniority or other rights, subject to the provisions of Section 6.03(8).

10.01(A) An employee shall request a personal leave through his Foreman on forms provided by the Company, stating the reasons and the dates requested.

10.01(B) Management will supply the employee with an approved leave of absence if the request is for good cause and does not affect the efficient operation of the plant. The provisions of the 1993 Family Leave Act shall be considered in judging good cause and granting time off. In all other cases not related to FMLA good cause is defined as a family emergency or other documented time of personal hardship.

Leave of Absence granted under the FMLA and for other reasons will be granted only after the employee has used his/her available vacation time.

**ARTICLE XI**

**SEVERANCE PAY**

11.01 Employees who lose their source of employment by reason of complete and permanent shut down of the Company’s operation in the Greater Buffalo area shall be paid severance pay in accordance with the following schedule:

1 - less than 5 years. . . . . . . . . . . . . . . . . .6 weeks

5 - less than 10 years. . . . . . . . . . . . . . . . .8 weeks

10 - less than 15 years. . . . . . . . . . . . . . . .10 weeks

15 - less than 20 years. . . . . . . . . . . . . . . .14 weeks

20 - years and over. . . . . . . . . . . . . . . . . . . 18 weeks

11.02 Severance pay is to be computed on the basis of the employee’s regular hourly rate and a forty (40) hour week.

**ARTICLE XII**

**SHOP RULES**

12.01 The existing rules of the Company shall be made available to and be observed by all employees and these rules will be reasonable and not be in conflict with the terms of this Agreement. Modifications thereof or additions thereto may be made from time to time by the management. The application of shop rules and such modifications or additions which appear to be in conflict with the terms of this Agreement, may be made a cause of grievance and handled in accordance with the Grievance procedure, Article XXIII and XXIV. In cases where previous infractions are used as a basis for more severe disciplinary action, only actions occurring in the preceding twelve (12) month period will be considered. All disciplinary action slips will be canceled one year from the date of issuance and kept on file for 5 years. Files will be purged every January.

# ARTICLE XIII

**HOURS AND OVERTIME**

13.01 The workweek for employees covered by this agreement will start at 10:30p.m. Sunday and end at 10:29p.m. the following Sunday. A normal workweek will consist of (40) hours for all shifts.

1) The Company will schedule a paid ten (10) minute break in the first and second half of an employee’s shift.

2) Each employee is required to maintain their work place housekeeping. As such at fifteen (15) minutes before the end of an employee's shift, ten (10) minutes will be allotted to each employee to assure they have conducted the expected housekeeping. This housekeeping will include; sweeping the area(s) the employee was working in and disposing of trash in the proper receptacle, storing all tools, hoses, portable equipment in the proper location, and ensuring all electrical and fluid supply lines are properly secured. The last five (5) minutes will be allotted for employee wash up.

13.01(A) An employee who starts work not more than two (2) hours earlier than the day shift starting time on Monday morning shall be considered for overtime purposes to be working on his Monday work day. An employee starting more than two (2) hours prior to his regular starting time of the day shift on Monday will be paid at double time rate for all hours worked on such day up to the regular starting time of the dayshift. It is not the Company’s intent to use this provision to change the workday and avoid overtime payment. (The above does not apply on a Holiday).

13.01(B) This shall not limit the company’s right to change schedules provided it is understood that indiscriminate changes shall not be made in such schedules and provided further that the Union is notified on any such changes and the reasons therefore as far in advance as practicable. This does not change the workweek.

13.02 Time and one-half will be paid for all time worked in excess of eight (8) hours in any one shift or in excess of forty (40) hours in any one-week.

13.02(A) Time and one-half will be paid for all work performed on Saturdays.

13.02(B) Double time will be paid for all time worked on Sundays.

13.03 All overtime will be distributed by classification seniority within the working department and by shift.

Overtime will be worked in the following sequence: first shift, second shift, third shift (Unless a situation arises which dictates otherwise. The Union will be notified of that situation as soon as practical). Third shift may be offered Saturday overtime to be worked Friday provided the First and Second shift are offered Saturday overtime.

In the event the Company does not receive the manpower required to support the overtime objectives, the Company will then ask per the Extra Overtime List. This will be a voluntary list of qualified (per JHL) individuals designating themselves as interested in working overtime outside their current classification. The employee will signify this desire by placing their name on this list. The EOL (Extra Overtime List) may be filled out yearly.

1. Employees can request a new EOL five (5) working days prior to the first Monday in November.
2. Employees will receive requested new EOL on the first Monday of November
3. Employees must return their completed EOL by the first Friday in November
4. The completed EOL will be placed in effect on the third Monday of November
5. Failure to complete a new EOL yearly will result in the employee not being considered for extra overtime.

The list will also be updated as employees qualify for new jobs. The list will be arranged in order of seniority and employees will be asked for overtime in that order. Employees refusing on two consecutive occasions to work the requested overtime will be removed from the list for the duration of the Agreement.

Employees who chose to withdraw their name from the extra overtime list do so without any break to the numerical sequence on the Jobs Held List.

New Hires with less than 30 working days on the job are ineligible to work overtime until the extra overtime list has been exhausted.

13.03 (A) Classifications will be assigned to each department as the Company deems necessary to support the workload of that department. This department may not include all individuals in a classification. In the event the procedures listed above fail to generate the required complement of employees to work that overtime, the Company will assign the least senior qualified persons in the department to work that overtime. This is provided notification is given to the employees by mid-shift during the work week for daily overtime and by end of shift Thursday for weekends. Further provided that the Union President has been given written notice of the need to assign overtime prior to the employees actually being assigned the overtime. The assigned overtime will be administered according to the following guidelines:

A. Will not include Saturday or Sunday except as noted below

B. Will not exceed two (2) hours per week work day.

(i) the two (2) hours will be worked consecutively

(ii) the timing of the two (2) hours will be determined by the Company. Either prior to or at the shift end, normal hours.

(iii) in the event of a three (3) shift operation, Saturday overtime may be invoked.

C. Mandatory Overtime will not be implemented for more than one (1) week when employee’s in the effected classification are on lay-off.

D. Employees on mandatory overtime will not be assigned to work outside the effected department unless the Union is notified prior and the reasons are given.

13.03 (B**)** Machine Shop. Due to the individual machine qualifications, the Company will ask for overtime in order of seniority and by machine. This will be accomplished by presenting the machines to be worked to the employees by seniority and allowing them to choose their preference. The employee must be qualified to operate the machine they select. In all other classifications where overtime is being worked, the employee who accepts the overtime offered must be qualified to perform the required work.

13.03 (C) As scheduling allows, the Company will attempt to ask for weekend overtime the Thursday preceding the weekend overtime. In the event a more senior employee is absent on Thursday, the Company will offer that employee on Friday, the opportunity to work the weekend overtime, replacing the least senior employee who had accepted. An employee who is asked on Thursday and/or Friday will have until the next break or lunch period to provide an answer. Failure to do so will result in the person being bypassed for the next senior person.

13.03 (D) If overtime is assigned out of the normal overtime work assignment sequence, payment of compensation shall be made to the employee(s) who should have been offered the overtime work.

13.03 (E) In the case of transfer or displacement in any job classification Friday of a work week, an employee shall be considered for overtime on Saturday or Sunday in the classification from which he is being transferred or displaced.

13.03 (F) For purposes of this Article 13.03, the departments are defined as follows:

12 Mil-Spec

18 Small Product Assembly

19 Large Tank Product.

22 Machine Shop

25 Plate and Frame cell

24 Engineered Weld

26 Engineering product assembly

27 U-Tube Product

29 Braze Product

36 Inspection

37 Maintenance

38 Shipping/Receiving

# ARTICLE XIV

**WAGES AND CLASSIFICATIONS**

14.01 In order to give equal pay for jobs whose basic factors are equal, all hourly jobs will be graded in accordance with the principles of job evaluation as set forth in the “Job Evaluation Manual” as amended May 1, 1987, and each job classification shall be assigned its own rate of pay in accordance with Article XV.

14.02 A permanent joint Job Evaluation Committee, consisting of two representatives of the Union and two representatives of management, will meet once every month, or more often if necessary, to evaluate and set permanent pay rates for jobs on which temporary rates have been established. Such job classifications will be evaluated in accordance with the procedure outlined in the Manual. If neither party submits a request, the monthly job evaluation meeting will not be held.

14.03 The Job Evaluation Committee shall be notified in writing by the Company as jobs are changed or new jobs created. The Union members of the Committee will be given reasonable time to investigate and study the job.

14.03(A) Management will establish a temporary rate for new job classifications at the time an operator is assigned to the job and shall remain in effect for not more than thirty (30) working days. This may be extended by mutual agreement.

14.03(B) Upon notification by either party of a change in a job classification, the rate assigned shall be considered temporary.

14.03(C)If the permanent rate set is greater than the temporary rate, it shall be retroactive for all hours worked on the temporary rate assignment and the job shall become a permanent job.

14.03(D) If the Union representatives of the Job Evaluation Committee are in disagreement with the evaluation of a job classification under evaluation, they shall be afforded opportunity to confer with a representative of the International Union. Such representative shall be afforded the opportunity to review the job classification and physical content in disagreement to assist the local Union Job Evaluation representatives.

14.03(E) If the parties cannot agree on a permanent rate of pay, it shall be subject to arbitration. The arbitrator shall be qualified by education and/or experience to rule in matters of job evaluation.

14.04 For an employee transferred as a result of the procedure for filling vacancies or an employee displaced as a result of a force reduction to a new job classification, the rate of pay in the new job classification shall be at the appropriate pay level in accordance with their skill and ability to perform the work.

14.04(A) An employee who has worked in a classification before any transfer to such classification, hereafter shall receive credit for such time toward the rate steps provided in Attachment B.

14.05 An employee temporarily transferred by the company from one job classification to another shall receive his rate or the pay level of the job to which he is transferred, whichever is higher.

14.06 An employee assigned to the second shift will be paid a premium of $0.70 and an employee assigned to the third shift will be paid a premium of $0.70.

14.06(A) An employee assigned to the day shift working overtime into the period of the second shift will not be eligible for the premium as provided in Paragraph 14.06.

14.07 A minimum of four (4) hours pay less any time lost by tardiness will be granted to an employee who reports to work on his scheduled work day if not notified not to report, or who is called to work without advance notice outside his regular working hours. If the company cannot use such employee in his regular capacity, it may avail itself of his services for a period of not less than four (4) hours on other classes of work at his regular hourly rate. Such pay will not be paid when circumstances beyond the control of the Company, such as fires, flood, power failures, etc. occur. In the event of inclement weather tune to WBEN Radio (AM930) or WIVB TV (Channel 4) & WGRZ TV (Channel 2) for plant closings. Obey all traffic bans and restrictions.

**ARTICLE XV**

**WAGES**

15.01 Wage rates per attachment B

|  |  |  |  |
| --- | --- | --- | --- |
|  | **1st Monday after Ratification** | **October 16, 2017** | **October 22, 2018** |
| **Base Wage Increase** | **2.5%** | **2.5%** | **2.5%** |

The wage progression for each classification will be 75% of the permanent rate for the first year of service. This new wage progression is effective for new hires after the effective date of this agreement.

## ARTICLE XVI

**HOLIDAY PAY**

16.01 Holiday pay will be paid for only the following holidays:

**2016 PAID HOLIDAY SCHEDULE**

6. Thursday, November 24, 2016…………………..Thanksgiving Day

7. Friday, November 25, 2016………………………Day After Thanksgiving

8. Friday December 23, 2016……………………….Christmas Eve Observed

9. Monday December 26, 2016……………………..Christmas Day Observed

10. Tuesday December 27, 2016…………………...Christmas Shutdown

11. Wednesday December 28, 2016………………..Christmas Shutdown

12. Thursday December 29, 2016…………………..Christmas Shutdown

13. Friday December 30, 2016………………………New Year’s Eve Observed

**2017 PAID HOLIDAY SCHEDULE**

1. Monday, January 2, 2017……………………New Year’s Day (observed)
2. Friday April 14, 2017…………………………Good Friday Day
3. Monday May 29, 2017……………………….Memorial Day
4. Monday July 3, 2017…………………………Christmas Eve Day(observed)
5. Tuesday July 4 , 2017…………………. ……Independence Day
6. Monday, September 4, 2017………………..Labor Day
7. Thursday, November 23, 2017……………..Thanksgiving Day
8. Friday, November 24, 2017…………….......Day After Thanksgiving
9. Monday, December 25, 2017……………….Christmas Day
10. Tuesday, December 26, 2017………………Christmas Shutdown
11. Wednesday, December 27, 2017…………..Christmas Shutdown
12. Thursday, December 28, 2017…..…….......Christmas Shutdown
13. Friday, December 29, 2017………..………..New Year’s Eve (Observed)

**2018 PAID HOLIDAY SCHEDULE**

1. Monday, January 1, 2018……………………New Year’s Day
2. Friday March 30, 2018………………………Good Friday Day
3. Monday May 28, 2018……………………….Memorial Day
4. Wednesday July 4 , 2018…………………. ..Independence Day
5. Monday, September 3, 2018………………..Labor Day
6. Thursday, November 22, 2018……………..Thanksgiving Day
7. Friday, November 23, 2018…………….......Day After Thanksgiving
8. Monday, December 24, 2018……………….Christmas Eve Day
9. Tuesday, December 25, 2018………………Christmas Day
10. Wednesday, December 26, 2018…………..Christmas Shutdown
11. Thursday, December 27, 2018…..…….......Christmas Shutdown
12. Friday, December 28, 2018………..………..Christmas Shutdown
13. Monday December 31, 2018………………..New Year’s Eve

**2019 PAID HOLIDAY SCHEDULE**

1. Tuesday, January 1, 2019……………………New Year’s Day
2. Friday April 19, 2019………………………….Good Friday Day
3. Monday May 27, 2019……………………….Memorial Day
4. Thursday July 4 , 2019…………………. …..Independence Day
5. Monday, September 2, 2019………………..Labor Day

16.01(A) All the identified holidays specified in 16.01, that fall on Sunday will be celebrated on the following Monday; those that fall on Saturday will be celebrated on the preceding Friday, unless otherwise mutually agreed to between the Company and the Union.

16.02 Holiday pay will be computed at straight time for eight (8) hours.

16.03 The shift premium paid to the second shift employees and third shift employees (Section 14.06) will be included in computing holiday pay.

16.04 Holiday pay will be paid only to employees who work their full shift on the last scheduled working day preceding and the first scheduled working day following the holiday unless absent for good cause or released by the company due to workload/available manpower. A written request plus any supporting documentation will be submitted to the Manufacturing Manager (or his representative) a minimum of three working days prior to the start of the holiday for his consideration and his approval. Except that an employee will also be eligible for holiday pay if:

(1) He is absent because of occupational illness or injury for which he is entitled to weekly benefits under Workers compensation, but limited to one (1) paid Holiday during the illness/injury or

(2) He is laid off within five (5) working days preceding the holiday, or recalled within five (5) working days following the Holiday.

(3) He is absent because of non-occupational illness or injury for which he is entitled to benefits under the weekly Sickness and Accident Insurance Plan, but limited to one (1) paid Holiday, during the illness.

16.05 Double time (in addition to holiday pay) will be paid for all time worked on the holidays listed in Section 17.01.

16.06 Employees needed to work Holidays will be selected by seniority from those individuals currently assigned to the classification. This will be done without regard to current department assignments.

# ARTICLE XVII

**INSURANCE**

17.01 Employees in active service for the Company other than probationary employees with less than ninety (90) days, shall be eligible for insurance benefits in accordance with the following plans:

17.01(A) Life, accidental death and dismemberment and accident and sickness benefits. Benefits with respect to the above coverage will be at the following level:

1) Effective October 16, 2017

Life Insurance

Active Employees $38,000.00

Pensioned Employees $ 7,000.00

Accidental Death and Dismemberment $38,000.00

2) Effective October 22, 2018

Life Insurance

Active Employees $40,000.00

Pensioned Employees $ 7,000.00

Accidental Death and Dismemberment $40,000.00

3) Accident and sickness - 26 weeks. Weekly benefit will be adjusted to the maximum New York State benefits or weekly benefit listed below which ever is higher.

Effective 10/16/2016 $350

Effective 10/16/2017 $360

Effective 10/22/2018 $370

17.01(B) Effective April 1, 2001 the Company will provide for weekly payroll deduction for an optional disability insurance plan.

17.01(C) Medical benefits as provided by the employee’s carrier at the time of early retirement will be provided for future early retirees up to age 65, if hired before October 14, 1990.

17.01(D) Dental coverage as provided under the xylem Dental plan as described in The Group Dental Benefits Plan for Hourly Employees.

Effective October 16, 2010dental deductible amount is $50.00 per calendar year and dental maximum benefit is $1,400.00per calendar year. Dental plan booklets are available in the Human Resources department.

The Opt Out provision will continue.

* 1. Medical coverage contribution:

The employee contributions toward the medical insurance plan are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Employee Premium Contributions** | 1/1/2017 | 1/1/2018 | 1/1/2019 |
| Employee only | 15% | 17% | 20% |
| Family Coverage | 15% | 17% | 20% |

The Insurance contributions will be deducted on a weekly basis.

The Company and the Union agree to establish a Joint Insurance Committee which meets on an as needed basis to discuss any and all issues relating to the implementation, administration, improvements, communication, and mutually agreed to changes to the benefit programs.

17.03 Life, Accidental Death, and Dismemberment Insurance and the hospitalization, surgical coverage provided by the Company will be continued during the first six (6) months of layoff for employees who have two (2) years or more continuous service at the date of layoff when such layoff occurs.

17.03(A) Life, Accidental Death, and Dismemberment Insurance and the hospitalization surgical coverage provided by the Company will be continued during the first twelve (12) months of non-occupational absence (sickness and accident for employees with two (2) or more continuous years service from the starting date of the disability.

17.03(B) Life, Accidental Death and Dismemberment Insurance and hospital, surgical coverage will be continued for any employee already enrolled during the first (24) months of absence due to occupational injury or illness.

17.04 This insurance provision is made subject to and is limited by the terms of the applicable contracts of insurance. Difference between claimants and the processors of claims or the insurance carriers shall not be subject to grievance procedure. Should the insurance carrier fail to provide for any agreed upon benefit to which an insured employee is entitled under the terms of this agreement, it shall be the obligation of the company to provide such benefit.

17.05 In the event of any change in the law in New York State affecting the subject matter of this insurance provision, the parties will agree upon such changes as are necessary and appropriate in accordance with this insurance provision.

17.06 It is intended that the provisions for insurance benefits which are included in the Group Insurance Plan shall comply with and be in substitution for provisions for similar benefits which are or shall be made by any law or required to be paid by the Company or employees either as contributions, terms, or benefits under any law or laws providing non-occupational insurance benefits shall reduce to that extent the amount the Company shall be required to pay under the insurance provision and appropriate readjustment shall likewise be made in the benefits.

17.07 The selection of insurance carriers, or the right to self-insurance either in whole or part, is reserved by the Company, provided that in no event shall the benefit be less than that currently in effect or as amended from time to time.

17.08 The Company will pay the first part of the deductible as follows:

Year 2016 $1000.00 single, $2000.00 family

Year 2017 $1000.00 single, $2000.00 family

Year 2018 $1000.00 single, $2000.00 family

17.09 The Company will sponsor a Medicare Advantage Post-65 Plan at no cost to the company. All retirees age 65 and over are eligible to participate regardless of hire date. The Company shall have no administrative role and all questions, concerns, etc. will be handled by the Union.

# ARTICLE XVIII

**PENSIONS/SAVING PLAN**

18.01 Negotiations with respect to the Pension Agreement having been concluded as provided in Article XIX of the 1965 basic Labor Agreement, it is agreed that the Pension Agreement, including all applicable Supplement Agreements, shall be revised to include the following improvements:

18.01(A) 1) Effective January 1, 2014 freeze of pension multiplier 1% for all those hired prior to

October 17, 1993, change to flat dollar amount of $50.00 per month for all years of credited service after January 1, 2014.

1. The monthly amount of pension allowance for all future retirees hired after October 17, 1993 is as follows:

Effective January 1, 2017 $31.00 per month for all years of credited service.

Effective January 1, 2018 $32.00 per month for all years of credited service.

Effective January 1, 2019 $33.00 per month for all years of credited service.

3) An employee who meets the special retirement requirement 62/30 will be paid a special retirement supplement of $200.00 per month to age 65.

4) The surviving spouse of a deceased employee who dies at age 40 or over with 10 or more service years qualifies for $250.00 monthly benefit.

5) Provide $275.00 per month permanent and total disability benefit.

6) No new participants will be added to the Pension Agreement after October 16, 2016.

18.02 Effective January 1, 2006 matching contribution to 401(K) Saving Plan will be 50% on first 5% of an employee contribution. Effective January 1, 2008 matching contribution to 401(K) Saving Plan will be 50% on first 5.5% of an employee contribution. Effective January 1, 2009 matching contribution will be 50% on first 6% of an employee contribution. Exact terms and conditions will be contained in the plan description. (Savings Plan booklets available in Human Resource Department.)

**ARTICLE XIX**

**MILITARY SERVICE**

19.01 The Company will comply with all Federal and State Rules and Regulations applying to the reemployment of returned veterans for seniority purposes only. All other benefits must comply with the provision of the Labor Agreement.

**ARTICLE XX**

**VACATION**

20.01 The vacation schedule will conform to the requirements of the business. The vacation year shall be the period January 1 to December 31. In the event the Company determines the need to shut the plant down and not perform production work, the date will be designated by the Company not later than April 1, each year.

The vacation approval process will take place during the last full week in February. All employees will submit their vacation requests at that time working with Union representation and the Company to staff the plant at the designated level required to support the needs of the business. The vacation calendar will be completed no later than the end of the following week. All vacation requests for the time between the vacation approval week and the start of the vacation year (January 1st) will be submitted to, reviewed and approved/disapproved by the individual employees' supervisor.

The Company will consider requests for payment in lieu of vacation for up to 5 days. This will apply to employees who have 5 days or more vacation remaining on the books as of December 1st. Requests to exercise this option will be submitted to the Company prior to Christmas Shutdown. Consideration will not be extended to those requests submitted after that date.

After a vacation shutdown has been designated, should the Company decide it needs production work to conform with the requirements of the business during vacation shutdown, employees used shall be (1) those who are not entitled to vacation and two (2), those who are entitled to one week vacation by seniority and classification. Beyond this, the senior employee of the classification will be asked to work. If the Company does not designate a plant shutdown, employees must take their vacation on a staggered basis between January 1 and December 31 of the vacation year. An employee will not be required to take his vacation in the event of hardship caused by:

1) Time lost in the computing period (Section 20.03(C)) due to disability and/or lack of work equal to or greater than the vacation time of the employee.

2) The Company is unable to replace the employee with a qualified replacement.

20.01(A) In the event of a one (1) week complete plant shutdown, those employees entitled to two (2) weeks vacation will be given the opportunity to select two (2) weeks consecutively either in conjunction with the plant shutdown or in conjunction with their second week of vacation on a staggered basis, however, in the latter instance a leave of absence for (1) week without pay will be granted.

20.01(B) To assure a balanced work force prior approval of the Supervisor for all vacation scheduling will be required. Senior employees will be given vacation preference. Vacation approval will be based on the employees job classification at the time of the selection process. In the event an employee is transferred into a new classification, the employee’s prior scheduled vacation will be respected. Any vacation not scheduled by December 1st will be paid out in a lump sum payment.

20.02 Vacations and vacation pay shall be provided in the following table, subject to the provisions of Section 20.03:

**Seniority Time Off Pay**

1-3 years 40 hours 60 hours

3-10 years 80 hours 120 hours

10-15 years 120 hours 160 hours

15-20 years 120 hours 180 hours

20-25 years 160 hours 200 hours

25 years and over 200 hours 220 hours

20.02(A) Employees hired after October 16, 2010 will not be eligible for extra vacation bonus hours. Vacation for new hires will be equal to the amount of time off per their seniority.

20.03 Vacation and vacation pay is subject to the following:

20.03(A) An employee who quits or is discharged within the vacation year, and subsequent vacation years, who has 1450 hours will receive vacation pay.

20.03(B) November 30, of the vacation year, will be the date for computing employees’ seniority for vacation and vacation pay purposes.

20.03(C) If an employee has worked at least 1450 straight time hours during the period January 1, 2013 to and including December 31, 2013 and subsequent computing periods, he will be paid the number of hours as provided in Section 20.02. An employee who has not worked at least 1450 straight time hours during a computing period will be paid on a percentage basis as outlined below:

1 year, less than 3. . . . . . . . . . . . . . . . . . . . . 2%

3 years, less than 10. . . . . . . . . . . . . . . . . . . 5%

10 years, less than 15. . . . . . . . . . . . . . . . . . 7%

15 years, less than 20. . . . . . . . . . . . . . . . . . 8%

20 years, less than 25. . . . . . . . . . . . . . . . . . 9%

25 years and over. . . . . . . . . . . . . . . . . . . . . 10%

Employees with 15 years of service or more involuntarily placed on lay-off from employment shall not be subject to the 1450 hour requirement to receive full vacation, provided all jobs are indicated for all shifts on their “jobs held list.”

20.03(D) The hours an employee is absent from his regular work schedule for contractual holidays, vacations, jury duty, funeral leave, a compensable illness or injury for which he is entitled to weekly workers compensation benefits up to two (2) years, or non/compensable illness or injury for which he is entitled to benefits under the Weekly Sickness and Accident Insurance Plan shall be considered as straight-time hours worked. In computing vacation pay on a percentage basis, the percentage provided in Section 20.03(C) will be applied to the employee’s total straight-time earnings which include straight-time wages, holiday payment, jury duty payment, funeral leave payment, and vacation payment (previous year only) during the twelve month period prior toJanuary 1 *and* January 1 of any subsequent year in which this agreement is in effect.

The hours a committeeman and officer is absent from his regular work schedule to work for United Steelworkers of America International Union shall be considered as straight time hours worked.

20.03(E) Vacation pay will be the hourly rate of the classification the employee is in at the time of vacation. Shift differential will be included in vacation pay.

20.03(F) In the event of employee death, the beneficiary listed on the employee’s company provided life insurance record shall be paid all monies due the deceased employee; including any unpaid vacation monies per Article XX Vacation.

20.04 The company will pay vacation for individual days with the regular pay for that week, if prior notice of at least 24 hours is given and approval granted. The vacation pay will be at the rate paid to the employee on his last day of work prior to the vacation day.

**ARTICLE XXI**

**JURY DUTY & FUNERAL LEAVE PAY**

21.01 An employee who is called for jury service shall be excused from work for the days on which he serves and will be paid his current hourly rate for 8 hours each day of which he serves for jury duty.

21.01(A) If called for jury service, the employee will immediately notify the Company in order that arrangements may be made for his absence from the plant and will keep the Company informed as to his schedule as long as he is on jury duty.

21.01(B) The payment provided in this section shall be subject to presentation by the employee of satisfactory evidence as to time served on jury duty and payment received therefore.

21.02 In the event of death in his immediate family, an employee shall be compensated for time necessarily lost from his regular work schedule, up to a maximum of three (3) workdays. Payment for each day of such absence will be eight (8) hours at the employee’s straight-time hourly rate.

21.02(A) “Immediate family” shall be understood to include Mother, Father, Wife, Husband, Children, Domestic Partner, Brother, Sister, Mother-in-law, Father-in-law, Grandmother, Grandfather , Grandchildren, Stepparents and Stepchildren. One-day funeral leave will be allotted for Brother in Law & Sister in Law

21.02(B) The payment provided in this section shall be made for the week in which the absence occurred but shall be subject to presentation by the employee within ten (10) days of satisfactory evidence of death in the employee’s immediate family. It is understood that the pay will be for consecutive days. In the absence of such evidence, pay for the time lost will be deducted from the employee’s pay. However, the Company shall make restitution to the employee through the next regular scheduled pay period following the presentation to the Human Resources Department of confirming evidence of death in immediate family for the amount deducted. It is understood that time taken must be within 30 days unless special circumstances require additional days.

It is understood that an employee reporting absent satisfies the provision of the Labor Agreement dealing with absentee reporting.

Employees on sick leave who are receiving sickness and Accident benefits or vacation shall receive three day funeral pay and time off.

**ARTICLE XXII**

**SAFETY & HEALTH**

22.01 The Company shall make reasonable provisions for the safety and health of its employees at the plant during the hours of their employment. These provisions will be in accordance with existing governmental regulations. An employee who is assigned to a job, which is unsafe or unhealthy, shall immediately notify his Supervisor and committeeman and the matter shall be resolved. If the matter is not resolved, the Chairman of the Shop Committee, the Committeeman, and the EHS Representative, the Supervisor and the employee, as required will resolve the matter immediately. An employee and the company must comply with reasonable safety and health provisions under State and Federal Laws. A mutually agreed upon procedure will be posted on the plant safety bulletin board. In order to ensure coverage and a sufficient sampling base, employees will participate in hearing and air sampling surveys. Participation may include the wearing of a monitoring device designed to collect data pertaining to those surveys. Employees are required to complete assigned workplace inspections.

22.02 The Company will pay$125.00per calendar year beginning January 1, 2017and each year thereafter for each employee for safety shoes upon proof of purchase. This annual safety shoe allowance can be accumulated for a maximum period of two (2) calendar years only if an employee does not use any of the annual allowance in a given year.

22.02(A) The Company will provide standard prescription safety glasses once every twelve (12) months to an employee. Standard safety glasses are defined as those approved by the company including no line bi-focals. The safety glasses will only be available through an approved supplier of the company. Any additional costs for safety glasses will be the responsibility of the employee.

22.03 A joint Management-Union Safety & Health Committee will meet once a month. The Committee shall consist of three (3) Union members (one from each shift) appointed by the Union and three (3) Management representatives appointed by the Company. The committee will review the industrial Accident Report and conduct a safety tour on a monthly basis, and make suggestions and recommendations on health and safety matters. Both the Company and the Union recognize there must be full cooperation and equal sharing of responsibility to support established plant safety rules and safety objectives.

A Union member of the Safety and Health Committee shall be promptly notified of any serious accident in the plant and the Company agrees to provide a copy of the supervisor’s accident report to the Union safety committee.

An investigation will be conducted at the time of injury to an employee. The investigation will be jointly conducted between the employee, supervisor and the Union Safety Committee rep, documented and signed by all parties. Any corrective action will be put in place immediately or as soon as practical. If remedial action can be put in place allowing for a safe resumption of work, prior to a full implementation of corrective action this will be implemented. If it is determined that corrective action cannot be implemented immediately and a risk to other employees exists, the area/equipment will be isolated from use until such time as the item can be corrected.

22.03 (A) In case of a near miss or accident, an investigation will be conducted jointly by the EHS Manager and the Union Safety Representative (or their respective designees).

22.03 (B) The Company and Union agree to meet and discuss the role, scope and details of an EHS Bargaining Unit Position prior to January 1, 2018.

22.04 The Company agrees to provide a copy of the monthly report of OSHA reportable accidents to the Union.

22.05 The Company agrees to give access to the Union International Safety Representative in the event of serious accidents.

22.06 An employee absent due to illness or other physical disability for more than five (5) consecutive working days will be placed on sick leave for the anticipated period of disability.

22.06(A) An employee placed on sick leave will be required to give notice to the Human Resource office two (2) regular working days in advance of his return to work. Such notification will be accepted by the Human Resource office between 8:15a.m. and 4:45p.m. of a regular working day. The employee must provide a written release to return to work from his/her physician.

22.07 Substance Abuse Policy: Xylem Inc. and the USW Local 897, have made a strong commitment to providing a safe, healthy work environment for all employees, reducing the potential for accidents and injuries and maintaining a high standard of job performance, attendance and quality at their Cheektowaga plant.

Therefore, the Company and Union have agreed to the attached document regarding a “Policy on Controlled Substance” in accordance with the Drug-Free Workplace Act.

Purpose: Xylem Inc. has a strong commitment to providing a safe, healthy work environment for all employees, reducing the potential for accident and injuries and maintaining a high standard of job performance, attendance, and quality in the plant.

The purpose of this policy is to state Xylem Inc. philosophy with respect to the use/abuse of drugs and alcohol in the workplace.

Policy Statement: Xylem Inc. does not condone substance abuse. It is the individual employee’s responsibility to maintain a satisfactory performance level and to acknowledge any substance abuse related problems and seek assistance. It is also recognized that substance abuse is a treatable problem and we will assist any employee by helping him understand the problem and correct it before it impairs performance jeopardizing employment. Xylem Inc. has an Employee Assistance Program available to all employees and family members to assist employees with substance abuse problems, as well as other personal problems which could affect performance.

**DEFINITIONS:**

Alcohol or alcohol Beverage: Any beverage or food that may be legally sold and consumed and has an alcohol content as defined by the State Liquor Authority.

Drugs: Any substance (other than alcohol) capable of altering the mood, perception, pain level, or judgment of the individual consuming it.

Prescribed Drug: Any substance prescribed for the individual by a licensed medical practitioner.

Illegal Drug: any drug or controlled substance, the sale, distribution or consumption of which is illegal.

**ALCOHOLIC BEVERAGE:**

No alcoholic beverage will be brought onto, sold, distributed or consumed on Company premises. Drinking or being under the influence of alcoholic beverages while on the Company premises or on working time will be cause for disciplinary action up to and including discharge.

**PRESCRIPTION DRUGS:**

No prescription drugs shall be brought onto, distributed or consumed on company premises by an employee other than the employee for whom the drugs are prescribed by a licensed practitioner, and shall be used only in the, combination and quantity prescribed.

**ILLEGAL DRUGS**:

The use of illegal drugs or controlled substances, distribution or possession of same on company property or company business will be cause for disciplinary action up to and including discharge. The sale, distribution, or delivery of illegal drugs or controlled substances by an employee to another person or vice-versa on Company property or company business is cause for termination.

**SAFETY OF EMPLOYEES, WORK RULES, BLOOD/URINE TEST**:

In order to ensure the safety of all Xylem Inc. employees, the following work rule procedures will apply at the plant which includes, but is not limited to “Rules of Conduct”.

a) The Company reserves the right to request any employee to submit to a breathalyzer, urine and/or blood tests for determining use of drugs and/or alcohol if it is believed there is just cause.

b) After an employee has been tested and confirmed positive, he may be required to submit to further blood and/or urine testing as well as seek appropriate counseling.

c) Random testing for drugs and alcohol is prohibited.

d) Any employee who is found to be in possession of alcohol or in possession of illegal drugs, or illegally in possession of prescription drugs on Company property or on Company business will be subject to disciplinary action up to and including discharge.

e) A medical file shall hold drug-testing information in a separate cabinet, not in the personnel file.

**EMPLOYEE ASSISTANCE PROGRAM (EAP):**

It is the company’s practice to provide rehabilitation assistance to employees with substance abuse problems through the insurance plan for those employees enrolled. Xylem Inc. employees also have the availability of an Employee Assistance Program. This program may be initiated by employee self-referrals or supervisor/management referrals.

Any employee who needs the support of such rehabilitation program can do so voluntarily, in confidence, by contacting representatives of the EAP or representatives appointed by the Company.

If any employee admits to substance abuse, the individual will be encouraged to voluntarily enter a rehabilitation program or a private counseling program. These programs may be covered under the medical insurance programs.

Referral to EAP will not be used as a substitute for appropriate disciplinary action.

**CONFIDENTIALITY:**

All testing results, referral to an EAP or disciplinary action related to drug/alcohol use/abuse will be kept in strict confidence, as required by law. A representative of the Company and President of the local union shall be notified of all testing results with an appropriate release form signed by the employee.

**JUST CAUSE TESTING:**

In cases in which an employee is acting in an abnormal manner and a supervisor has just cause to believe that the employee is under the influence of a controlled substance, the company may require the employee to go directly to a medical facility to provide abreathalyzer and/ora urine specimen for laboratory testing. Such employee must sign an appropriate consent and release form (Appendix A). Just Cause means suspicion based on specific personal observation that the Company representative can describe concerning the appearance, behavior, speech or breath odor of the employee except in the case of some work related accidents covered below. The supervisor must make a written statement of these observations within twenty-four (24) hours of the observed behavior. Just cause is not a basis for testing if it is based solely on secondary party observation and reports.

It can also be Just Cause if an employee is involved in an industrial accident resulting in bodily injury requiring external medical attention or there is significant property damage and where the circumstances of the accident raise questions about the employee’s behavior or judgment.

Supervisors must receive training as provided by the Company on substance abuse, the effects, and how to deal with the performance related issues.

ANY DEVIATION FROM THE LANGUAGE IN THIS POLICY SHALL BE A NEGOTIATED ITEM.

22.08 **Alternate Work Program:**

Purpose: The Alternate Work Program will service as a bridge between the date of injury and return to all regular work duties. The objectives of this program are:

Reduce Worker's compensation Costs.

Reduce the number of lost time accidents.

Reduce the number of days away from regular work.

Increase adherence to physician's follow-up instructions.

Compensate employee with full wages. Provide alternate work for employees who are injured.

Alternate work is for employees of Xylem Inc. who are eligible for workers compensation and disability benefits.

Policy: Shop employees who sustain a work related injury will be required to

report to Xylem Inc. to begin an alternate work assignment within the restriction provided by the attending doctor. Employees are to continue the policy of reporting to work immediately after seeking medical attention unless medically prevented from doing so. The Company will utilize employees under the Alternate Work Program to meet their specific restrictions. The employee may be used outside his current job classification for clerical work and/or housekeeping/cleanup activities under this program.

Procedure:

1. Employees are required to report any work-related accident/illness at the time of the accident. The injured employee will be given appropriate documentation to be completed by attending physician (Appendix B).
2. After treatment, it is the employee's responsibility to return with all paperwork completed to Xylem Inc. prior to the beginning of their next shift. This information should be given to the Human Resource Office or placed in a secure box outside the Human Resource Office when the Human Resource Office is closed. Employees who have been released with specified limitations are required to report to work to begin an appropriate alternate work assignment. In the event the employee is to miss any time due to a work related injury he is still subject to the call in requirement per Article 6.03.
3. A Human Resource Representative and Designated Union Representative with the assistance and guidance of the department supervisor (and/or Production Manager), will review the limitation as outlined by the physician. They will then determine if there is an appropriate job within the physician's restrictions.
4. The employee will be compensated at his/her regular pay for the duration of the assignment. Shop employees assigned to alternate work will not be eligible for overtime work. Shop employees assigned to alternate work will be subject to the same prior notice rules on layoff and/or recall as other employees.
5. If an employee is released for alternate work by their doctor with restrictions and the Company, Union and employee are collectively unable to determine what the doctor’s restrictions mean, then the employee will not be assigned to alternate work until the employee obtains more specific information from his doctor regarding the restrictions.
6. The alternate work assignment will end at such time the employee has recovered and is released for regular work or of the discretion of management. The assignment may also be terminated if the restrictions change (based on a doctor's report) such that the employee may not continue in any capacity.
7. During the length of the alternate work assignment, an employee is expected to follow his/her assigned work schedule. An employee who will be absent must notify the company in accordance with current policy and procedure. An employee, who cannot complete the assignment for any reason, must provide appropriate verification immediately.
8. Shop employee(s) placed on medical disability leave will be given the opportunity to participate in the Alternate Work Program dependent upon his/her physician's authorization.
9. Shop employee(s) placed on medical disability must notify the Manager of Environmental Safety & Health of their sick status and availability for alternate work.

10. Medically disabled sick leave employees are subject to the same alternate work requirements as employee(s) receiving worker's compensation.

1. No employee will be disciplined under this alternate work policy until after the Union has been notified of a problem and had an opportunity to contact the employee regarding the problem.
2. Upon return to work under the alternate work policy, an employee must disclose to the ESH Manager any known side effects of any medication they are taking which may affect their ability to perform the alternate work or which may create a safety hazard.
3. Employees shall only be paid at their full rate of pay for hours actually worked.

**ARTICLE XXIII**

**GRIEVANCE PROCEDURE**

23.01 Should any difference arise between the Company and any of its employees as to the meaning and application of any of the terms of this Agreement, attachments and supplements, and only this Agreement, attachments and supplements, the following Grievance Procedure shall be compiled with:

23.01(A) An employee who believes that he has a justifiable grievance may discuss the grievance with his Foreman or he may request to discuss the issue with his Committeeman. If an employee requests to first discuss the issue with his Committeeman, his Foreman shall make arrangements as soon as possible, but not later than four (4) hours after said request. If four (4) hours do not remain prior to the end of the employee’s shift, the request shall be honored prior to the end of the employee’s shift. An issue pertaining to arrangements will be immediately made as requested.

23.01(A) 1) An issue brought to the attention of a committeeman shall be orally taken up with the Foreman of the department for adjustment, with the aggrieved employee present.

23.01(B) If the grievance is not settled satisfactorily between the Foreman and the department Committeeman, it shall be jointly reduced to writing in triplicate by said parties. In reducing it to writing on the complaint form, the aggrieved shall state how, when, where facts of the grievance and the Foreman and Committeeman shall sign and date the form. Two (2) copies shall be forwarded by the Foreman to the Superintendent (or his designated representative). Within three (3) working days of the date of the complaint form, the Superintendent (or his designated representative) shall meet with the Committeeman and shall give an answer to the grievance in writing.

23.01(C) If the Superintendent’s answer at Step (B) above is not accepted by the Committeeman, the Chairman of the Shop Committee will submit to the Company a written grievance prepared by the committeeman which shall specify in the grievance the terms of the Agreement, attachment and supplement, within five (5) working days of receipt of the Superintendent’s reply. The matter will then be placed on the agenda for the next monthly meeting scheduled pursuant to Section 4.03, except that at time it advises the Company that the reply was not acceptable, the Union may also request a special meeting for the handling of the particular grievance, subject to the parties’ practice of considering grievances in the order received. In such a case the meeting will be scheduled within five (5) working days from the date of such request with agenda as provided in Section 4.03. The aggrieved employee shall be present in said meeting if requested by either party and shall be compensated for time lost at his regular straight-time hourly rate. Within five (5) working days after such meeting, the Company will provide written answers to grievances considered.

23.01(D) If no agreement is reached at this formal third-step meeting, the subject of the grievance shall be considered to have exhausted the above outlined Grievance procedure and arbitration shall be the next step provided grievance is one which is subject to arbitration under the terms of this Agreement.

23.02 Grievances alleging improper layoff of an employee, improper failure to recall, job evaluation, or rejection of posted job application shall be taken up directly with the manager of Human Resources or his designated representative. If the alleged grievance is not settled, the Union shall be permitted to institute a formal grievance as the third step of the grievance procedure.

23.03 The time limits imposed on the Company for answering grievances and the time limits imposed on the Union for carrying a grievance to the next step may be extended by mutual agreement between the parties in writing.

23.04 Any grievance not carried to the next step within five (5) working days will be considered settled on the basis of the last disposition.

23.05 The Union has the right to drop any grievance prior to arbitration without establishing a precedent.

# ARTICLE XXIV

**ARBITRATION PROCEDURE**

24.01 Any grievance covering an alleged violation of the terms of this Agreement and only terms of this Agreement, attachments, and supplements shall be subject to arbitration.

24.02 When the grievance reaches the stage of Arbitration, the procedure will be as follows:

24.02(A) The Party requesting arbitration must notify the others in writing of their request for arbitration within five (5) working days after receiving the written answer at the third step of the Grievance Procedure.

24.02(B) An effort shall be made to select an arbitrator by mutual agreement within ten (10) working days after receipt of request for arbitration.

24.02(C) If no mutual agreement is reached on the choice of an arbitrator within such ten (10) days, then the arbitrator shall be selected from one list furnished by the Federal Mediation and Conciliation Service. Request for such lists shall be made within two (2) working days after conclusion of the ten (10) day period provided for mutual agreement. The parties shall alternately check off one arbitrator’s name from the list of seven until the final name remaining shall be the arbitrator for the case.

24.02(D) The parties interested in concluding the arbitration as promptly as possible will supply the arbitrator with available places and dates for the hearing.

24.03 The decision of the arbitrator shall be final and binding upon both parties.

24.04 The arbitrator under this procedure shall have no power to add to, subtract from or modify any of the terms of this Agreement, attachments and supplements.

24.05 The fee and expenses of the arbitrator will be shared equally between the parties.

24.06 Not more than three (3) members of the Union shall be paid at their regular hourly rate for actual time spent in attendance at arbitration hearing held during regular working hours. One (1) hour paid travel time will be allowed for hearings held locally outside the plant.

**ARTICLE XXV**

**APPEAL OF DISCHARGE, LAYOFF, OR RECALL**

25.01 In the event that an employee shall be discharged or suspended from employment and feels that he has been treated unjustly or improperly under the terms of this Agreement, the matter shall be subject to the provision for adjusting grievances described in Articles XXIII and XXIV. Such cases shall be taken up directly at the third step of the grievance procedure within five (5) working days of the date of discharge or suspension, and shall be disposed of as promptly as possible. Not more than three (3) members of the Shop committee shall be paid at their regular hourly rate for actual time spent in attendance at such an appeal hearing.

25.02 The Shop committeeman representing an employee subject to discharge or suspension will be notified and given an opportunity to confer with the discharged or suspended employee at the Human Resource office prior to the employee leaving the plant.

25.03 Settlement of such grievances by the parties or by an arbitrator may or may not be retroactive, as the equities of the particular case may determine. However, if an employee is reinstated all seniority rights shall be restored as though they had not been interrupted.

**ARTICLE XXVI**

**NOTICE TO EMPLOYEES**

26.01 For notice to employees for recall or any other purpose, the Company shall rely upon the employee’s last address as shown on the Human Resources record. Employees shall notify the Human Resources Office of any change of address and shall receive written acknowledgment of such notification. Failure to report to work under this Agreement because of an incorrect address shall not be accepted as “satisfactory reason.”

**ARTICLE XXVII**

**TERMINATION**

27.01 This agreement, except as may be otherwise specifically provided herein, shall become effective upon the date of execution stated below and shall continue in full force and effect until 12:01 a.m., October 21, 2019, and thereafter from year to year unless either party desires to terminate or modify. If either party desires to terminate or modify, written notice shall be given to the other party sixty (60) days before October 21, 2019 or any annual expiration date thereafter, and negotiations for a new or modified Agreement shall begin at least thirty (30) days prior to the expiration date.

27.02 In the event the Labor Agreement was opened and no agreement has been reached by the expiration date, then this Agreement may be extended by mutual consent. If not so extended, this Agreement shall terminate on expiration date without further notice.

27.03 During the term of this Agreement there shall be no strike, walkout, slowdown, lockout or interruption of work of any nature.

27.04 During the term of this Agreement the Company shall not have any obligation to negotiate or bargain with the Union with respect to any matters covered herein, or with respect to any matter within the areas of wages, hours or working conditions, except as specifically provided herein or in Agreements supplemental hereto.

# ATTACHMENT A

**CHECK-OFF AUTHORIZATION**

**FOR UNITED STEELWORKERS OF AMERICA**

**. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .**

Company

**. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .20. . . .**

Plant Date

Pursuant to this authorization and assignment, please deduct from my pay each month, while I am in employment with the collective bargaining unit in the company, and irrespective of my membership status in the Union, monthly dues, assessments and (if owing by me) an initiation fee each as designated by the International Treasurer of the Union.

The aforesaid payment shall be remitted promptly by you to Leo Gerard, or his successor, International Treasurer of America, or its successor, Five Gateway Center, Pittsburgh, PA 15222.

This assignment and authorization shall be effective and cannot be canceled for a period of one (1) year from the date appearing above or until the termination date of the current collective bargaining agreement between the Company and the Union, whichever occurs sooner.

I hereby voluntarily authorize you to continue the above authorization and assignment in effect after the expiration of the shorter of the periods above specified, for further successive periods of one (1) year from such date. I agree that this authorization and assignment shall become effective and cannot be canceled by me during any of such years, but that I may cancel and revoke by giving to the appropriate management representative of the plant of which I am then employed, an individual written notice signed by me and which shall be postmarked or received by the Company within fifteen days following the expiration of any such year or within the fifteen days following the termination date of any collective bargaining agreement between the Company and the Union covering my employment if such date shall occur within one of such annual periods. Such notice of revocation shall become effective respecting the dues for the month following the month in which such written notice is given; a copy of any such notice will be given by me to the Financial Secretary of the Local Union.

Local Union No. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

United Steelworkers of America Signature

. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . Check No. . . . . . . . . . . . . . . .

Witness

Ledger No. . . . . . . . . . . . . . . .

**MEMBERSHIP APPLICATION**

Form 530

PLEASE USE TYPEWRITER OR PRINT PLAINLY Telephone No. . . . . . . . . . . . . . .

Name. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . Ledger No. . . . . . . . . . . . . .

Address. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

Street or Rural Route City State Zip Code

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**UNITED STEELWORKERS OF AMERICA**

**AFL-CIO-CLC**

**Local Union No. . . . . . . . . . . . . . . .**

I hereby request and accept membership in the UNITED STEELWORKERS OF AMERICA, and of my own free will hereby authorize the United Steelworkers of America, it agents or representatives to act for me as a collective bargaining agency in all matters pertaining to rates of pay, wages, hours of all such matters, including contracts which may require the continuance of my membership in the United Steelworkers of America as a condition of my continued employment.

Date. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

Signature

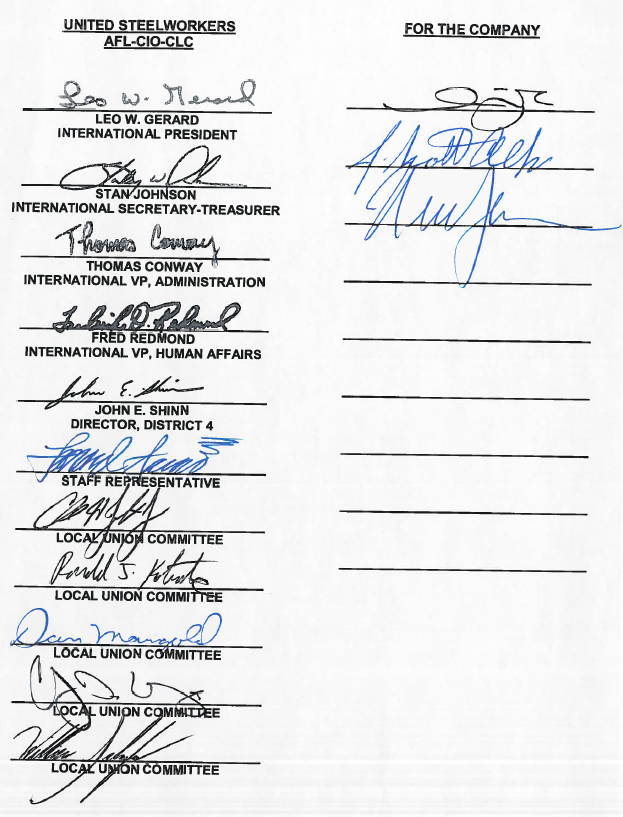
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Employed by:

Company. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . Social Security No.. . . . . . . . . . .

Plant. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . Department. . . . . . . . . . . . . . . . .

Address. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

**ATTACHMENT B**

The wage progression for each classification will be 75% of the permanent rate for the first year of service. This new wage progression is effective for new hires after the effective date of this agreement.

**LETTER OF INTENT**

**SAFETY**

**The parties will cooperate**

**to establish a comprehensive safety program**

**for the health and safety of all employees.**

**LETTER OF UNDERSTANDING**

SUBJECT: MEDICAL/DENTAL PLAN COVERAGE

Any bargaining unit employee covered under a Xylem Inc. provided medical/dental plan who has alternative coverage may elect to opt-out of the Xylem Inc. provided coverage, provided such election is in accordance with IRS Code Section 125. Further, an employee may opt-in to the plan, at a subsequent open enrollment period, or in the event of the loss of alternative coverage that results in a qualified status change under section 125 of the IRS code and subject to the particular plan eligibility rules.

If the result of an employee opting-out of coverage nets lower premium costs to Xylem Inc., the employee may receive a special payment of$125.00 or single and $200.000for family coverage on a monthly basis. If an employee wishes to maintain dental coverage, he may do so and the special payment will be$100.00for single and$175.00for family coverage. Such special payments will cease in the event the company is required to pay any health care premiums under any government mandated program. In addition, an employee who is otherwise eligible for a special payment will be limited to payments on his first opt-out decision during the life of this contract. No employee will be permitted to increase his coverage and then opt-out for the purpose of obtaining the higher special payment. The company will determine if the facts of an opt-out decision are made for this purpose. Any special payment will be subject to all applicable taxes.

It is understood that new hires hired after October 14, 2013 will not be eligible for dental opt-out until their one year anniversary of employment. Opt-out for these employees will be $100.00 for single, $175.00 for family.

Any employee wishing to opt-out will be required to demonstrate that alternative insurance coverage is in effect to be eligible for a special payment as described above.

**REPORT ALL INJURIES...**

Minor injuries that areneglected can become seriously infected. Unreported injuries can also affect your insurance coverage. Report all injuries in person to the First Aide Department immediately.

**CHANGE IN NAME, ADDRESS, ETC...**

Employees should inform the Human Resources Office of any change in name, address, phone number, Selective Service, marital status, or change in number of dependents. Forms for this purpose may be obtained from the Human Resources Office.

**IF YOU MUST BE ABSENT...**

Call the Telephone Answering Unit is the only acceptable means to reporting attendance. Before calling, be PREPARED to give the following information at the sound of the tone:

1) Your name

2) Badge number and shift

3) Department

4) Foreman’s name

5) The reason for your absence or tardiness

6) Where you can be reached by phone while absent

7) If you’re absent because of an illness or injury, be specific as to the date you will return to work

8) Your doctor’s name if your absence is because of illness or injury.

*Thank you for calling the Xylem Inc. Answering Unit*

**862 4110**

**Job Posting Hot-Line**

**For information on posted jobs please call the Job Posting Hot-Line:**

**862 4069**

**The Job Posting Hotline phone number is also posted on the Union Bulletin Board.**