

AGREEMENT

Between

Salado Isolation Mining Contractors, LLC

And

**United Steel, Paper and Forestry, Rubber, Manufacturing,
Energy, Allied Industrial and Service Workers International
Union AFL-CIO and its Local 12-9477**

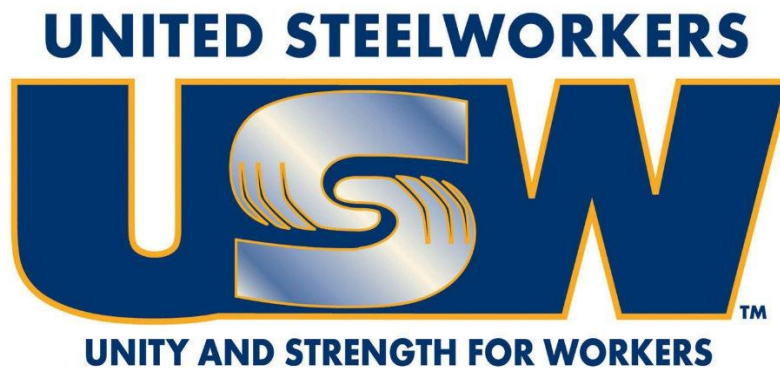


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AGREEMENT, entered into as of between Salado Isolation Mining Contractors, LLC hereinafter referred to as the “Company” or “SIMCO” and, United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied-Industrial and Service Workers International Union (AFL-CIO), hereinafter referred to as the “Union” or “USW” for and on behalf of Local 12-9477 and all employees to whom it applies;

ARTICLE 1 - RECOGNITION

Company Recognition of the Union. Pursuant to and in conformity with the National Labor Relations Act, the Company recognizes the Union as the sole and exclusive bargaining agency for all hourly employees with respect to rates of pay, wages, hours, and other conditions of employment in Underground Operations, Maintenance, Surface Operations, and all other hourly employees at the Waste Isolation Pilot Plant Project on Site 26 miles east Southeast of Carlsbad - Jal Highway. The certification excludes all Guards, Clerical, Administrative, Non-Exempt Salary, Exempt, Professional, and Supervisors as defined by the National Labor Relations Act.

ARTICLE 2 - CONSIDERATION AND COOPERATION

Both Parties enter into this Agreement in consideration of the mutual performance thereof in good faith. The intention of this Agreement is to establish harmonious relations between the Company and the Union and its membership and to promote the general welfare of the Company and the Union. The Parties to this Agreement agree to exchange such information with respect hereto as is mutually deemed essential for the furtherance of harmonious and cooperative relations.

2.1 Labor/Management Meetings: The Company and the Union agree to hold labor/management meetings. The purpose of these meetings will be to facilitate open and constructive communication focusing on various workplace issues, promoting collaboration, and maintaining a harmonious work environment.

The meetings will involve designated representatives from both management and labor consisting of relevant supervisors, Union leadership/representatives, and HR Labor Relations. The meeting shall occur as often as necessary, but no less than once each month at a regularly scheduled time and place. The Labor Relations Manager, or designee, and Union President, or designee, will co-chair the meetings allowing both parties equal opportunities to discuss issues. An open and honest dialogue shall take place between both parties to facilitate effective problem-solving and decision making. The parties shall work together to cultivate constructive recommendations on corrective measures to eliminate unsafe working conditions. Both parties will actively listen and participate in a professional manner.

A tentative agenda shall be exchanged in advance in order to allow for effective and organized meetings. Items on the agenda shall include, but not be limited to, general information of interest to both parties, health and safety, training, subcontracting, and any other matters of concerns involving

bargaining unit members. The Company and the Union will discuss and collaborate on new, advanced, hands-on, or additional training methods for departments with bargaining unit members, e.g., emergency management, facility operations, safety and health, and maintenance.

Any regularly scheduled work time lost by attendees of the meeting will be counted as hours regularly worked and paid for accordingly.

ARTICLE 3 – AFFIRMATIVE ACTION AND OTHER COMMITMENTS

3.1 There will be no discrimination by supervisory or other employees of the Company not included in the units covered by this Agreement, against any employee because of membership or activities in the Union. The local union will not discriminate against employees.

3.2 The Union, the Local and the Company reaffirm their intention that the provisions of this Agreement will continue to be applied without discrimination because of race, creed, color, sex, age, national origin, physical or mental handicap or disability, because an employee is a disabled veteran or veteran of the Vietnam era or because of citizenship status, except citizenship status which is otherwise required in order to comply with law, regulation or federal executive order, or required by Federal, State or local government contract, or which the Attorney General of the United States determines to be essential for an employer to do business with an agency or department of the Federal, State, or local government.

3.3 The parties recognize and accept that any term of gender in this Agreement is intended to include and does include both feminine and masculine as appropriate.

3.4 All provisions of this Agreement shall be subject to any applicable law or any Government requirement or regulation now or hereafter in effect.

3.5 The Company shall make provisions as required by law for the safety and health of employees during the hours of work of their employment. The Union will cooperate with the Company in encouraging all employees to work in a safe manner.

ARTICLE 4 – MANAGEMENT RIGHTS

4.1 Operation of the Plant: The management of the plant and the direction of the working forces including the planning, direction and control of plant operations, the scheduling of work and the assignment of employees to such work, including the right to temporarily assign employees to perform work outside of their job classification, the control and regulation of all equipment and other property of the Company, the determination of ability, production standards, the quality and quantity of work to be produced, the determination of the products to be manufactured and/or procured, the location or relocation of work, the work to be assigned to each location, the methods, process and means of production, shift assignments (excluding daily work assignments) and schedules by Classification Seniority, the determination and establishment of any new or improved

production methods or facilities, the enforcement of negotiated rules of conduct, and the right to maintain discipline and efficiency of all employees are all vested solely and exclusively in the Company, except as they may be expressly abridged or modified by other terms of this Agreement. It is further agreed that this enumeration of sole and exclusive Management prerogatives shall not be deemed to exclude other prerogatives not herein enumerated, and the Company retains the right to exercise any other prerogatives or functions of Management which are not abridged by a specific provision of the Agreement.

4.2 Subcontracting

4.2.1 Subcontracting: The Company will advise the Union of subcontracting work to be done at the WIPP Site, where bargaining unit personnel would normally perform the work, prior to the commencement of such work. If the Union requests a meeting to discuss the matter, such meeting will take place as soon as practical, but before the commencement of the work.

4.2.2 Subcontracting for Attrition: The Company agrees that the size of the respective covered workforce will remain stable, fall and/or rise as business needs dictate. Scope of work changes or funding losses will be adequate reasons for appropriate reductions in the workforce. The Company will not use lack of employees due to attrition caused by retirement, long term disability, transfer, termination or layoff to transfer traditionally or historically performed tasks by bargaining unit employees to subcontractors. If the Union requests a meeting to discuss the matter, such meeting will take place as soon as practical, but before the commencement of the work.

4.3 Hiring, Transfer, Suspension, Discipline and Discharge: The Company retains the right to hire, suspend, discharge or discipline employees for just cause, temporarily transfer employees to other positions by Classification Seniority, and the right to relieve employees from duty because of other legitimate reasons including fitness for duty. As to fitness for duty, in the event there is a disagreement between the company medical doctor and the employee's physician, regarding the medical evidence presented at the time of the employee's return from injury or illness, at the time of job transfer, or restriction from classification, the question shall be submitted to a third physician selected by the two physicians. The medical opinion of the third physician after examination of the employee and consultation with the other two physicians shall decide such question. When any employee has been terminated for just cause, the Company agrees to meet with the Union prior to termination and to provide the Union with a copy of the termination notice within two working days of the effective date of termination. The time limits of the grievance procedure will not begin until receipt of the termination notice by the Union. Additionally, the company and union will meet prior to any employee being suspended pending investigation. Written notification will be provided to the Union and the cause of the suspension will be given to the Union within two working days.

Progressive discipline will be administered in accordance with the rules of conduct as negotiated (Appendix B). The Company will negotiate with the Union on any proposed change to the rules of

conduct. Should negotiations not result in agreement, Management may exercise their prerogative to implement the desired change and the Union will be free to grieve.

4.4 Research and Development: In view of the recognized necessity for research, development and experimentation by the Company, it is understood by both Parties to this Agreement that construction of experimental or pilot programs shall be discussed with the Union as it pertains to this Agreement. Regular employees coming within the provisions of this Agreement who may be assigned to such work or temporary operations shall continue to be covered by the terms of this Agreement.

ARTICLE 5 – CHECKOFF

5.1 Membership in the Union will be on a voluntary basis for employees of the Company who are assigned to positions covered by this agreement.

5.2 All employees who are not Union members and who are on jobs covered by this certification and who do not in the future become and remain members shall, immediately following a thirty (30) day period from the date hereof as condition of employment, pay to the Union each month, a service charge as a contribution towards the administration of this agreement, in a percentage equal to the regular monthly dues, not including initiation fees, fines or assessments, or any other charge uniformly required as condition of acquiring or retaining membership in the Union. This provision does not apply to new employees, since the obligation to pay the service charge begins ninety (90) days after the date of employment.

5.3 Upon receipt of written assignment and authorization from an employee, as set forth below, the Company agrees to deduct from the gross earnings of said employee, Union dues or service charges in such amounts as may now, or hereafter be established in accordance with the constitution and by-laws of the Union. The amount of such union dues or service charges shall be certified in writing by the Union to the Company. The assignment and authorization shall be irrevocable for a period of one year, or until the termination of the collective bargaining agreement herein, whichever occurs sooner, but said assignment and authorization shall be automatically renewed and shall be irrevocable for successive periods of one year each, or for the period of each succeeding applicable collective agreement between the Company and the Union, whichever shall be shorter, unless written notice of termination of assignment is given to the Company and the Union not before July 5th of each year and not after July 12th of each year or not less than ten (10) days prior to the expiration of each applicable collective agreement between the Company and the Union, whichever occurs sooner.

5.3.1 Dues: The Company will check off weekly dues or service charges, including where applicable, initiation fees and assessments, each in amounts as designated by the Union's International Secretary Treasurer or Local 12-9477, effective upon receipt of individually signed voluntary check-off authorization cards. The Company shall within fifteen (15) days of the last pay day of the month remit any and all amounts so deducted to the Union International Secretary-Treasurer with a

completed summary of USW Form R-115 or its equivalent. A copy of the authorization card and summary will be forwarded to the Financial Secretary of the Local Union.

The Union will be notified of the amount transmitted for each Employee (including the hours and earnings used in the calculations of such amount) and the reason for the non-transmission such as in the case of interplant transfer, layoff, discharge, resignation, leave of absence, sick leave, retirement, or insufficient earnings.

The Union's International Secretary-Treasurer shall notify the Company in writing of any employee who is in violation of this provision.

The Union shall indemnify the Company and hold it harmless against any and all claims, demands, suits, and liabilities that shall arise out of or by reason of any action taken by the Company for the purpose of complying with the provisions of this Article.

5.4 Within the meaning of the dues deduction or service charge authorizations, membership dues or service charges will include only that regular payment required of all employees covered by this certification which has been designated as membership dues or service charges pursuant to appropriate Union and Local constitutions and by-laws. Excluded specifically from such authorizations are fines, penalties, contributions, assessments, strike assessments, taxes of any kind or any other type of payment.

5.5 The Company agrees not to interfere with the right of employees to join or belong to the Union and the Union agrees not to intimidate or to coerce employees to join the Union or continuing their membership in the Union; nor shall there be any seeking of Union membership or collection of Union Funds on Company time, excepting personal time such as breaks, lunch periods, etc. The Company further agrees not to discriminate against any employee due to Union membership or Union activity. An officer of the Union will be allowed up to one hour on the new employee's first working day at the Site for the purpose of indoctrinating new employees assigned to positions covered by the terms of this agreement.

5.6 This Article shall apply only to the extent that its provisions are consistent with all applicable State laws unless such laws are preempted by federal law or regulations.

5.7 ASSIGNMENT/AUTHORIZATION FOR PAYROLL DEDUCTIONS OF DUES/SERVICE CHARGES:

I, _____, an employee of the Salado Isolation Mining Contractors, LLC, Carlsbad, New Mexico and a member of Local 12-9477, United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (AFL-CIO) authorize the Company to deduct from my wages and assign to the local Union my weekly union dues and initiation fee, if any, as the Treasurer of Local 12-9477 may certify to the Company.

I, _____, an employee of the Salado Isolation Mining Contractors, LLC , Carlsbad, New Mexico and an employee covered by this certification authorize the Company to deduct from my wages and assign to the local Union my weekly service charges, if any, as the Treasurer of Local 12-9477 may certify to the Company.

Pursuant to this authorizations and assignment, please deduct from my pay each month, while I am in employment with the collective bargaining unit in the employer, 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 Secretary/Treasurer of the Union. This assignment and authorization shall be effective and cannot be cancelled for a period of one (1) year from the date of appearing above or until the termination of the date of the current collective bargaining agreement between the Employer 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 cancelled by me during any of such years, but that I may cancel and revoke by giving to the appropriate managements representative of the facility in which I am then employed, an individual written notice signed by me and which shall be postmarked or received by the Employer within fifteen (15) days following the expiration of any such year or within the fifteen (15) days following the termination date of any collective bargaining agreement between the Employer 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. While contributions or gifts to the USW are not tax deductible as charitable contributions for Federal income tax purposes, they may be tax deductible under other provisions of the Internal Revenue code.

5.8 PAC Check-off Authorization: Upon receipt of a signed PAC Check-off Authorization, the Employer, upon written request of the employee will make monthly deduction for PAC fund as directed by the employee. This will continue as long as the employee gives such authorization as per the PAC check-off authorization he/she signs. The amount withheld will be mailed to the United Steelworkers, Political Action Fund, Five Gateway Center, Pittsburg, PA 15222.

ARTICLE 6 – PAY FOR UNION BUSINESS

6.1 Pay for Union Business at the Company's Request: All pay at the current rate including premiums will be paid to the Union representative who requests the Union at meetings or conducts Union Business during working hours at the Company request.

6.2 Pay for Union Time for Adjusting Grievances: The Chief Steward, Stewards, designated alternates, and members of the Grievance Committee shall be allowed the time necessary to

investigate and process grievances/potential grievances without loss of pay after providing an estimated time to be taken and obtaining permission from the immediate supervisor. It is further agreed that the supervisor will not withhold permission where working conditions permit.

6.3 Grievance Committee Meetings: The Grievance Committee will meet with Management on the second (2nd) Wednesday of each month to adjust grievances. Changes in schedule or multiple meetings in a single month shall occur only by mutual agreement of both Parties. The Company will pay Grievance Committee members for time spent meeting with Management or for time spent preparing for grievance meetings.

6.4 Pay for Contract Re-Negotiation: The Company shall pay up to seven (7) members of the Union Negotiating Committee their regular rate for their regularly scheduled work hours, while they are in conference with the Company regarding contract negotiations.

ARTICLE 7 – WAGES

7.1 Wages will be paid in accordance with wage schedules shown in Appendix A.

7.2 The employees will be paid weekly.

7.3 Shift Premium:

7.3.1 Night Turn Premium: Employees will receive an extra compensation in the amount of ten percent (10%) of their earnings as night turn premium in accordance with Article 8, Hours of Work and Work Schedules. Shift premium for night turn is defined as when the regular quitting time is after nine o'clock in the evening (9:00 p.m.) and up to and including nine o'clock of the following day (9:00 a.m.).

7.3.2 Weekend Premium: Employees will receive an extra compensation at ten percent (10%) of their earnings as weekend (i.e., Saturday and/or Sunday) premium in accordance with Article 8, Hours of Work and Work Schedules.

7.3.3 Where an employee is eligible for both night turn and weekend premiums, the premiums will not be additive (i.e., night shift, weekend work).

7.4 Reporting Pay: When an hourly employee reports for work at the regular starting time of their shift and have not been advised at least ten (10) hours beforehand not to report, he will be guaranteed four (4) hours of pay at the regular rate of pay.

This provision will not apply in the case of an emergency such as fire, flood, power failure, radiological event, or work stoppage by the Union in the facility.

7.5 Job Duties and Rates:

7.5.1 Any change in job rate shall be the subject of agreement by the Company and Union. Should negotiations not result in an agreement, Management may exercise their prerogative to implement desired change and the Union will be free to grieve.

7.5.2 If a new classification is established the wage rate shall be subject to negotiations between the Company and the Union. Should negotiations not result in agreement, Management may exercise their prerogative to implement the desired change and the Union will be free to grieve.

7.5.3 If the job duties of a classification are significantly changed, the Company and Union shall meet to negotiate an appropriate rate of pay for that classification. Should negotiations not result in agreement, Management may exercise their prerogative to implement the desired change and the Union will be free to grieve.

7.5.4 The employees, the Union and the Company recognize the principle of a fair day's work for a fair day's pay.

7.5.5 In computing hours worked on late arrivals, early departures and for overtime in connection with attendance control and compensation, an employee will be credited with time worked from the start of the one-tenth (0.1) hour interval in which the recorded time of departure falls. Elapsed hours will be computed in terms of hours and tenth of hours.

7.6 Upgrades and Temporary Assignments:

7.6.1 When an employee is required to temporarily perform work in a classification that pays a higher rate than his regular classification, he shall receive the higher rate of pay. If an employee is temporarily assigned to work in a classification that pays a lower rate than his regular classification, his wage shall remain at the higher rate of pay. Employees required to temporarily perform work normally assigned to those compensated at the higher level will also be compensated at the higher level for the duration of their shift. Employees undergoing training for qualification in a higher paid classification will not be entitled to the terms of this provision until having completed the required training for the classification.

7.6.2 Temporary schedule changes or shift assignments will be offered to the qualified employee with the most Classification Seniority first.

7.6.3 Temporary Assignments:

7.6.3.a Temporary Transfers: Employees shall not be required to work in a temporary assignment for a period greater than sixty (60) days unless mutually agreed upon by the Union and the Company.

7.6.3.b The temporary assignment of hourly employees to accommodate shutdowns and outages shall be the subject of agreement by the Company and the Union. Should negotiations not result in

an agreement, Management may exercise their prerogative to implement desired change and the Union will be free to grieve.

ARTICLE 8 – HOURS OF WORK AND WORK SCHEDULES

8.1.1 Hours of work: Each employee will have an established work schedule that complies with this Article. Examples of work schedules that employees may be assigned to are defined in Article 8.2 – 8.3.

Changes to the established work schedules or the introduction of any new work schedule not defined in Article 8.2 – 8.3, will be the subject of negotiation with the Union. Should negotiations not result in agreement, Management may exercise their prerogative to implement the desired change and the Union will be free to grieve.

8.1.2 Posting Work Schedules and Change Notification: The Company shall post current work schedules for all workers. Any change in schedule shall be posted in the same place as the current schedule posting and will be communicated by Company e-mail, written or electronic newsletters and Site postings, as appropriate, and verbally by Management. Management shall promptly notify the Union of the need for a schedule change as soon as reasonably possible, but no less than fourteen (14) calendar days prior to the implementation of the new schedule.

8.2 Work Schedules:

8.2.1 Standard Work Schedule: The standard work schedule will be one of the following:

8.2.1.1 4 x 10 Schedule:

- This schedule will be four (4) consecutive days either Monday through Thursday or Tuesday through Friday.
- Workers will be scheduled for ten (10) hours.
- There will be a thirty - (30) minute paid lunch period.
- Normal start time will be 6:00 a.m. (1st shift), 3:30 p.m. (2nd Shift).
- The work week will begin Monday at 6:00 a.m. and ends seven (7) days later.
- Weekend premium will be paid for weekends, (i.e., Saturday and/or Sunday).
- Night turn premium will be paid for 1st shift continuation.
- Night turn premium will be paid for 2nd shift and 2nd shift continuation.
- 2nd shift employees who are temporarily reassigned to day shift for training will be paid night turn premium.

- 2nd shift employees who are temporarily reassigned to day shift for training and accept overtime for 2nd shift coverage will be paid night turn premium.
- The schedule may be such that a portion of the workforce will start on alternating days to ensure that personnel are present on Site five days per week.
- Shift premiums for weekends and night turn are not additive.
- Overtime is paid for any hours worked in excess of forty (40) during the standard workweek.

8.2.1.2 7 x 10 Schedule:

- This schedule consists of four (4) regularly scheduled ten (10) hour shifts utilizing four (4) crews.
- The schedule is either Monday through Wednesday or Wednesday through Friday, with every other weekend worked.
- Scheduled days off alternate between two (2) and four (4) consecutive days off with a four-day cycle spanning the traditional weekend.
- There will be a thirty - (30) minute paid lunch period.
- Release times will be ten (10) hours after start of shift.
- Normal start time will be 6:00 a.m. (1st shift), 3:30 p.m. (2nd Shift).
- The work week will begin Sunday at 6:00 a.m. and end seven (7) days later.
- Weekend premium will be paid for weekends, (i.e., Saturday and/or Sunday).
- Night turn premium will be paid for 1st shift continuation.
- Night turn premium will be paid for 2nd shift and 2nd shift continuation.
- 2nd shift employees who are temporarily reassigned to day shift for training will be paid night turn premium.
- 2nd shift employees who are temporarily reassigned to day shift for training and accept overtime for 2nd shift coverage will be paid night turn premium.
- Shift premiums for weekends and night turn are not additive.
- Overtime is paid for any hours worked in excess of forty (40) during the standard work week.

8.2.1.3 9/80 Schedule:

This schedule is worked in two-week cycles.

- The first week consists of four (4) consecutive nine and one-half (9-1/2) hour days (Monday – Thursday) with the subsequent Friday off.
- The second week consists of four (4) nine and one-half 9-1/2 hour days (Monday – Thursday) followed by an eight and one-half (8-1/2) hour Friday worked.
- Underground workers work a nine (9) hour shift and eight (8) hours on the Friday worked.
- There will be a thirty - (30) minute paid lunch period for personnel normally assigned to the underground.
- Release times for non-underground workers with a 30-minute unpaid lunch will be nine and one-half (9-1/2) hours later and eight and one-half (8-1/2) hours later on the Friday worked.
- Normal start time will be 6:00 a.m.
- The schedule may be such that a portion of the workforce will be on alternating weeks to ensure that personnel are present on Site five days per week.
- The work week starts four (4) hours after the start of the shift on Friday and ends seven (7) days later.
- The workday begins from the designated start time indicated above and ends 24 hours later.
- Weekend premium will be paid for weekends (i.e., Saturday and/or Sunday).
- Night turn premium will be paid for shift continuation.
- Shift premiums for weekends and night turn are not additive.
- Overtime is paid for any hours worked in excess of forty (40) during the standard work week.

8.2.1.4 Rotating Twelves (12's) Schedule:

- This consists of four (4) crews rotating on a twelve and one-half (12-1/2) hour schedule which includes shift turnover.
- There will be a thirty - (30) minute paid lunch period.
- As business needs allow, workers working twelve (12) hour shifts are allowed reasonable time (e.g., 15 min.) to eat every four (4) hours. Meal times are paid because the shift worker is essentially required to be able to respond to needs of the plant at any time while on shift.
- Release times will be twelve and one-half (12-1/2) hours after start of shift which includes shift turnover.
- Normal start time will be 5:45 a.m. (1st shift), 5:45 p.m. (2nd Shift).
- The work week will begin Monday at 6:00 a.m. and end seven (7) days later.
- Weekend shift premium will be paid for weekends, (i.e., Saturday and/or Sunday).
- Night turn premium will be for paid 1st shift continuation.
- Night turn premium will be paid for 2nd shift and 2nd shift continuation.
- 2nd shift employees who are temporarily assigned to day shift for training will be paid night turn premium.
- 2nd shift employees who are temporarily reassigned to day shift for training and accept overtime for 2nd shift coverage will be paid night turn premium.
- Shift premiums for weekends and night turn are not additive.
- Overtime is paid for any hours worked in excess of forty (40) during the standard workweek.

8.2.1.5 5/8 Training Schedule

- The schedule consists of five (5) consecutive eight (8) hour days (Monday – Friday).
- There will be a thirty - (30) minute unpaid lunch period.
- Release times will be eight and one-half (8-1/2) hours later.
- Normal start time will be 7:00 a.m.
- The work week starts at 7:00 a.m. Monday and ends seven (7) days later.

- The work day begins from the designated start time indicated above and ends 24 hours later.
- Overtime is paid for any hours worked in excess of forty (40) during the standard work week.

8.2.2 Alternate Work Schedules: In order to meet the business needs of the Company and to adapt to the needs of a diverse work force, schedules other than those described in Article 8.2.1 above, may be implemented. Before implementation, such schedules will be negotiated with the Union to ensure contract items (e.g., shift premium, meal periods, overtime, and holidays) are properly addressed. This Article does not apply to schedule changes resulting from natural events or emergencies. The possible options are numerous and cannot be anticipated in all cases. However, the attributes of such schedules can be described as:

8.2.2.1 Work Days The alternate work schedule will normally be composed of four (4) or five (5) days.

8.2.2.2 Scheduled Days Off: The alternate work schedule will normally contain no less than two (2) consecutive days off.

8.2.2.3 Work Hours: The alternate work schedule will normally contain forty (40) regularly scheduled hours per week with no more than twelve (12) and no less than four (4) hours in any workday.

8.3 Schedule Changes:

8.3.1 Premium Pay for Short Notice: When an employee's schedule is changed, and at least forty-eight (48) hours' notice prior to the time he is to report for work on the new shift / schedule is not given, the employee shall receive pay for the time worked on the first shift of the rearranged schedule at the rate of one and one-half (1-1/2) times his regular base rate. This provision does not apply in cases of promotion (to the employee promoted) or when schedule changes to suit the personal convenience of one or more employees are permitted. Premium pay under this clause shall not be paid for a rearranged schedule to the extent the change in schedule results in overtime or for work performed subject to holiday premium.

8.3.2 Changes Between 8, 9, 10, or 12 Hour Schedules: The Company shall promptly notify the Union of the need for a schedule change as soon as reasonably possible, but no less than fourteen (14) calendar days' notice prior to changes between 8, 9, 10, or 12 hour schedules.

8.3.3 Reporting for Work: Each employee will arrive at his workstation prepared to work at the start of his shift and continue to attend to his assigned duties until the end of shift.

ARTICLE 9 – TIME FOR DEATH IN FAMILY

9.1 Time for Death in Family:

9.1.1 Death in Immediate Family: In the event of the death of an employee's immediate family which consists of the employee's spouse, child, stepchild, foster child, grandchild residing in the home, parent, grandparent, sister, brother, or stepparent such employee will be granted a five (5) working day leave of absence without loss of pay. Such leave of absence will be paid at the employee's basic straight-time hourly rate and shall not include overtime or premium pay. Such paid leave will be limited to five (5) regular working days within a period of thirty (30) days starting on the day immediately following the day of the death. In case of an employee on rotating or continuous shift, the above payment will be made for time lost during the employee's established week. All employees will be compensated on the basis of their wage rate of record on the date before such absence.

9.1.2 Time for Death in Non-Immediate Family: In the event of a non-immediate family member's death consisting of an employee's stepbrother, stepsister, grandparent-in-law, father-in-law, mother-in-law, grandchild not residing in the home, sister-in-law, brother-in-law, son-in-law, or daughter-in-law, such employee will be granted a three (3) working day leave of absence without loss of pay. Such leave of absence will be paid at the employee's basic straight-time hourly rate and shall not include overtime or premium pay. Such paid leave will be limited to three (3) regular working days within a period of thirty (30) days starting on the day immediately following the day of the death. In no case shall payment be made for greater than the three (3) days described above. In case of an employee on rotating or continuous shift, the above payment will be made for time lost during the employee's established week. All employees will be compensated on the basis of their wage rate of record on the date before such absence.

9.2 The in-law relationship will terminate for purposes of Article 9, upon divorce or annulment (i.e., legal dissolution) of the connecting marriage which creates the in-law relationship to the employee; and the in-law relationship will terminate upon death and remarriage; that is, in the event of the death of the party with the connecting in-law relationship to the employee, the in-law relationship will not terminate until the remarriage of the surviving spouse.

9.3 Special circumstances may dictate the allowance for taking funeral leave days that fall outside of the prescribed schedule indicated above. For example, military funeral causes extreme geographic issue related to long distance travel and delayed attendance at funeral service.

In all cases the above payments shall be calculated on straight time hours and shall not include any overtime or premium payments.

ARTICLE 10 – OVERTIME

10.1 Overtime Rates: Overtime rates, computed at one and one-half (1-1/2) times the sum of the regular base rate shall be paid for work performed by an employee in excess of forty (40) hours in any workweek. The forty (40) hours consist of straight time, scheduled and floating holiday time, paid time off, vacation time, sick and personal time, funeral leave, and court appearances. Overtime hours are not cumulative towards the forty (40) hours. "Regular base rate" for overtime pay purposes shall be the rate applicable to the particular work performed during the overtime period. Overtime, for all hours worked on the seventh consecutive calendar day worked of a work week, will be computed at two (2) times the sum of the regular base rate. A minimum of four (4) hours must be actually worked each day to be considered a day worked, a call out will satisfy the four (4) hour requirement. For the purpose of computing fractional overtime hours worked, such overtime shall be computed to the nearest tenth (0.1) of an hour (six minutes).

10.2 Work on Scheduled Days Off: All hours worked by an employee on his scheduled days off shall be paid by the Company at one and one-half (1-1/2) times his hourly rate of pay subject to the forty (40) hour requirement.

10.3 Absence and Vacation/PTO: Paid time absent (e.g., vacation, personal/sick, paid time off, funeral leave, court appearances, inclement weather (X-Code), or scheduled holidays, including floating holidays) is counted as time worked towards accumulating forty (40) hours in a workweek. Unpaid time absent does not count as time worked toward the accumulation of forty (40) hours.

10.4 Required Time-Off to Avoid Overtime: An employee who works overtime shall not be required to take time off to offset such overtime.

10.5 Call-in Pay: Employees called in for unplanned and unscheduled work outside their regularly scheduled shift shall be paid time and a half for all hours worked with a minimum of four (4) hours guaranteed. Call in time begins when the employee enters the WIPP Site. (Planned and scheduled work outside the regularly scheduled shift shall be paid for the hours worked at regular pay subject to the forty (40) hour requirement.)

10.6 Overtime Records: Opportunities for overtime work assignments shall be divided as equally as reasonably possible among qualified employees who regularly perform the work and are available.

10.7 Overtime Administration:

10.7.1 Recording and Posting Overtime Records: A record of all overtime shall be kept by area or group (e.g., an area/group can be all electricians or waste handling personnel) by the applicable manager or non-bargaining unit designee. The following criteria apply to the administration of overtime:

10.7.1.a Subgroups of similarly classified employees may be divided into separate overtime sharing units upon mutual agreement of the parties.

10.7.1.b Personnel may provide no more than two (2) phone numbers for contact. Personnel will be responsible for verifying their phone numbers are current and accurate.

10.7.1.c Overtime will be offered to personnel sequentially by area/group starting annually with the most senior person in Classification Seniority and continuing with the next person on the list. Thereafter overtime will be offered to the employee on the area/group overtime list starting with the person who has worked or refused the least amount of hours. When new personnel are added to the overtime list, they will be added by taking the average of the group subtracting the highest and lowest person on the list.

10.7.1.d Any person who is offered overtime and declines will be charged with the time as worked for the purposes of tracking overtime worked to ensure fairness to employees in the group.

10.7.1.e All overtime worked will be charged to the area/group overtime list. Mine rescue team, emergency response team, technical training classes and fire brigade hours worked will be exempted from overtime tracking.

10.7.1.f Employees accepting overtime who fail to work as agreed will be charged double the number of hours originally offered and repeated (two (2) or more times in a one (1) month period) offenses will be subject to progressive discipline.

10.7.1.g Overtime that is accrued as part of a normal shift change (e.g., hoist checks) will not be tracked overtime.

10.7.1.h Overtime lists in areas/groups shall be zeroed no later than ten (10) calendar days from the end of the quarter.

10.7.1.i Overtime hours that are offered to and accepted by out of classification employees holding the appropriate qualifications will be charged against the employee's own overtime list.

10.7.1.j Overtime hours that are offered to and declined by out of classification employees holding the appropriate qualifications will not be charged against any overtime list.

10.7.1.k The union recognizes Management may ask for the encouragement to support overtime.

10.7.1.l All employees will be offered overtime, including those on vacation/PTO. All employees who are on a disability status or bereavement will not be called.

10.8 Scheduling Overtime: Scheduling overtime is solely vested with the Company. The scheduling manager or his non-bargaining unit designee shall define the scope of work, the probable hours to be worked, and qualifications necessary to perform the work and has the right to not offer the overtime

to an individual who is not qualified to perform the scheduled work. Asking/calling out for all overtime shall be witnessed by a bargaining unit member when the callout originates from the Site.

10.9 Meals During Call-In: Meals will not be accommodated during call-in unless overtime is expected to meet or exceed four (4) hours. No time will be deducted for meal periods during overtime work; however, it is understood that they will be made as short as possible and in no case exceed thirty (30) minutes.

10.10 Company Provided Meals During Unscheduled Overtime: Meals will be provided for personnel held over after their scheduled shift when the employee is held two (2) hours beyond the end of his regularly scheduled shift. A meal will be provided two (2) hours after the end of his shift plus an additional meal for every four (4) additional hours beyond the first two (2) hours the employee is held over. When overtime is scheduled in advance no meals will be provided.

10.11 Stand-by Assignments: For employees who accept a scheduled stand-by assignment falling outside of their regularly scheduled shift, a pay adjustment equal to one (1) hour at their normal rate of pay will be paid.

10.12 Overtime Cancellation: Employees who accept an overtime assignment that is cancelled within two (2) hours prior to the scheduled start time will receive an amount equal to two (2) hours at their normal rate of pay as a cancellation penalty.

ARTICLE 11 – HOLIDAYS

11.1 Holidays: The Company will observe the following ten (10) holidays for which employees will be paid in accordance with the provisions described below:

New Year's Day	Thanksgiving Day
Easter	Day After Thanksgiving
Memorial Day	Day Before Christmas
Independence Day	Christmas Day
Labor Day	(1) Floating Holiday

11.2 For employees scheduled to work Monday through Friday, holidays falling on Sunday will be observed on Monday; holidays falling on Saturday will be observed on Friday. The "Day before Christmas" holiday will be observed on the last working day before Christmas.

If state or federal law requires the observance of a holiday not listed above, it shall be substituted for the tenth holiday unless the Parties otherwise agree.

11.3 Employees are eligible for paid holidays when on the active role on the last working day prior to a holiday. Employees do not receive holiday pay and disability benefits at the same time.

11.4 Employees who separate on December 31st of any year will not be entitled to holiday pay for New Year's Day in the following year.

11.5 Employees scheduled to be off work will receive the applicable number of hours of holiday pay at the regular base rate for scheduled Company holidays. Holidays that are not scheduled (excluding floating holidays) workdays will be paid at straight time and will not count toward the accumulation of forty hours for overtime purposes. Holidays that fall outside of an employee's normal work schedule may be taken as floating holidays and be used only as time away from scheduled work. The use of such floating holidays shall only be allowed after the actual date of the holiday with the exception of the Christmas holidays and will be capped at five per calendar year. The tenth (floating) holiday is excluded from the aforementioned cap.

11.6 Any employee working on a Holiday shall receive pay at one and one-half (1- 1/2) times the base rate of pay for all hours worked on such holiday in addition to normal Holiday pay. All hours worked in excess of the regular schedule will be paid at two and one half (2 ½) the base rate of pay. These rates are not additive. Employees working regularly scheduled twelve (12) hour shifts on the Christmas Eve and Day After Thanksgiving holidays shall be able to float the two holidays. The use of such holidays may be used at any time throughout the year but must be used by the end of the year.

11.7 The number of holiday hours paid will be commensurate with the shift schedule in effect at the time (e.g., nine (9) hours for a nine (9) hour schedule, ten (10) hours for a ten (10) hour schedule and twelve (12) hours for a twelve (12) hour schedule). Holidays must be taken in full shift increments.

ARTICLE 12 – PAID TIME OFF

All USW employees on or after January 1, 2024, shall participate in the Paid Time Off program as described below. All incumbent USW employees shall participate in the Vacation and Sick & Personal program as described in the Memorandum of Understanding contained within this Agreement.

12.1 Paid Time Off: Paid time off shall be accrued and is provided to eligible employees for leisure time off, personal time off, time lost from work due to illness or injury, family emergencies or medical/dental appointments. The Paid Time Off year will be a calendar year. Prior to the last business day of the previous calendar year, employees shall establish their Paid Time Off schedule for the upcoming year, so it does not exceed the maximum Paid Time Off carryover. Management will approve or deny requests of all employees entitled to Paid Time Off for the purpose of establishing the schedule for Paid Time Off. The Company shall attempt to accommodate the wishes of employees, subject to the needs of the business. If scheduling conflicts between employees arise, Classification Seniority will prevail. The Union and Company will discuss deviations to the established schedule necessitated by unforeseen circumstances on a case-by-case basis.

12.1.a An hourly paid employee with one (1) or more years of service as an employee of SIMCO or its predecessor companies, who is; (1) absent from work because of personal illness for which weekly disability benefits are not payable under Workmen's Compensation; (2) absent from work, with approval of local Management, because of personal business; or (3) absent from work because of Management's decision to furlough, other than disciplinary suspension or furlough resulting from disciplinary action to other employees, or slowdowns, or any other form of work stoppage in the plant, may receive pay for each full day of such absence as described in Article 12.4.

12.1.b Employees must request Personal Time Off hours no later than middle of shift prior to the expected absence, except in the case of an emergency (e.g., medical; accident; mechanical/utility failure) in which case notification must be made as soon as possible.

12.1.c Employees may be denied Personal Time Off hours due to critical business reasons as determined by Management.

12.1.d Employees who do not report to their scheduled shift for which the leave was denied will be charged with an unexcused absence.

12.1.e When more than one employee has requested Personal Time Off hours for the same time periods and Management cannot approve all employees, priority will be given to employee with the most Classification Seniority.

12.1.f Employees on approved disability will not be charged with unexcused absences.

12.1.g All hourly paid employees returning from leave of absence who are otherwise eligible to receive such pay and who have completed thirty (30) days continuous employment immediately preceding the day or days of absence will be paid for their established shift hours if the absence is of a type described in Article 12.1.a above.

12.1.h Payment will be made for absence during the employee's established workweek and will be paid on the basis of how many total hours of compensation to which the employee is entitled. In all cases, such payment shall be calculated on base rate of pay and shall not include overtime premium payments.

An employee who has any unused benefits under this Article remaining at the end of the calendar year, and each calendar year thereafter, may have such unused benefits, up to a maximum of 110 hours for employees with less than 1 year of service, 240 hours for employees with 1 year but less than 10 years of service and 480 hours for employees with 10 or more years of service, carried forward to the following calendar year for use in the event of absences if the absence is of a type described in Article 12.1.a above. Employees who have been laid off and who are returned to the active roll in the same calendar year, or the following year are entitled, effective upon reinstatement to the active roll, to all unused benefits earned under this Article up to the date they were placed on the inactive roll. Upon resignation, retirement from or death while on the active or disability rolls of the Company, an

employee or his beneficiary will be paid for a maximum of forty-five (45) days (450 hours) of benefits accumulated under this paragraph and which are unused as of the employee's last day of work.

12.1.i Reimbursement under this Article will not be made for any time during which the employee receives any other type of monetary benefit from the Company with the exception of employees paid Accident and Sickness Benefit.

12.1.j Employees eligible to receive pay under this article may take Personal Time Off in one tenth (0.1) hour increments.

12.1.k Employees must exhaust all Personal Time Off prior to seeking unpaid time absent from work, with the exception of Union leave and Shutdowns. All unpaid time off must have prior approval from both Management and Human Resources.

12.2 Employees are encouraged to schedule and take all allotted Paid Time Off. However, if this is not feasible, up to 110 hours of accumulated Paid Time Off can be banked for use in a future year for those employees with less than 1 year of service, 240 hours for those employees with 1 but less than 10 years of service, and 480 hours for those employees with 10 or more years of service.

12.3 When an employee is removed from the active roll for any reason including layoffs, payment for all unused Paid Time Off will be made if the employee has become eligible for Paid Time Off.

12.4 Paid Time Off Accrual and Pay:

12.4.1 An employee on the active roll shall be entitled to accrue Paid Time Off upon hire date during continuous employment.

12.4.2 For Paid Time Off purposes only, continuous employment is interrupted only when an employee's name is removed from the active roll, except that in case the removal is the result of disability (e.g., short term disability or long-term disability), such removal does not interrupt continuous employment unless and until the employee's name has been removed from the active roll for one (1) year.

12.4.3 The Company will grant Paid Time Off to eligible employees as follows:

12.4.3.a Less than one (1) year accumulated length of service – 110 hours.

12.4.3.b One (1) year accumulated length of service but less than five (5) years – 160 hours.

12.4.3.c Five (5) years accumulated length of service but less than ten (10) years – 184 hours.

12.4.3.d Ten (10) years accumulated length of service but less than twenty (20) years – 224 hours.

12.4.3.e Twenty (20) years accumulated length of service but less than thirty (30) years – 264 hours.

12.4.3.f Thirty (30) years or more accumulated length of service – 304 hours.

12.4.4 The rate at which employees shall accrue Paid Time Off each pay period effective January 1, 2024, is as follows:

12.4.4.a Less than one (1) year accumulated length of service – 2.1 hours per pay period.

12.4.4.b One (1) year accumulated length of service but less than five (5) years accumulated length of service – 3.1 hours per pay period.

12.4.4.c Five (5) years accumulated length of service but less than ten (10) years – 3.5 hours per pay period.

12.4.4.d Ten (10) years accumulated length of service but less than twenty (20) years – 4.3 hours per pay period.

12.4.4.e Twenty (20) years accumulated length of service but less than thirty (30) years – 5.1 hours per pay period.

12.4.4.f Thirty (30) years or more accumulated length of service – 5.8 hours per pay period.

12.5 Payment will be made for Paid Time Off during the employee's established workweek and will be paid on the basis of how many total hours of Paid Time Off the employee has expended. In all cases, such payment shall be calculated on base rate of pay and shall not include overtime premiums.

12.6 Employees eligible to receive pay under this article may take Paid Time Off time in one tenth (0.1) hour increments.

ARTICLE 13 – SENIORITY

13.1 Seniority Definition:

13.1.1 Plant Seniority: The total length of service from hire date into a bargaining unit represented position. A tiebreaker for employees with the same seniority date will be the last four digits of the social security number with the lowest being most senior. As the measure of an employee's continuous length of service within the bargaining unit, or date of hire if prior to formation of the bargaining unit and granted by the parties at that time, it will apply with respect to promotions, demotions, layoffs, bidding, bumping and re-employment or recall. Plant Seniority remains continuous throughout approved leaves of absence.

Any reference to seniority in this agreement will mean Plant Seniority unless otherwise specified in this contract or agreed to by the parties.

13.1.2 Classification Seniority: The length of service from hire into, or upon entry into a specific job found in Appendix A. As the length of service on a regular, full-time basis in an applicable job

classification, it will apply with respect to employee shift preference as described later in Article 13.9; scheduling of vacation/Paid Time Off and the correction of conflicts in vacation/Paid Time Off scheduling; selection of employees for temporary assignment to work outside of their current classification; and temporary work performance associated with upgraded work as described later in this article. Classification Seniority remains continuous throughout approved leaves of absence. A tiebreaker for employees with the same hire date, into a specific classification found in Appendix A will be Plant Seniority. And a tie between plant will be determined by the last four digits of the social security number, with the employee with the lower number prevailing.

13.1.3 As of the effective date of this Agreement, the following classifications are recognized: Plant Helper, Hoisting, Shaft Tender, Mining Operations, Shaft and Openings Maintenance, Surface Facility Operations, Underground Facility Operations, Waste Handling, Fire Fighter, Environmental Safety and Health, Radiological Control, Instrumentation and Control, Mechanic, Electrician, Laboratory Technician, Drafter, Engineering Technician, Quality Assurance, Safety Representative.

13.2 Union Preservation: The Union and the Company anticipate periods where the individual Seniority of an officer of the Union must be considered for the purpose of layoff: be it Plant Seniority or Classification Seniority. Therefore, the Company agrees to accept that officers of the Union, elected or appointed to the position of (one) President and (one) Vice-President and (one) Financial Secretary will be exempt from layoff, except where all work at the Site has been completed.

13.3 Probationary Period: An employee will be considered on probation and will not be entitled to any seniority rights for ninety (90) calendar days. During such period, a probationary employee may be subject to transfer, layoff, recall to work or discharge at the indisputable discretion of the Company without rights to the grievance and arbitration provisions of this Agreement. Upon completion of the probationary period, the employee's seniority date will become established as of the date of employment.

13.4 Promotions, Bidding, and Transfers

13.4.1 All positions such as new jobs and job openings within the bargaining unit will be posted in the support building, guard and security building, and electronically for seven (7) calendar days. The Union will receive timely notice prior to the posting of the new jobs in order to administer the provisions of this Article. The Company and the Union will agree to any exception to these posting requirements in writing. Late bids will be accepted where an employee was not present at the time of posting and extenuating circumstances support such acceptance. The acceptance of late bids will be by mutual agreement of the Company and the Union. The Company may temporarily fill the job until bids are processed. All bidders will be notified of their status within thirty (30) days of the posting deadline.

The position will be filled by offering the job to the most senior qualified applicant unless employee is in the final written warning phase of the progressive discipline process. Management will determine

which employees have the most Plant Seniority and meet the minimum requirements based on education, experience and training (refer to Appendix C). If a clear candidate cannot be identified, a personal interview shall be conducted with all interested applicants using a consistent format. An employee who is already fully qualified in another classification and is awarded the bid will be brought in at 90% of the standard wage rate of the classification bid into (i.e., training rate).

The Company will electronically notify the Union President of the successful candidate(s) of all positions such as new jobs and job openings within the bargaining unit.

The Company will work to ensure that the transfer or change will be affected as soon as reasonably possible after the job classification in question becomes vacant. The Company will notify affected personnel and the Union President if the transfer will be delayed beyond sixty (60) days. Any delay over sixty (60) days shall be the subject of agreement by the Company and the Union.

13.4.1.a "Qualifications," "qualified," "qualify," are understood to mean the minimum level of education attained, experience and training completed relevant to the position or work to be performed. See Appendix C for guidelines to such requirements for "qualifications," "qualified," and "qualify."

13.4.1.b When an opening occurs in the Hoisting classification it will be offered first to the Shaft Tender with the most Classification Seniority and a minimum of two (2) years' experience. If a Shaft Tender does not accept the position, the job will be offered to a Shaft Crew Member with the most Classification Seniority and a minimum of two (2) years' experience.

13.4.1.c When an opening occurs in RH Waste Handling it shall be offered first to CH Waste Handling with the most Classification Seniority and a minimum of one (1) year experience.

13.4.2 Management will seek external candidates when qualified candidates are not available internally, as described above.

13.4.3 Promotion Transfer Trial Period: Employees who are promoted or placed in new positions are required to complete a six (6) month trial period. If the employee fails to meet the performance expectations of the new position, he will be displaced into his former position in accordance with Classification Seniority. If the employee did not hold a former position, he shall be displaced in accordance with the layoff provisions in Article 13.5.

13.4.4 Employees must remain in the position to which they were hired for a minimum period of twelve (12) months, unless displaced under a bumping or preference provision of this contract. The exception will be Plant Helpers who shall only be required to remain in the position to which they were hired for a maximum of three (3) months. All Plant Helpers hired after January 1, 2024, must remain in the position to which they were hired for a minimum period of twelve (12) months, unless displaced under a bumping or preference provision of this contract.

13.4.4.a An employee who is selected for a job posting will have no more than thirty (30) days from the time the employee fills the position to request a return to their previous job classification with no loss of seniority as long as an offer has not been extended to a candidate.

13.5 Layoff:

13.5.1 In the case of layoff or reduction in force, the employee with more Plant Seniority will have the right to bump an employee with less Plant Seniority subject to the following provisions:

13.5.1.a In a reduction of force on any job to which employees have been temporarily assigned, such employees shall be first removed from the job.

13.5.1.b Within a classification, the displaced employee shall be the least senior employee in Plant Seniority in that classification.

13.5.1.c Bumps may be exercised to a job previously satisfactorily held or the displaced employee may bump the employee with less Plant Seniority, provided the displaced employee meets the minimum entry requirements for the position.

13.5.1.d The employee will be given six (6) months to meet qualification standards for a previously held position.

13.5.1.e An employee who bumps and fails to perform satisfactorily in the job entered in accordance with the terms of this Article will be removed from the job and the Company will transfer the employee to another job for which they meet the minimum entry requirements provided they have the necessary seniority.

13.5.2 Layoff Notice: The Company will give the Union notice of plant closing and/or layoffs in accordance with State and Federal laws. The Company will give the Union at least one (1) month notice of impending layoffs that may affect the certified bargaining unit.

13.5.3 Recall from Layoff: For available positions laid off employees will be recalled in order of Plant Seniority, provided the employee meets the minimum entry requirements of the available position. Recall notices specifying the process for notifying the Company of the employee's intention to return or not return to work will be sent by certified mail to the last known address as listed in the employee's personnel record.

13.5.4 The Company will maintain an Inactive Seniority List consisting of laid off employee Plant and Classification Seniority dates as of the date an employee is officially laid off. Employees with more than two (2) years of accumulated service will be considered inactive and eligible for recall for two (2) years. Employees with less than two (2) years accumulated service will be considered inactive and eligible for recall for twelve (12) months.

13.6 Seniority Lists:

13.6.1 The Company will, on a fiscal quarterly basis, prepare a Seniority List specifying Plant and Classification Seniority to the Union for the purpose of observing overtime and vacation/Paid Time Off preference as well as layoff provisions of this agreement.

13.6.2 Disputes regarding the Seniority List will be resolved between the Union and the Company using the grievance policy. The Union will identify seniority discrepancies to the Company generally within fourteen (14) calendar days of issuance of each quarterly list.

13.6.3 A Seniority List will be furnished to the Union that includes current names, addresses, and phone numbers within thirty (30) days after the signing of this agreement and every quarter following, within the calendar year. Any changes to employee information must be submitted to Human Resources by that employee at least two (2) weeks prior to the end of the quarter.

13.7 Lost Seniority: Seniority will be lost for the following reasons:

13.7.1 Voluntary quit.

13.7.2 Discharge for just cause.

13.7.3 Failure to return to work upon notification of layoff recall.

13.7.4 Absence for three (3) consecutive workdays without notifying the Company, in which case the employee will be considered to have voluntarily quit. Circumstances will be discussed between the Company and the Union.

13.7.5 Layoff for a period longer than the period specified in the provisions previously prescribed for the Inactive Seniority List.

13.7.6 Retirement.

13.8 Special Situation: Notwithstanding the provisions of the established seniority procedure, the Union and Management may, in special situations, work out by negotiation individual cases where the Union and Management agree that such special situations exist.

13.9 Preference of Hours of Work and Work Schedules: Qualified personnel in order of their Classification Seniority will be allowed to have their preference of hours of work and work schedule only in the event of the creation of (1) backfill positions, (2) new positions, or (3) the formation or elimination of a shift or crew. Personnel seeking to move in the exercise of shift preference may do so as soon as practicable as long as any pending training for qualifications do not affect the balance of either shift or crew. Qualified personnel with adequate Classification Seniority may only make notification of their intent to exercise their preference over personnel of lesser Classification Seniority within thirty (30) days

after said employee's date of completing their technical training card, and notification by Management to the Union President or designee.

The exercise of shift preference will be limited to one (1) time per rolling twelve (12) month period.

ARTICLE 14 – UNION LEAVE OF ABSENCE

14.1 Long-Term Leave of Absence: The Company will grant a leave of absence to any employee with three (3) or more years of Plant Seniority who is elected or designated to serve full-time as a business agent or International representative of the Union. Such leave shall be for a period not to exceed three (3) years and may be renewed only by mutual agreement between the Company and the Union. No more than one (1) employee may be on such leave at any one time. Plant Seniority rights shall accumulate during such leave of absence. However, no Company benefits will remain in effect during this period.

14.2 At the end of the long-term leave of absence, such employee who has been granted a leave of absence will be restored on the basis of seniority to his former position or similar position at the going rate at the time of his return, providing he can meet/attain the qualifications needed after training is provided, and he can meet fitness for duty requirements.

14.3 Short-Term Leave of Absence: Temporary leaves of absence without pay to conduct Union service, may be granted during the period of the Agreement, predicated on at least seven (7) calendar days' notice to the Company prior to departure. No more than eight (8) employees will be granted simultaneous leaves under this provision, provided however, that simultaneous leaves would not be granted if they would disrupt any of the plant's operation. The Union's request for a leave of absence to attend Union conventions will be in the form of a list showing names and dates and will be given to the Human Resources department. That department will then be responsible for attempting to arrange leaves of absence for those named; and will confirm such leaves in writing back to the Union or attempt to resolve any conflicts of availability.

ARTICLE 15 – GRIEVANCE AND ARBITRATION

15.1 Grievance Definition: A grievance is defined as; (A) a violation of any provision of this agreement; or (B) a claim that the company has discharged or disciplined without just cause; or (C) a claim that the company has violated any established custom and practice provided such grievance is presented within the time limits set forth below. Probationary employees will not be subject to the grievance/arbitration procedure.

15.2 Stewards:

15.2.1 The Union will furnish to the Human Resources Manager the names of all stewards or acting stewards and the employee groups represented by them. Stewards shall represent only their assigned area unless one is not available in that area.

15.2.2 Any of the above noted stewards shall represent the Union for the purpose of adjusting grievances of employees with the Management representatives in the department concerned as designated by Salado Isolation Mining Contractors (SIMCO), Carlsbad, NM. All stewards shall be full time active employees of Salado Isolation Mining Contractors (SIMCO). The number of stewards shall be limited to the ratio of one (1) for each twenty-five (25) employees.

15.3 Grievance Committee:

15.3.1 Committee: The Union shall designate a Grievance Committee consisting of not more than three (3) members all of whom shall be full time represented employees of Salado Isolation Mining Contractors (SIMCO), Carlsbad, NM. The Grievance Committee's membership can be expanded if mutually agreed upon by both Parties.

15.3.2 The Chairman of the Grievance Committee or an alternate, as designated by the Union in case of his absence, shall be permitted to leave his job when necessary for the purpose of adjusting grievances with the Company representatives involved after proper authorization has been given by the manager.

15.4 Grievance Procedure:

15.4.1 Procedure: In resolving grievances, the employee and his steward should first contact the immediate manager involved in the decision or action being grieved. If the dispute cannot be resolved, the time and date of such meeting should be documented on the grievance form and the following procedure shall apply:

15.4.2 Step 1: If the problem cannot be resolved verbally between the employee, steward, and the immediate manager, then the steward must present a written grievance to a Human Resources representative in order to initiate the formal grievance process. For a grievance to be considered in the first step, it must be presented in writing to the Human Resources representative within fourteen (14) calendar days of the date of such incident. A meeting will be held between the appropriate section manager, the appropriate immediate manager and the steward to discuss the grievance. The aggrieved employee may accompany his steward if he so desires. This meeting will occur within ten (10) calendar days of receipt of the grievance. The company shall respond in writing to the grievance within seven (7) calendar days after the conclusion of the Step 1 meeting.

15.4.2.a Appeal: If the Company answer is unsatisfactory and the Union wishes to appeal, it must appeal within ten (10) calendar days after the receipt of the Company's answer or ten (10) calendar days from the 5th calendar day after the Step 1 meeting if no answer is received from the Company. Such appeal shall be in writing to the Human Resources Manager.

15.4.3 Step 2: The Grievance Committee and/or an International Representative will represent the employee. The Human Resources Manager or designated representative shall meet with the

Committee and/or its designated Representative as expeditiously as possible. A written decision by the Company shall be rendered within ten (10) calendar days of the meeting.

15.4.3.a Appeal: The Union may appeal in writing a denied Step 2 grievance to Arbitration within thirty (30) calendar days of the receipt of the Company's Step 2 answer.

15.4.4 The time limits in the above procedure may be extended by mutual written agreement signed by both parties for any individual grievance. If the Company defaults on time limits specified in Step 1, the grievance will automatically go to Step 2. If the Company defaults on time limits specified in Step 2, the grievance will be upheld for the Union. If the Union defaults on time limits specified in Step 2, the grievance will be automatically forfeited.

15.4.5 Arbitration: Grievances, which remain unsettled after the grievance procedure has been exhausted, shall be arbitrable upon a valid request of either the Union or the Company. The arbitrator will not have any power to add, subtract, modify, or alter the provisions of this Agreement unless otherwise set forth in this contract. The decision will be in writing and will be final and binding upon the Union, the grieving employee, and the Company.

A request for arbitration shall be valid only if it is in writing, and within the prescribed time period indicated in the appeal from Step 2 of the grievance procedure. If either the Company or the Union makes no such request during such period, both Parties shall be deemed to have waived their right to make such request.

Where a dispute is to be arbitrated and where no arbitrator has otherwise been mutually chosen by the Parties, either the Company or the Union may, but only within twenty-one (21) calendar days from the date of the request to arbitrate, request from the Federal Mediation and Conciliation Service (FMCS) to submit a list of seven (7) names from which an arbitrator may be chosen. If the FMCS has not received the request within twenty-one (21) calendar days from the request to arbitrate, the requesting party shall forfeit the right to arbitrate. The Union and the Company shall alternate striking names from the FMCS list of seven (7), until only one (1) name remains, who will be the Arbitrator. Either party may request a second panel from the FMCS. The other Party shall receive copies of all such correspondence sent to the FMCS. No arbitrator who has not been approved by both Parties shall be appointed by the FMCS unless and until the Parties have had submitted to them three (3) lists of arbitrators from the FMCS panels and have been unable to elect a mutually satisfactory arbitrator there from.

No more than one (1) dispute that may involve one or more employees may be scheduled before any one (1) arbitrator in any one (1) case, except by mutual agreement of the Parties it being understood, however, that the grievances of all employees resulting from the same incident or series of incidents may be submitted to a single arbitrator in one (1) case.

All arbitration hearings hereunder shall be held at dates, times, and places mutually agreed upon by the Parties, but in the event of failure to reach agreement thereon, the disputed date, time, and/or place shall be determined by the arbitrator. The cost of any arbitration shall be borne equally between both Parties.

A transcript shall be made of the proceedings at every arbitration hearing with the original to be furnished to the arbitrator and the cost thereof to be divided equally between the Parties, unless the Union decides not to receive a copy of the transcript in which case the Company will bear all costs. The Party requesting them shall pay the cost of additional copies of the record.

A copy of any document furnished to the arbitrator by either Party shall also be furnished simultaneously to the other Party. If no copy of a document furnished at the hearing is available, a copy will be made and furnished to the other Party as soon as possible, but the other party must be permitted to review the document at the time of the hearing.

Absent specific agreement of the Parties, an arbitrator shall have no authority or jurisdiction to hear any case or to review, revoke, modify or enter any award with respect to any matter involving the interpretation or application of any pension, insurance or other benefits plan referred to by or made a part of this Agreement, or with respect to the establishment, change or administration of any benefit plan; or to make any award requiring payment to an employee for any period more than thirty (30) days prior to the filing of the grievance in question; or in the event of an award of overtime pay for weekly paid hourly employees, for any period more than two months prior to the month in which the grievance is filed; or to compel either Party to produce new evidence (not already presented during the course of the grievance procedure) considered by such Party to be confidential, irrelevant or immaterial to the proceeding, or which is not available.

In the selection of an arbitrator and the conduct of any arbitration proceeding by a FMCS arbitrator, the arbitrator shall have jurisdiction and control of the presiding, and the arbitrator's decision shall be based upon the evidence and testimony presented at the hearing or incorporated into the record of the proceeding via motions, briefs, or other means as agreed by the parties in each arbitration.

The decision of an arbitrator in any arbitration hearing hereunder shall be final and binding upon the Parties to this Agreement, the employee(s) involved in the grievance and the Union representing the bargaining unit in which the grievance arose; provided however, that no arbitrator shall have any authority or jurisdiction to add to, detract from, or in any way alter or abridge the provisions of this Agreement.

ARTICLE 16 – BULLETIN BOARDS

The Company will provide the Union up to six (6) locking bulletin boards at suitable places in the plant as negotiated by the Company and the Union. Notices shall contain nothing political or religious or reflecting upon the Company or any of its employees inside or outside the bargaining unit. All

postings not related to Union business will be subject to the approval of the Human Resources Manager.

ARTICLE 17 – COURT APPEARANCES

Employees serving on jury duty or attending a proceeding of a court or governmental agency in response to a subpoena served on the employee in a case to which the employee is not a party and in which the employee has no direct or indirect interest, shall be paid their regular hourly wage, including any applicable premiums. These paid hours will be counted as time worked for the purpose of computing overtime. No deduction shall be made for amounts received from the court or agency. It is expected that such employees will report for their regular duties when temporarily excused from attendance.

ARTICLE 18 – MILITARY SERVICE

18.1 Military Service:

18.1.1 Employees entering military service will be granted a military leave of absence. The leave of absence will cover the period of National Guard call/up or military service up to a maximum equal to that period of time during which re-employment is required under applicable Federal statutes. A military leave of absence will be considered as continuous employment.

18.1.2 The employee must apply for re-employment within ninety (90) days from the date of honorable discharge (or the termination of the required period of military service). An employee so applying will be reinstated in his former position, or a position in the bargaining unit, which he left on the basis of his seniority under the provisions of this Agreement, providing the employee, complies with the following conditions:

18.1.2.a Application for reinstatement is made within the time period provided above.

18.1.2.b Official discharge papers are presented.

18.1.3 Employees reporting, as provided for in the above provision, who are not qualified to perform the duties of their former position will be given special consideration and local Management will endeavor to place them in suitable jobs.

18.1.4 An employee so reinstated will be entitled to participate in insurance and other benefits on the same basis as other employees returning from leave of absence.

18.1.5 Vacation/Paid Time Off eligibility for employees returning from military leave of absence will be re-established on the basis of the Accumulated Service of the employee on the date he returns to the active roll; however, vacation/Paid Time Off payment will not be granted until the employee has been on the active roll thirty (30) days following his return from military leave of absence. In any

event, the employee will receive the vacation/Paid Time Off for which he is eligible in that calendar year.

18.2 Annual Military Field Encampment:

18.2.1 Employees required to attend annual military encampments to discharge their National Guard or Reserve obligations will be reimbursed in accordance with the following conditions:

18.2.1.a Reimbursement will be limited to a maximum period of twenty-three (23) calendar days (not to exceed fifteen (15) working days, excluding holidays for which the employee receives payment) during any one calendar year.

18.2.1.b Reimbursement, if any, will be the difference between the employee's normal straight time earnings and the total amount he receives for service pay from the Federal or State Government. In calculating the amount of difference to be paid by the Company, only that portion of military pay corresponding to the employee's regularly scheduled work days will be used. Travel, quarters and subsistence allowances will not be included in determining the amount of compensation received by the employee from the Federal or State Government.

18.2.1.c Normal earnings will be the wage rate of record in effect immediately preceding an encampment period, including shift premium bonus and other applicable premiums.

18.2.1.d No reimbursement of wages shall be made for annual encampment duty during company furlough days or on days that would have been company furlough days.

18.2.1.e Exceptions to provisions in this part (e.g., two military encampments initiated at the request of the U.S. Armed Services within one calendar year) may be discussed between the Union and the Company on a case-by-case basis.

18.3 Ready Reserve or National Guard Alerts:

18.3.1 Employees required to participate in National Guard or Ready Reserve "alerts" taking place during their regular working hours shall be reimbursed for the difference, if any, between their regular straight time earnings and their military earnings (both calculated as provided in Article 18.2.1 above) for such time lost from work during their regularly scheduled working hours, up to a maximum of one hundred sixty (160) hours in any calendar year.

18.3.2 No reimbursement of wages shall be made for such Ready Reserve or National Guard alert duty during company furlough days or on days that would have been company furlough days.

ARTICLE 19 – SECURITY REGULATIONS

The Company has certain obligations in its contract covering government work, which pertain to Site security or Site access. Therefore, if any authorized government agency concerned with the

Company's security or access regulations advises the Company that any employee of the Company, covered by this agreement, is restricted from work on the Site, access to the Site, access to related information or material, the Union will not, after having seen the order, present or prosecute a grievance because the Company acts to restrict such employee from work on the Site, access to the Site or access to related information or material. This Article would not preclude the Union from prosecuting a grievance concerning any action of the Company, which exceeds Department of Energy (DOE) security requirements.

It is further recognized that all members of the Union and the Company are required to comply with all protective security measures. If it is found that this contract or any part of this contract in any way violates security measures which are now in effect, or which may be put into effect later, and the Company and the Union are notified by the proper authority as to the article or articles of the contract in question, negotiations will begin immediately for the purpose of making required changes.

ARTICLE 20 – SAFETY, HEALTH AND ENVIRONMENT

20.1 Safety First: The Company will continue to maintain and direct a safety program and establish policies, rules, and practices to enforce this program. The primary tenet of this program is and will continue to be safe performance of plant activities will have priority over production or throughput. The Company will review modification of this program with the Union.

20.2 Safety, Health and Environment:

20.2.1 Both Parties to this Agreement recognize that employee safety and environmental responsibility are primary considerations in all activities related to project operations.

20.2.2 Processes used to conduct work at the Waste Isolation Pilot Plant will be analyzed using the approved job hazard analysis procedure. Hazards will be identified along with the actions required to mitigate them. Employees are to be briefed on the hazards and actions to mitigate those hazards in prejob briefings.

20.2.3 Both Parties recognize the following as basic tenets of the Safety and Health Program and agree to the following:

20.2.3.a All employees have the right and responsibility to stop work when they identify an issue concerning safety or health.

20.2.3.b Employees who invoke pause, time out, and or stop work have the right to do so without the fear of reprisal. Employees will be allowed to address their concern with the Union, a Union Steward, a USW Safety Representative, or Management.

20.2.3.c All employees with unescorted access to the underground portion of this project can continue to serve as their Miner's Representative as established by regulation. The Company agrees further that a Union-designated person may participate in scheduled compliance visits by mine safety regulatory organizations.

20.2.3.d The policies, practices and criteria defined by the Integrated Safety Management System and ISO 14000 Certification shall govern project safety and environmental programs. The Union recognizes its role in these programs while the Company recognizes its responsibility to maintain Union involvement in the programs.

20.2.3.e Chartered safety committees within the safety program shall include a Union-designated representative within each committee's established charter.

20.2.3.f The Company will provide standard personal protective equipment, working apparel and tools required to assure employee safety in work activity. The Company reserves the right to define such material relative to regulatory requirements, quantity, and cost.

20.2.3.g The Company will provide an Occupational Health Program within its safety program that provides for the occupational health protection of all employees subject to this Agreement. The Company reserves the right to modify the program relative to changes in permits, statute, and regulation. Union personnel will comply with all policies and procedures which implement the Occupational Health Program.

20.2.3.h The Company and Union agree that all employees are responsible for complying with environmental laws and regulations within the scope of their duties and that all employees will comply with their duties and responsibilities within the established Environmental Compliance Program. The Company reserves the right to modify this program relative to regulatory amendments and agrees to notify the Union of such modification if such amendments affect employee duties and responsibilities. The Union agrees to comply with all state and federal regulations.

20.2.3.i The Company agrees to provide all employees subject to this agreement with sufficient training to enable them to perform their assigned work safely in accordance with all federal, state, and local laws and regulations, and applicable permits. The Union agrees to comply with all safety, health and environmental laws and regulations as they apply to their work assignments.

20.2.3.j The Company will pay four (4) full time Health and Safety Representatives. It is expected that the Union Health and Safety Representatives will generate reports for Union Meetings, monitor and resolve safety issues with and for Union membership in conjunction with Union leadership and perform assigned safety functions assigned by Management. If a Health and Safety Representative is not performing the duties of this article in a satisfactory manner, either the Union Leadership or the Safety and Health Manager may initiate discussions to replace the representative. If both parties

agree to replace a representative both parties will work with Human Resources Manager, or designee to determine a replacement process.

20.2.3.k Any USW Safety Representative who wishes to be contacted outside of his regularly scheduled hours for the purpose of addressing Health and Safety concerns will provide the Company up to two (2) numbers by which to be reached. The Union will exempt any USW Safety Representative from overtime tracking against any overtime list when addressing a Health or Safety concern at the Company's request.

20.2.3.l The USW Safety Representative may be requested by the Company to witness activities performed on a workday of a requesting employee. The Union will not process a grievance in relation to the equal distribution of overtime if this momentary schedule change for the USW Safety Representative is less than or equal to one workday and intended to ensure the health and safety of workers.

ARTICLE 21 – STRIKE AND LOCKOUT

During the term of this Agreement, no strikes of any nature and no slowdown or other interruption of or interference with work shall be caused or sanctioned or participated in at Salado Isolation Mining Contractors (SIMCO) by the Union or any of its officers or representatives or any employee covered by this Agreement and no lockouts shall be permitted at Salado Isolation Mining Contractors (SIMCO) by the Company. The Company reserves the right to discipline or discharge employees who violate this provision. The Union reserves the right to arbitrate any such decision.

Prior to legal termination of this Contract, the parties hereto will meet together for the purpose of reaching mutual agreement on arrangements for governing conditions of a strike for the protection of both Parties.

It is agreed that the Union shall not be responsible for any act alleged to constitute breach of this article if it can show that neither the Union nor any of its officers, representatives, committeemen or stewards instigated, authorized, condoned, sanctioned or ratified such (non-sanctioned) strike, and the Union so states in writing at the request of the Company and further that the Union and its officers used every legal means to prevent or terminate such strike.

ARTICLE 22 – GENERAL PROVISIONS

22.1 Manager's Roles with Respect to Plant Work:

22.1.1 A manager, temporary or permanent, shall not perform work regularly performed by employees covered by this Agreement, except for the purpose of training or instructing employees, or cases of emergency or incidental work, or when qualified employees are not available.

22.2 Transportation: The Company will continue to provide transportation to and from the WIPP facility as long as the Department of Energy approves the continuation of such transportation.

22.3 Shutdowns: The Company reserves the right to conduct shutdown(s). Where shutdowns are planned the Company will meet with Union six (6) months prior to the planned shutdown to discuss duration and timeframe. When a shutdown is due to unplanned events that stop production (e.g., waste hoist failure, loss of fire protection, radiological event, fire) for more than (2) two weeks the Company will meet with the Union as soon as practical to discuss potential impacts to the plant and personnel assignments needed to support the work. The Company will ask for support by seniority from qualified personnel necessary to perform the work. In such circumstances, it is recognized that some employees may be requested to work during the shutdown periods. Employees not requested to work will be identified based on seniority and may take paid time off or choose to be furloughed. Employees not requested to work and who are without paid time available will not be compensated by the Company and will be placed on furlough status. For shutdowns lasting less than two (2) weeks it is not anticipated that employees will be required to take time off or be furloughed.

ARTICLE 23 – PENSION

The current terms and level of benefits in the existing pension plan shall remain in effect for the duration of the contract.

ARTICLE 24 – 401 K

The 401(k) plan currently in effect shall remain in effect for the duration of the contract. The Company will match the employee's contribution to the 401(k) plan at the rate of \$0.50 per \$1.00 up to 6%.

ARTICLE 25 – INSURANCE PROGRAMS

The company will continue to provide medical benefits to enrolled personnel at the same or comparable level of benefit. The cost of such benefits will be borne at the same cost share ratio as currently exists 80% paid by the Company and 20% paid by the entire enrolled SIMCO work force.

The parties recognize that implementation of excise tax and penalty provisions of the Affordable Care Act (ACA) may take effect in January 2020 or subsequent years. Implementation of said provisions will dramatically affect the available structure, design, and costs of our medical plan in order to have a plan that is not subject to said provisions if they are implemented. The parties agree to meet beginning no later than June 1, of the year preceding implementation to negotiate if needed, for implementation of a plan on January 1, 2020 or any subsequent year, assuming SIMCO remains the employer at that time, that will avoid the excise tax and penalty provisions of the ACA in the event they are enacted, and/or similar or equivalent provisions enacted under changed, altered, or other regulations, statutes, or laws. In the event such regulations, statutes, or laws are not enacted,

and on condition that SIMCO remains the employer, the Company will continue to provide medical benefits at the same or comparable level of then current benefits through the end of this agreement.

The Parties further agree that in addition to the provisions above, the negotiating committees will meet to review and implement possible benefit plan design changes not later than June 1st each year of this contract in an effort to control benefit cost increases and address any tightened parameters of the ACA or equivalent provisions. Changes must be agreed to by July 20 of each contract year in order to be implemented by January 1 of the following calendar year.

ARTICLE 26 – MODIFICATION

26.1 The Parties acknowledge that all agreements arrived at by them during the negotiations concluded on November 9, 2023 (compensation to be retroactive to August 1, 2023) are set forth herein.

Therefore, except as hereinafter specifically provided in this Article 26, the Company and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated, to bargain collectively with respect to any subject or matter referred to or covered in this Agreement, or with respect to any subjects or matters not specifically referred to or covered in this Agreement which were fully discussed during the negotiation of this Agreement.

26.2 Except as herein before provided in this Article 26, the Company and the Union agree that neither of them will request consideration of any proposed changes in or additions to this Agreement, including any general wage or salary adjustments before June 1, 2027. If this Agreement continues in effect for any subsequent contract term or terms beginning on or after August 1, 2027, the provisions of the last sentence above shall apply (substituting the year to which this Agreement is renewed for the figures 2027 wherever they appear). When any such request is received, a conference will take place within fifteen (15) days for the purpose of considering it.

If the Parties do not reach agreement by midnight July 31, 2027, with respect to any requested contractual changes or additions or wage and salary adjustments submitted on or after June 1, 2027, or if the Parties do not reach agreement prior to the end of any subsequent contract term, with respect to any requested contractual changes or additions or wage and salary adjustments submitted on or after June 1 of such subsequent term, the Union may strike after the beginning of the next succeeding contract term in support of any such requests made by it. Either Party may, upon not less than one (1) day's written notice given to the other during such strike, thereupon terminate this Agreement.

ARTICLE 27 – TERMINATION

This Agreement shall become effective November 9, 2023, and shall continue in effect until midnight July 31, 2027, and shall continue and remain in full force and effect from year to year thereafter (such

period ending July 31, and such succeeding periods of one year being sometimes referred to herein as a "contract term"), unless either Party notifies the other in writing, not more than sixty (60) days nor less than thirty (30) days prior to the expiration date, that a discontinuance or modification is desired. In the event of such notification negotiations between the Parties shall begin within fifteen (15) days following such notification unless otherwise mutually agreed by the Parties. If pursuant to such notification, an agreement or renewal of modification is not reached prior to the current expiration date, this Agreement shall expire at such expiration date unless it is extended for a specified period by mutual agreement of the Parties. Neither Party shall attempt to cancel or terminate this Agreement on the claim that the other Party has violated it except after notice to the other Party calling for arbitration of the question as to whether or not there has been a sufficient violation to justify such action and an award by the arbitrator after hearing that there has been such a violation.

ARTICLE 28 – NOTICES

Notices herein provided shall be given by certified mail addressed respectively as follows:

USW Local Union

USW LOCAL No 12-9477

P.O. Box 402

Carlsbad, NM 88221

USW District Office

USW District 12

1700 Hudson Street

Suite 204

Longview, WA 98632

The Company

Salado Isolation Mining Contractors LLC

Human Resources

Waste Isolation Pilot Plant

Human Resources Manager

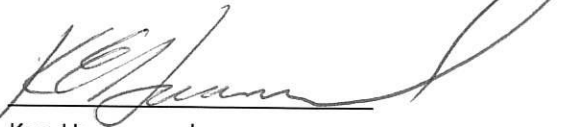
P.O. Box 2078 Carlsbad NM 88221

IN WITNESS WHEREOF, the parties hereto have set their hands.

Approved this 16 day of Nov, 2023.

FOR THE COMPANY

Salado Isolation Mining Contractors, LLC



Ken Harrawood
President and Project Manager



Denis Asay
Human Resources Manager



Morgan Greer
Legal Counsel



Jaime Balencia
Labor Relations Manager/
Negotiating Committee Member



William Beeman
Negotiating Committee Member



Kenneth Padilla
Negotiating Committee Member



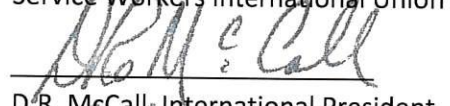
David Ripley
Negotiating Committee Member



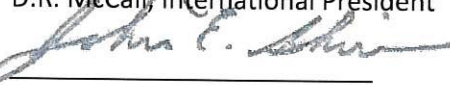
Jared Sorensen
Negotiating Committee Member

FOR THE UNION

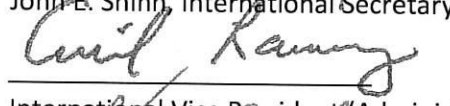
United Steel, Paper and Forestry, Rubber,
Manufacturing, Energy, Allied-Industrial and
Service Workers International Union



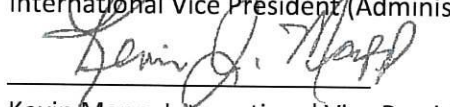
D.R. McCall, International President



John E. Shinn, International Secretary/Treasurer



Kevin Mapp, International Vice President
(Human Affairs)



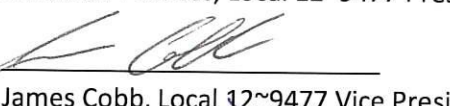
Gaylan Prescott, Director, District 12




Fernando Terrazas, Jr., Sub-District Director,
Sub2



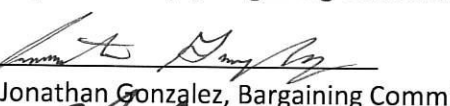
Jonathan Fuentes, Local 12~9477 President



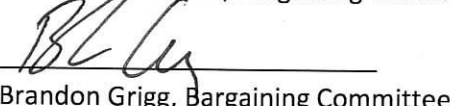
James Cobb, Local 12~9477 Vice President



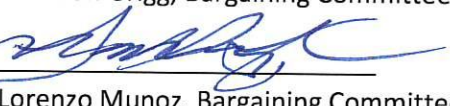
Raymond Anaya, Bargaining Committee



Jonathan Gonzalez, Bargaining Committee



Brandon Grigg, Bargaining Committee



Lorenzo Munoz, Bargaining Committee

APPENDIX A – WAGE ADJUSTMENTS

The following general guidelines apply for the wage schedules shown below, which are applicable for the duration of this agreement:

Personnel will remain in the training rate of pay until qualified as specified per the defined training program.

Personnel will return to the training rate when bidding into a different progression or upon failure to complete or maintain qualifications.

The following wage schedule will be implemented on the effective date of the contract. New wage schedules for the successive years will be implemented at twelve (12) month intervals.

Training wages will be frozen at their current rate for the duration of this contract. If a Trainee cannot progress to the standard rate due to a board exam cancellation, the trainee will retroactively be paid the higher rate upon successful completion of the applicable board exam.

A \$1.00 per hour differential will be paid to Hoisting Standard employees who are qualified on the Waste Shaft Hoist, the Salt Shaft Hoist, and the Air Intake Shaft Hoist. Personnel hired after February 20, 2020, will be required to complete the training and qualifications for the Waste Shaft Hoist, Salt Shaft Hoist and the Air Intake Shaft Hoist.

\$2.00 per hour will be added to the base rate to any employee for hours worked in the WIPP underground. Article 7.6.2 will not apply to the assignment of personnel to the WIPP underground.

A \$1.00 per hour differential will be paid to TRUPACT III qualified employees (i.e., Waste Handling and Radiological Control) for hours worked processing TRUPACT III.

\$2.00 per hour will be added to the base rate of the personnel who physically wear a respirator in a radiological area. The additional compensation will be as follows:

- Personnel who wear a respirator in a radiologically contaminated area one time/jump per shift will be paid one-half of a scheduled shift.
- Personnel who wear a respirator in a radiologically contaminated area two times/jumps per shift or personnel who wear a respirator in a radiologically contaminated area for four or more hours will be paid for the entire shift.

A \$2.00 per hour differential will be paid to qualified Level 1 employees. Qualifications, number of Level 1 employees, and assignment of eligible Level 1 employees shall be determined by Management. Any disputes on selection will be taken to Labor Management Meetings to be resolved.

A \$1.00 per hour differential will be paid to Senior Radiological Control Technicians who are fully qualified with two years' experience limited to two (2) employees per shift.

A \$1.00 per hour differential will be paid to Facility Operations and Maintenance personnel who provide support for the 700C fan and SSCVS during their shift limited to two (2) employees per shift.

A \$1.00 per hour differential will be paid to Geotechnical Engineering Technicians personnel who provide support for fabrication and installation of Geomechanical instrumentation in the WIPP underground.

A \$1.00 per hour differential will be paid to fully qualified Mining Operator employees. Necessary qualifications include but are not limited to the following: Diesel Forklift, Electric Forklift, Equipment Spotter, Scissor Lift, LHD, Haul Truck, Lift Truck (GETMAN), Kubota, Skidsteer, Skidsteer Planner, Diesel Bolter, Hybrid Bolter, Tiger, Gator Sprayer, Spad Gun, and all Continuous Miners.

A \$1.00 per hour differential will be paid to fully qualified Firefighter III employees who possess a valid NM Paramedic EMT License.

Personnel in the U/G Plant Helper, Hoisting, Shaft Tender, Mining Ops, Shaft and Openings Maintenance, Surface Fac Ops, U/G Fac Ops, Waste Handling, Firefighter I, Firefighter II, Firefighter III, Radiological Control, Instrumentation and Control, Mechanic, Electrician, Engineering Tech, QA Tech, Safety Representative classifications will complete and maintain training and qualifications for respirator use required to enter radiologically contaminated areas, unless medically exempted. The minimum number of personnel required in each classification to maintain training and qualifications for respirator use in a radiologically contaminated area will be determined by mutual agreement. Each work group will determine by rotation a fair method for assigning personnel work requiring the use of a respirator in a radiologically contaminated area. Use of the overtime list will take precedence over the work group rotation or other means of assigning overtime work requiring a respirator. New hires and the personnel hired since the February 14, 2014, will be required to meet the training and qualifications for work in a radiologically contaminated area.

The wage schedule reflects an increase of 5% for the first contract year, 5% for the second contract year, 5% for the third contract year, and 2.5% for the fourth contract year rounded to the nearest penny.

Retro pay from August 1, 2023, will be paid to date of ratification.

SIMCO JOB TITLE	CODE	5.00% 2023	5.00% 2024	5.00% 2025	2.50% 2026
Plant Helper II	4	\$34.01	\$35.71	\$37.50	\$38.44
Plant Helper I	3	\$32.03	\$33.63	\$35.31	\$36.19
Hoisting – Standard	12	\$45.42	\$47.69	\$50.08	\$51.33
Hoisting – Trainee	10T	\$40.96	\$40.96	\$40.96	\$40.96
Shaft Tender – Standard	10	\$43.01	\$45.16	\$47.42	\$48.61
Shaft Tender – Trainee	7T	\$36.86	\$36.86	\$36.86	\$36.86
Mining Ops. – Standard	10	\$43.01	\$45.16	\$47.42	\$48.61
Mining Ops. – Trainee	7T	\$36.86	\$36.86	\$36.86	\$36.86
Shaft & Open. Maint. – Standard	11	\$44.04	\$46.24	\$48.55	\$49.76
Shaft & Open. Maint. – Trainee	8T	\$37.74	\$37.74	\$37.74	\$37.74
Surf. Fac. Ops. – Standard	12	\$45.42	\$47.69	\$50.08	\$51.33
Surf. Fac. Ops. – Trainee	9T	\$38.94	\$38.94	\$38.94	\$38.94
UG Fac. Ops. – Standard	10	\$43.01	\$45.16	\$47.42	\$48.61
UG Fac. Ops. – Trainee	7T	\$36.86	\$36.86	\$36.86	\$36.86
Waste Handling – Standard	12	\$45.42	\$47.69	\$50.08	\$51.33
Waste Handling – Trainee	9T	\$38.94	\$38.94	\$38.94	\$38.94
FF III / FF III - Paramedic	12	\$45.42	\$47.69	\$50.08	\$51.33
FF II	10	\$43.01	\$45.16	\$47.42	\$48.61
FF I	6	\$38.19	\$40.10	\$42.11	\$43.16
ES&H – Standard	10	\$43.01	\$45.16	\$47.42	\$48.61
ES&H – Trainee	7T	\$36.86	\$36.86	\$36.86	\$36.86
Radiological – Standard	12	\$45.42	\$47.69	\$50.08	\$51.33
Radiological – Trainee	9T	\$38.94	\$38.94	\$38.94	\$38.94
Inst. & Cont. – Standard	11	\$44.04	\$46.24	\$48.55	\$49.76
Inst. & Cont. – Trainee	8T	\$37.74	\$37.74	\$37.74	\$37.74
Mechanic – Standard	11	\$44.04	\$46.24	\$48.55	\$49.76
Mechanic – Trainee	8T	\$37.74	\$37.74	\$37.74	\$37.74
Electrician – Standard	11	\$44.04	\$46.24	\$48.55	\$49.76
Electrician – Trainee	8T	\$37.74	\$37.74	\$37.74	\$37.74
Lab. Tech. – Standard	12	\$45.42	\$47.69	\$50.08	\$51.33
Lab. Tech. – Trainee	9T	\$38.94	\$38.94	\$38.94	\$38.94
Drafter II	10	\$43.01	\$45.16	\$47.42	\$48.61
Drafter I	7	\$38.70	\$40.64	\$42.67	\$43.74
Eng. Tech. – Standard	10	\$43.01	\$45.16	\$47.42	\$48.61
Eng. Tech. – Trainee	7T	\$36.86	\$36.86	\$36.86	\$36.86
Q.A. Tech. – Standard	10	\$43.01	\$45.16	\$47.42	\$48.61
Q.A. Tech. – Trainee	7T	\$36.86	\$36.86	\$36.86	\$36.86
Safety Representative	12	\$45.42	\$47.69	\$50.08	\$51.33

APPENDIX B – RULES OF CONDUCT AND PROGRESSIVE DISCIPLINE PROCESS

There are certain rules which govern our conduct as employees, just as there are laws governing us as citizens in the community in which we live or as members of clubs to which we belong. These rules are designed to aid in maintaining a safe and desirable place to work. They are provided for your general information and to assure uniform and fair administration of disciplinary action if ever it is necessary. You will be expected to abide by these rules.

We realize that certain types of misconduct, such as absence, for example, may arise out of personal problems. While such circumstances cannot excuse misconduct, employees are encouraged to discuss such problems with their managers before misconduct occurs so that they may get help or have questions answered. This may help you to avoid a disciplinary situation.

The following outlines many areas of behavior which are not in the best interest of this company or its employees. It is not an all-inclusive list. Any disciplinary action will, of course, be based on the facts and circumstances in each specific case as well as the total record of the employee(s) involved.

Type A: The record of discipline imposed upon an employee found to be in violation of a Type A work rule shall remain a matter of record when considering any subsequent work rule violation, regardless of type, for a period of eighteen (18) months after the issuance of the original discipline. After that time, the prior record of discipline will not be considered in the administration of future discipline.

Any of the following types of misconduct by an employee is considered inexcusable and may result in immediate discharge:

1. Willful damage to, misappropriation of, or misuse of government property, company property, or property of another employee, a contractor, a vendor or a customer.
2. Taking, diverting, receiving or possessing, without authorization, goods, materials, equipment or other property belonging to the government, the company, another employee, a contractor, a vendor or a customer.
3. Fighting, assault, or other disorderly conduct which endangers the safety of a person or property.
4. Insubordination, including willful failure to carry out definite instructions or assignments (including those from Security Officers.)
5. Willful hampering of work or production.
6. Misrepresentation and/or falsification of records or reports, documents or other information required by or concerning the company.
7. Possessing, passing or using weapons, incendiary devices or explosives or conspiring or attempting to do so.
8. Reporting to work or being at work under the influence, possessing, consuming, soliciting, passing or dealing (or conspiring to do so) an intoxicant, narcotic, hallucinogen, depressant, stimulant or other such drug on company property or during work time. (Use of drugs prescribed by a physician must be reported to Health Services or the company doctor, depending on your work location, to determine work restrictions, if any, of an intoxicant, narcotic, hallucinogen, depressant, stimulant or other such drug.)

9. Immoral or obscene conduct.
10. Sleeping during working hours.
11. Organizing, operating, conducting or participating in gambling activities.
With respect to (a) distribution to employees, or (b) solicitation of employees for membership or in support of petitions, applications, payroll deduction authorizations, membership cards, commercial circulars or other literature of any person or organization (such as commercial, political, religious or other similar nature) or on behalf of a labor union, the following rules apply: (a) Distribution of any literature or any material in work areas is totally prohibited. (b) Solicitation in either work or non-work areas is totally prohibited where either the employee soliciting, or the employee being solicited is supposed to be working and not off the clock or on a break or meal period.
12. Using another employee's badge or pass or permitting another employee to use his/her badge or pass to enter the facility or for time recording.
13. Unreported absence of three (3) or more consecutive workdays.
14. Engaging in employment or business practices which are illegal, unethical or in conflict with the business interests of the company.
15. Failure to observe rules and practices or take reasonable measures to safeguard classified government information, Official Use Only ("OUO") or proprietary company information.
16. Sexual or any type of harassment.
17. Criminal conduct on company premises or assignment, or failure to notify employer of any criminal drug statute conviction for a violation occurring in the workplace or criminal conduct outside company premise and assignment which adversely impacts the workplace or the company image.
18. Failure to pass a substance abuse screening test, or refusal to submit to such a test when properly directed to do so.
19. Deliberate violation of established safety, radiation control, or configuration control standards.

Type B: The record of discipline imposed upon an employee found to be in violation of a Type B work rule shall remain a matter of record when considering any subsequent work rule violation, regardless of type, for a period of twelve (12) months after the issuance of the original discipline. After that time, the prior record of discipline will not be considered in the administration of future discipline.

Any of the following types of misconduct by an employee is not to be tolerated. The first of such acts may result in three days off without pay. The second act of misconduct, not necessarily the same type of misconduct, may result in discharge:

1. Careless waste of materials or abuse of tools or equipment, product, or other property.
2. Producing defective work through carelessness or negligence or concealing defective work.
3. Playing of pranks or "horseplay." (Pranks or horseplay causing injury or property damage may result in discharge.)
4. Disorderly conduct.
5. Abusive or threatening language or conduct.

Type C: The record of discipline imposed upon an employee found to be in violation of a Type C work rule shall remain a matter of record when considering any subsequent work rule violation, regardless of type, for a period of six (6) months after the issuance of the original discipline. After that time, the prior record of discipline will not be considered in the administration of future discipline.

Any of the following types of misconduct by an employee is considered a serious offense. The first of such acts may result in a written warning. The second offense, not necessarily the same type of misconduct, may result in three (3) days off without pay. Any further misconduct of the type shown below, but not necessarily the same type of offense, may result in discharge.

1. Absence from workstation or department without permission or satisfactory reasons.
2. Loitering or loafing.
3. Leaving the job or work area before the end of shift or prior to lunch period without authorization or satisfactory reason.
4. Failure to promptly report on the job personal injury to the manager and Health Services on the day it occurs.
5. Failure to promptly report accident/incident resulting in damage to materials, equipment, property, or injury to personnel.
6. Violation of health and safety rules and practices, including smoking in prohibited areas, failing to wear designated safety apparel, and improper operation of vehicles on company premises.
7. Posting unauthorized notices, defacing walls or tampering with bulletin boards.
8. Excessive absence or tardiness regardless of cause.
9. Eating in other than designated areas.
10. Possession of cameras or the taking of photographs on government property without authorization.

APPENDIX C – MINIMUM ENTRY REQUIREMENTS

The following are the minimum requirements for all current bargaining unit positions. The education and experience levels may be amended on a case-by-case basis to meet plant needs upon mutual agreement between the Union and the Company. The amended education and experience levels will be reposted in accordance with Company policy.

Plant Helper

EDUCATION: High school graduate or Equivalency

EXPERIENCE: None

Plant Helper II

EDUCATION: High School graduate or Equivalency

EXPERIENCE: All qualifications in Qualified Watchstander List (QWL) have been met and are maintained along with a CDL.

Hoisting

EDUCATION: High school graduate or Equivalency

EXPERIENCE: Two (2) years working shafts or combined experience working around shafts and operating cranes.

Shaft Tender

EDUCATION: High school graduate or Equivalency

EXPERIENCE: One (1) year of underground, construction, mining, or laborer role experience.

Mining Ops

EDUCATION: High school graduate or Equivalency

EXPERIENCE: One and one half (1-1/2) years industrial experience such as operating, mining, and/or construction equipment.

Shaft and Openings Maintenance

EDUCATION: High school graduate or Equivalency

EXPERIENCE: Shaft Crew: One (1) year experience working in and around shafts.

EXPERIENCE: Fabrication/Bulkhead Crew: One (1) year of welding experience with demonstrated knowledge/proficiency of Acetylene cutting and Arc welding.

Surface Fac Ops

EDUCATION: High school graduate or Equivalency

EXPERIENCE: One (1) year of operating experience.

U/G Fac Ops

EDUCATION: High school graduate or Equivalency

EXPERIENCE: One (1) year of operating experience

Waste Handling

EDUCATION: High school graduate or Equivalency

EXPERIENCE: Remote Handled (RH): One (1) year equipment operating experience and one (1) year nuclear or hazardous waste operations, or similar prior work experience.

EXPERIENCE: Contact Handled (CH): One (1) year equipment operating experience and one (1) year nuclear or hazardous waste operations, or similar prior work experience.

Firefighter I

EDUCATION: High school graduate or Equivalency

EXPERIENCE: Candidate must possess a current NM EMT license or current out of state EMT license/National Registry Certification eligible for NM reciprocity. NM EMT license shall be obtained within one (1) year and possess the minimum National Fire Protection Association (NFPA) 1081 Fire Certification.

Firefighter II

EDUCATION: High school graduate or Equivalency

EXPERIENCE: Candidate must possess a current NM EMT-Basic License or current out of state EMT license/National Registry Certification eligible for NM reciprocity. NM EMT-Basic License shall be obtained within one (1) year and possess the minimum National Fire Protection Association (NFPA) 1081 Fire Certification.

Firefighter III

EDUCATION: High school graduate or Equivalency

EXPERIENCE: Candidate must possess a current NM EMT-Intermediate/Advanced License or current out of state EMT-license/National Registry Certification eligible for NM reciprocity. NM EMT-Intermediate/Advanced license shall be obtained within one (1) year and possess the minimum National Fire Protection Association (NFPA) 1081 Fire Certification.

Firefighter III/Paramedic

EDUCATION: High School graduate or Equivalency

EXPERIENCE: Candidate must possess a current NM EMT Paramedic License or current out of state EMT-Paramedic License/National Registry Certification eligible for NM reciprocity. NM EMT-Paramedic License shall be obtained within one (1) year and possess the minimum National Fire Protection Association (NFPA) 1081 Fire Certification.

ES&H

EDUCATION: High school graduate or Equivalency

EXPERIENCE: One (1) year Site experience.

Radiological

EDUCATION: High school graduate or Equivalency and successful completion of a competency test in mathematics (algebra) and physical sciences (chemistry and physics).

EXPERIENCE: One (1) year nuclear operations experience.

Instrumentation and Control

EDUCATION: High school graduate or Equivalency

EXPERIENCE: Three (3) years of relevant electronics and pneumatics or I&C. Completion of ITTP or equivalent I&C training will meet the three (3) years' experience.

Mechanic

EDUCATION: High school graduate or Equivalency

EXPERIENCE: Four (4) years of relevant mechanical maintenance experience in a commercial or industrial environment is required or four (4) years of industrial maintenance training/education.

Electrician

EDUCATION: High school graduate or Equivalency

EXPERIENCE: Five (5) years of relevant electrical maintenance experience in a commercial or industrial environment is required or five years of industrial electrical training/education.

Lab Tech

EDUCATION: High school graduate or Equivalency

EXPERIENCE: None.

Drafter

EDUCATION: High school graduate or Equivalency and one (1) year's training with computer aided drafting or demonstrated proficiency.

EXPERIENCE: None.

Engineering Tech

EDUCATION: High school graduate or Equivalency

EXPERIENCE: Metrology and Tool Crib: None

EXPERIENCE: Geotechnical: Two (2) years underground experience.

Surveyor: Two (2) years underground experience with successful completion of a competency test in basic math.

QA Tech

EDUCATION: High school graduate or Equivalency

EXPERIENCE: Documentation from previous employer or a training or educational institution that validates weld inspection training and experience, dimensioning skills ability to meet required vision requirements.

Safety Rep

EDUCATION: High School or Equivalency

EXPERIENCE: Current USW member.

Memorandum of Understanding

Absences and Tardiness

The following guidelines are established for the control of absenteeism and tardiness and include the prescribed discipline as agreed to between the United Steelworkers Local 12-9477 and Salado Isolation Mining Contractors, LLC.

Employees who have accrued hours of unpaid time for absences from scheduled work or are tardy when reporting for scheduled work will be subject to discipline as prescribed below:

ABSENTEEISM

- | | |
|--|---------------------------------------|
| 1. First ten (10) hours of unpaid time per year | Employee Notification |
| 2. Hours absent greater/equal to one scheduled shift | Verbal Warning to Employee/Union |
| 3. Hours absent greater/equal to two scheduled shift | Written Warning |
| 4. Hours absent greater/equal to three scheduled shift | Final Warning with Three Day Furlough |
| 5. Hours absent greater/equal to four scheduled shift | Termination |

Unexcused absences will be tracked on a rolling twelve (12) month basis. Absences coded as "F- Unpaid" will be cause for discipline. Unexcused absences for the purpose of this MOU are defined as:

- Failure to request leave and report for scheduled shift (i.e., "No Call, No Show")
- Failure to report to their scheduled shift for which leave has been denied.
- Failure to notify Management of the need to be tardy and arriving one (1) hour after scheduled start time.

*The first ten (10) hours of unpaid time WILL NOT be cause for discipline, as indicated above, but WILL DISQUALIFY you from the incentive program described below.

Per Article 12 of the Collective Bargaining Agreement and PTO Memorandum of Understanding, all Employees must exhaust all PTO/Vacation/Sick and Personal time prior to seeking unpaid time absent from work, with the exception of Union Leave and Shutdowns. All unpaid time off must have prior approval from both Management and Human Resources. Hardship exceptions will be discussed between Management and the Union on a case-by-case basis.

Tardies. Tardies will be tracked on a rolling twelve (12) month basis. Tardies for the purpose of this MOU are defined as an employee who reports for work any time after the designated start time with or without prior notification to his/her manager. Tardies coded as "Unexcused Tardy " will be cause for discipline.

- i. WITH Notification: If an employee reports to work, any time after one (1) hour with prior notification to their manager, it will be considered tardy for discipline purposes.
- ii. WITHOUT Notification: If an employee reports to work, any time after one (1) hour without prior notification to their manager, it will be considered an unexcused absence for discipline purposes.

Employees who are tardy when reporting for scheduled work will be subject to discipline as prescribed below:

1. Tardy for scheduled work one time	Employee Notification
2. Tardy for scheduled work two times	Verbal Warning to Employee/Union
3. Tardy for scheduled work four times	Written Warning
4. Tardy for scheduled work six times	Final Warning with Three Day Furlough
5. Tardy for scheduled work eight times	Termination

*The first time an employee is tardy for scheduled work WILL NOT be cause for discipline or disqualification from the incentive program described below.

*Any unexcused/tardy coded and approved by Management as PTO will not be cause for discipline.

*New employees will not participate in the Attendance and Tardy Policy, nor will they receive incentive hours for the first thirty (30) days of employment.

Incentive Program for Additional Sickness/Personal Leave

Employees working all scheduled shifts and reporting to their workstations prepared to work at their scheduled starting time will become eligible for an additional time off incentive earned on a quarterly basis. Earned incentive will become part of the Paid Time Off program as prescribed in Article 12 of the Current Collective Bargaining Agreement and part of the Memorandum of Understanding regarding Paid Time Off. The following stipulations apply to the incentive program:

- Defined incidents of unpaid absence and/or tardiness as described on Page 1 above will disqualify employees from earning the incentive during any calendar quarter.
- A multiplier of .010 will be applied to all straight time hours worked during any calendar quarter.
- A multiplier of .020 will be applied to all overtime hours worked during any calendar quarter.
- All hours that become products of the aforementioned multipliers will be credited to the bank of Sickness/Personal Business time or PTO for each employee. For example, an employee working 500 straight time hours during a quarter will earn (5) additional Sick and Personal Business/PTO hours ($500 \times .010 = 5$). Should they work 50 hours of overtime during a quarter, an additional (1.0) hours of Sick and Personal Business/PTO hours would be earned ($50 \times .020$). Therefore, in this example the employee would have earned six 6.0 additional hours of paid time for incurring no unpaid Absences or Tardies.
- Sickness/Personal Business or PTO hours earned under this incentive program may be used or banked at the employee's option.

*Hours Worked are defined as any hours reported for pay purposes including work time, vacation time, Sickness/Personal Business time, PTO, or any other paid time recorded while not performing work (funeral, jury duty, military, etc.).

Salado Isolation Mining Contractors, LLC

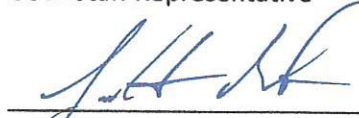


Jaime Balencia
Labor Relations Manager

**United Steel, Paper and Forestry, Rubber,
Manufacturing, Energy, Allied-Industrial and
Service Workers Union (AFL-CIO),**



Fernando Terrazas
USW Staff Representative



Jonathan Fuentes
Local 12-9477, President

MEMORANDUM OF UNDERSTANDING

Paid Time Off

The following understanding was reached between Salado Isolation Mining Contracts, LLC (SIMCO), hereinafter "Company," and United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied-Industrial and Service Workers International Union (AFL-CIO), hereinafter "Union," for and on behalf of Local 12-9477 and all employees to whom it applies.

Beginning January 1, 2024, all USW employees hired on or after January 1, 2024, shall participate in the Paid Time Off (PTO) program as outlined in Article 12 of the Collective Bargaining Agreement.

Beginning January 1, 2024, **all incumbent** USW employees shall continue with the current Vacation and Sick & Personal time outlined in this Memorandum through December 31, 2026.

All USW employees shall participate in the PTO program starting January 1, 2027, as outlined in Article 12 of the Collective Bargaining Agreement. Remaining Sick and Personal (S&P) time on December 31, 2026, will be banked and available for all incumbent USW employees participating in the PTO program beginning January 1, 2027. Vacation time will rollover as determined by service terms up to the maximum allowable on PTO.

Any USW employee may choose to opt into the PTO program during the annual benefits open enrollment period of each year through 2026.

1. SICKNESS AND PERSONAL BUSINESS

1.1 An hourly paid employee with one (1) or more years of service as an employee of SIMCO or its predecessor companies, who is; (1) absent from work because of personal illness for which weekly disability benefits are not payable under Workmen's Compensation; (2) absent from work, with approval of local Management, because of personal business; or (3) absent from work because of Management's decision to furlough, other than disciplinary suspension or furlough resulting from disciplinary action to other employees, or slowdowns, or any other form of work stoppage in the plant, may receive pay for each full day of such absence, up to sixty-four (64) hours in the calendar year.

1.2 Sick leave will be administered as follows:

1.2.a Employees must notify Management of the need to use Sick leave as soon as practicable but no later than one (1) hour prior to start of their shift. When possible, employees request for use of Sick leave must include the expected duration of the sick leave. Employees on approved disability will not be charged with unexcused absences.

1.3 Personal absences will be administered as follows:

1.3.a Employees must request Personal hours no later than middle of shift prior to the expected absence, except in the case of an emergency (e.g., medical; accident; mechanical/utility failure).

1.3.b Employees may be denied Personal hours due to critical business reasons as determined by Management.

1.3.c Employees who do not report to their scheduled shift for which the leave was denied will be charged with an unexcused absence.

1.3.d When more than one employee has requested Personal hours for the same time periods and Management cannot approve all employees, priority will be given to employee with the most Classification Seniority.

1.4 All hourly paid employees returning from leave of absence who are otherwise eligible to receive such pay and who have completed thirty (30) days continuous employment immediately preceding the day or days of absence will be paid for their established shift hours if the absence is of a type described in paragraph 1.1 above.

1.5 Payment will be made for absence during the employee's established workweek and will be paid on the basis of how many total hours of compensation to which the employee is entitled. In all cases, such payment shall be calculated on base rate of pay and shall not include overtime premium payments.

An employee who has any unused benefits under this Article remaining at the end of calendar year, and each calendar year thereafter, may have such unused benefits, up to a maximum of forty-five (45) days (450 hours), carried forward to the following calendar year for use in the event of absences if the absence is of a type described in Article 1.1 above. Employees who have been laid off and who are returned to the active roll in the same calendar year, or the following year are entitled, effective upon reinstatement to the active roll, to all unused benefits earned under this Article up to the date they were placed on the inactive roll. Upon resignation, retirement from or death while on the active or disability rolls of the Company, an employee or his beneficiary will be paid for a maximum of forty-five (45) days (450 hours) of benefits accumulated under this paragraph and which are unused as of the employee's last day of work.

1.6 Reimbursement under this Paragraph will not be made for any time during which the employee receives any other type of monetary benefit from the Company with the exception of employees paid Accident and Sickness Benefit.

1.7 Employees eligible to receive pay under this article may take Sick and Personal time in one tenth (0.1) hour increments.

1.8 Employees must exhaust all Sick and Personal time prior to seeking unpaid time absent from work, with the exception of Union leave and Shutdowns. Unpaid time absent from work must be approved by both Management and Human Resources.

1.9 Employees who have not accrued one year of service may borrow against their first-year accrual of Sick and Personal Business bank under exceptional circumstances (i.e., FMLA qualifying events). Approval of such circumstances requires consultation with their immediate manager and Human Resources.

VACATION

2.1 Vacation: The vacation year will be a calendar year. Prior to the last business day of the previous calendar year, employees shall establish their vacation schedule for the upcoming year's vacation, so it does not exceed the maximum vacation carryover. Management will approve or deny requests of all

employees entitled to vacation for the purpose of establishing the schedule for vacations. The Company shall attempt to accommodate the wishes of employees, subject to the needs of the business. If scheduling conflicts between employees arise, Classification Seniority will prevail. The Union and Company will discuss deviations to the established schedule necessitated by unforeseen circumstances on a case-by-case basis.

2.2 Employees are encouraged to schedule and take all allotted vacation time. However, if this is not feasible, up to 240 hours of accumulated vacation can be banked for use in a future year.

2.3 When an employee is removed from the active roll for any reason including layoffs, payment for all unused vacation will be made if the employee has become eligible for vacation.

2.4 Vacation Vesting and Pay:

2.4.1 An employee on the active roll who has completed at least thirty (30) days continuous employment immediately preceding the close of business of the calendar year immediately prior to the beginning of the vacation year, shall be entitled to that vacation in the vacation year for which he has become eligible at such close of business.

2.4.2 An employee who is on the active roll and who has completed at least thirty (30) days continuous employment at the close of business on his last working day immediately preceding the time of starting his vacation shall be entitled to such additional (or initial) vacation for which he has become eligible at such close of business.

2.4.3 For vacation purposes only, continuous employment is interrupted only when an employee's name is removed from the active roll, except that in case the removal is the result of disability, such removal does not interrupt continuous employment unless and until the employee's name has been removed from the active roll for one (1) year.

2.4.4 The Company will grant vacations to employees meeting the requirement of thirty (30) days continuous employment described above effective January 1, 2020, as follows:

2.4.4.a 30 days of accumulated length of service but less than one (1) year – 40 hours.

2.4.4.b One (1) year accumulated length of service but less than five (5) years – 80 hours.

2.4.4.c Five (5) years accumulated length of service but less than ten (10) years – 120 hours.

2.4.4.d Ten (10) years accumulated length of service but less than twenty (20) years – 160 hours.

2.4.4.e Twenty (20) years accumulated length of service but less than thirty (30) years – 200 hours.

2.4.4.f Thirty (30) years or more accumulated length of service – 240 hours.

2.5 Payment will be made for vacation time during the employee's established workweek and will be paid on the basis of how many total hours of vacation the employee has expended. In all cases, such payment shall be calculated on base rate of pay and shall not include overtime premiums.

2.6 Employees eligible to receive pay under this article may take vacation time in one tenth (0.1) hour increments.

Salado Isolation Mining Contractors, LLC

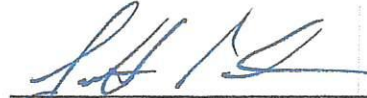


Jaime Balencia
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USW Staff Representative



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MEMORANDUM OF UNDERSTANDING

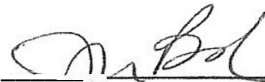
Time Clocks

The following understanding was reached between Salado Isolation Mining Contracts, LLC (SIMCO), hereinafter "Company," and United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied-Industrial and Service Workers International Union (AFL-CIO), hereinafter "Union," for and on behalf of Local 12-9477 and all employees to whom it applies.

The Company and the Union agree to work together and negotiate the implementation of time clocks at the WIPP Site. Until the time clocks can be implemented, both Parties agree that the following policy will be instituted below:

Approval of Timesheets for Hours Worked. Employees are expected to badge into the worksite at or before the start of their scheduled shift. Prior to approval of employee timesheets, Management may review the employee's recorded time with the badging information to ensure the accuracy of the employee's timesheet. For payroll and timesheet purposes, time will be tracked using six (6) minute intervals. Employees shall not receive any extra payment for any intervals before the start of or after the end of their scheduled shift. Any arrivals after the first six-minute interval or departures before the last six-minute interval must be accounted for and coded as either "Vacation", "Sick/Personal", "PTO", "Unexcused Tardy", or "Unpaid." Management may discuss any discrepancies between the employee's timesheet and the badging time to ensure that all timesheets are accurate before approval. This process will only be used for the current work week. All prior week's previously approved timesheets are not subject to this process. This practice is used solely for the purpose of current work week corrections and is not to be used for any disciplinary measures.

Salado Isolation Mining Contractors, LLC

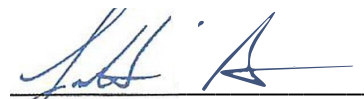


Jaime Balencia
Labor Relations Manager

**United Steel, Paper and Forestry, Rubber,
Manufacturing, Energy, Allied-Industrial and
Service Workers Union (AFL-CIO),**



Fernando Terrazas
USW Staff Representative



Jonathan Fuentes
Local 12-9477, President