Collective Bargaining Agreement

Between

SBM Management Services

And

International Association of Machinists and Aerospace Workers, AFL-CIO



District Lodge 725 Local 2228 Sunnyvale, CA.

November 18, 2021 – November 17, 2024

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PREAMBLE

This Agreement is made and entered into November 18th, 2021 by and between SBM Management Services, LP (Hereinafter referred to as the Company) and the International Association of Machinists and Aerospace Workers, District Lodge 725 and Local Lodge 2228 (hereafter referred to as the Union) with respect to work performed at the Lockheed Martin Space Company in Sunnyvale and Palo Alto, California.

ARTICLE 1. - INTENT AND PURPOSE

In setting forth certain provisions pertaining to wages, hours of work and working conditions, the Company and the Union have agreed to cooperate in establishing and maintaining a harmonious relationship and have provided procedures for the peaceful settlement of all grievances that may arise.

ARTICLE 2. – RECOGNITION

The Company herein recognizes the Union as the sole and exclusive bargaining agent for the purpose of collective bargaining with respect to rates of pay, wages, and hours of employment and other conditions pertaining to employment for all of the employees in the bargaining unit hereinafter set forth.

ARTICLE 3. – BARGAINING UNIT

The Bargaining Unit shall consist of the following classifications: All full-time and regular part-time Plant Services Workers, Custodians, Clean Room custodians, Floor Technicians performing Custodial services at LM Space Co. including leads employed by the Employer at the LM Space Co. facility located at 1111 Lockheed Martin Way, Sunnyvale, CA 94089, and 3251 Hanover Street, Palo Alto, CA 94304; excluding all other employees, office clerical employees, guards, and supervisors as defined by the Act.

ARTICLE 4. – MANAGEMENT RIGHTS

Except as set forth by a specific provision of this Agreement, the Company reserves and retains all of its normal and inherent rights with respect to the management of the business, including its right to establish policies, practices, and procedures for the conduct of the business; to select and direct the working force; to transfer, promote employees, or to lay off employees for lack of work; to make and enforce reasonable rules for the maintenance of discipline; to suspend, discharge or otherwise discipline employees for just cause; to establish the methods, processes and means of providing services; and otherwise to take such measures as management may determine to be necessary to the orderly, efficient or economical operation of the business. Any claim that the Company has exercised such right and power contrary to the provisions of this Agreement may be taken up as a grievance.

ARTICLE 5. – SENIORITY

- **Section 1.** Seniority of an employee is the length of his continuous service with the Company including time spent with Lockheed Martin.
- a) Where qualifications are equal, it is understood that seniority, defined in Article 5, Section 1, shall govern in the filling of vacancies and the assignment of shifts.
- b) When vacancies occur in any job covered by the Agreement, the Company shall post notice of such vacancies for a period of seven (7) calendar days. The Company will give full consideration to those senior employees within the bargaining unit who are qualified for the vacant position and who have signed said posted notice prior to hiring outside applicants.
- c) Employees transferring into the bargaining unit, will retain their Company date of hire for vacation and fringe benefit purposes only, but their union seniority date will be their date of transfer into the bargaining unit.
- **Section 2.** In cases of layoff, the employee with the least seniority shall be laid off first. The Company shall notify affected employees as soon as the facts are known to the Company of upcoming layoffs. The Company will notify the Union of any layoff.
- **Section 3.** An employee shall lose his seniority and his continuous employment shall be broken for the following reasons:
 - a) Resignation.
 - b) Discharge for just cause.
 - c) Layoff in excess of twenty-four (24) months.
 - d) Failure to return to work at the expiration of a leave of absence.
 - e) Failure to return to work after being recalled. If the employee being recalled is currently employed by another employer, the employee may be allowed, at the Company's sole discretion, to give a courtesy two weeks of notice to the other employer before being required to return to work.
 - f) Absence (no call no show) of three work days within a two-week period without reporting to the Company, unless it is later proven that the employee was incapacitated by a medical emergency and unable to contact the employer by phone due to circumstances out of the control of the employee, or the employee is on FMLA/CRFA/Industrial Leave.
 - g) Retirement.
- **Section 4.** If an employee returns to employment with the Company within twenty-four (24) months following a layoff, they shall have their seniority reinstated at the level they had prior to leaving.
- **Section 5.** All employees will be offered training by seniority in accordance with the Company or Customer's needs. The Company will determine the number of employees to be trained.

Section 6. In recall back to work, employees will be recalled to his/her classification or similar position based upon seniority. An employee subject to recall shall be sent a certified letter to the employee's address given at the time of his layoff orthe address provided by the employee after layoff.

ARTICLE 6. – UNION MEMBERSHIP CHECK-OFF

All employees covered by this agreement shall, as a condition of continued employment, become and remain members of the Union in good standing during the term of this agreement. All new employees covered by this agreement shall, as a condition of employment, become members of the Union immediately after thirty (30) calendar days of employment, and remain members in good standing during the term of this agreement. In the event of a change in the law affecting mandatory union membership, the Company and the Union will meet and bargain over any necessary changes to this provision.

The Union will make membership in the Union available to all employees covered by this agreement on the same terms and conditions as are generally applicable to other members of the Union, and further, demands for termination of employment will not be made for reasons other than failure of an employee to tender the periodic dues and fees uniformly required as acondition of acquiring or retaining membership in the Union. Upon receipt of authorization signed by the employee, the Company shall deduct from the employee's pay the initiation or reinstatement fee and monthly dues payable by him to the Union, in an amount as directed by the Union for the period specified, so long as he remains in the bargaining unit.

Such payroll deductions shall be remitted to the location as designated by the District Lodge 725 by the fifteen (15th) of the month following the month the payroll deductions are made. The Company shall furnish to the Financial Officer of the Union monthly, a record of those from whom deductions have been made and the amounts of the deductions.

The Union will indemnify and hold the Company harmless from and against any and all claims, losses, liabilities, demands, charges, complaints, or suits instituted against the Company which are based on or arise out of any action taken by the Company in accordance with or arising out or the administration of the foregoing provisions of this Article, or in reliance on any list, notice or assignment furnished by the Union.

ARTICLE 7. – UNION ACCESS

Accredited representatives of the Union shall, with prior Company approval, have access, pursuant to applicable security regulations, to the appropriate areas of the sites during working hours for the purpose of conducting Union business pertaining to the provisions of this agreement. It is understood that all arrangements for visits of the accredited representatives of the Union to the Customer's facility shall be made through LM Space and the Company. In no event may any Union representative or visitor interfere with the business of the Company.

ARTICLE 8. – STEWARDS

- **Section 1.** The Company recognizes the right of the Union to designate up to three (3) Stewards, from the seniority list.
- Section 2. Union Stewards shall be granted reasonable time off, not to exceed two (2) hours per week, with pay, for the investigation or settlement of grievances, work rules, or disputes involving the administration of this Agreement or necessary meeting with Company officials. The request for time off shall be submitted at least forty-eight (48) hours in advance and shall not be unreasonably denied, with exceptions for urgent circumstances. In an urgent circumstance a Steward desiring to investigate or adjust a grievance(s) shall report to and request permission from his/her supervisor. Should additional time be required beyond the two hours' time limit, the limit maybe extended on a case by case scenario at the Company's sole discretion.
- **Section 3.** For the enforcement of this collective bargaining agreement the Stewards will be the last to be laid off.
- **Section 4.** In Sunnyvale there shall be a Senior Steward and a Group Steward. In Palo Alto there shall be a Senior Steward. Additional stewards may be added by mutual written agreement.

ARTICLE 9. - DISCHARGE AND DISCIPLINE

- **Section 1.** The parties agree that they will cooperate to foster a motivated and efficient workforce. Maintaining discipline is an essential element of this effort. The Company will retain the right to discipline employees by discharge, suspension, or other action. No disciplinary action will be taken without just cause.
- **Section 2.** In all cases of discipline, the Site Supervisor will notify the Union after the discipline is issued. Consistent with current federal labor law, an employee is entitled, upon request, to have a Union steward present during an investigatory interview that may lead to
- discipline. Consistent with appropriate policies and procedures, the Site Supervisor will advise the Union of the action being taken.
- **Section 3.** The Company agrees to utilize the principles of progressive discipline except for serious offenses. The Company may skip steps based on the severity of the discipline. The steps (with "Just Cause") are as follows:
- **Step 1** Verbal Counseling Documentation: Shall be made void, removed from employee's records within twelve (12) months, and copies returned to the employee.
- **Step 2** Written Warning: Shall be made void, removed from employee's records within twelve (12) months, and copies returned to the employee.
- **Step 3** Suspension: Shall be made void, removed from employee's records within eighteen (18) months, and copies returned to the employee.

Step 4: Termination

It is understood and agreed that any disciplinary action issued to an employee by the Company shall be issued within twenty (20) work days following knowledge by the Company (or the conclusion of an investigation) of the occurrence of the alleged violations. The above specified time limit may be extended by written mutual agreement of the parties.

Section 4: If an employee loses his/her security clearance, the employee shall be automatically terminated. Should the loss of security clearance be caused by an entity other than the Federal Government, the termination shall be subject to the Grievance and Arbitration procedures as outlined in this Agreement.

ARTICLE 10. - GRIEVANCE PROCEDURE AND ARBITRATION

Section 1. It is the intent of this Procedure to establish a means for prompt adjustment of working problems and personal grievances at the job level by conference between the Supervisor and the employee involved, provided the Union Representative has been given an opportunity to be present. If not resolved at this informal level, a formal written grievance shall be filed. The grievance shall contain a full statement of the grievance and the facts upon which it is based, the section of this Agreement alleged to have been violated and the action, remedy or adjustment sought. In grievances filed on behalf of individual employees, the grievance shall be signed, by the affected employee or by a union representative. Grievances shall be processed according to the steps and time limits specified. These time limits may be extended upon written mutual consent of the parties. For terminations only, a grievance may be filed by the Business Representative at step three (3) of the grievance procedure.

No grievances shall be filed or processed based on facts or events, or omissions within the employee's knowledge which have occurred more than thirty (30) calendar days before such grievance is filed, except for a bona fide pay discrepancy which shall be filed within forty-five (45) days of the paycheck date where the alleged discrepancy occurred. Both parties agree to exert an earnest effort to settle such grievance promptly through the following steps:

Step 1 The employee involved shall first confer with his Supervisor in order to amicably settle the matter, provided the Steward has been given an opportunity to be present. Any and all grievances shall be handled during normal working hours without any unnecessary interruption of work. If the dispute is not resolved amicably then the Steward must file a grievance. Within five (5) workdays after receipt of grievance the Site Manager shall submit a written answer to the Steward.

Step 2 If not settled/resolved at Step 1, the Union may submit the grievance to the Site Manager within five (5) workdays. The Site Manager and the steward shall meet in person within ten (10) workdays and attempt to resolve any grievance. If unable to resolve the grievance, the Site Manager shall submit a written answer to the Union Steward within ten (10) workdays.

Step 3 If not settled/resolved at Step 2, the Union may submit the grievance to the

Program Manager within ten (10) workdays. The Program Manager and the Union's Business Representative will meet, in person or by telephone conference, within ten (10) workdays and attempt to resolve any grievance. If unable to resolve the grievance, the Program Manager shall submit a written answer to the Union Business Representative within ten (10) workdays.

- Step 4 The Union's Business Representative may submit, within thirty (30) workdays following the Company's Step 3 answer, written notice to a Company Human Resources Representative of its intent to arbitrate. The Business Representative and the Human Resources Representative will meet and attempt to resolve the issue, and if unable to resolve, the Union will request the Federal Mediation and Conciliation Service ("FMCS") to submit an arbitration panel of seven (7) names to each party. the Union and the Company shall alternately strike one name from the FMCS list (the Company and Union shall alternate which party shall make the first strike, Union to make initial strike) until only one name remains, and that person shall be the arbitrator. The Parties will notify the Arbitrator of their selection and will coordinate schedules between the Company, Arbitrator and Union. The cost of the Arbitrator will be shared equally among the parties. The Company and the Union will continue to attempt to resolve the grievance prior to arbitration.
- Section 2. The arguments before the Arbitrator will be oral, written or both. The Arbitrator shall not have the authority to add to, subtract from, modify, alter or change any of the terms of this Agreement. The Arbitrator's authority is to interpret and apply provisions of this Agreement. The Arbitrator shall be bound entirely by the records presented in the form of evidence presented at the hearing and the Collective Bargaining Agreement.
- **Section 3.** The parties may file post hearing briefs. The Arbitrator shall render his decision within thirty (30) calendar days of the close of the hearing or receipt of the briefs (unless otherwise agreed upon). The Arbitrator's decision shall be in writing. The award shall be delivered or mailed to each party. The decision of the Arbitrator shall be final and binding on all parties.
- **Section 4.** In cases of cancellation, the party requesting cancellation shall pay all fees and costs of the Arbitrator. In cases where the cancellation is the result of a compromise settlement, fees or costs of the Arbitrator shall be shared equally by the parties (unless otherwise agreed upon). No more than one (1) grievance shall be submitted to the same Arbitrator, unless mutually agreed to. All time limits shall be strictly adhered to and may only be extended by mutual agreement of the parties.

ARTICLE 11. – HOURS OF WORK AND OVERTIME

Section 1. Eight (8) consecutive hours, exclusive of an unpaid meal period of a minimum of thirty (30) minutes, shall constitute a normal work shift. However, this may vary based on an unforeseen customer necessity. The Union Business Representative and the stewards will be notified seventy-two (72) hours before implementation of the change.

Section 2. The workweek shall consist of seven (7) consecutive calendar days beginning on Sunday and running through Saturday.

The normal work schedule shall be Monday through Friday. Alternate work schedules are permissible based on customer necessity. The Union Business Representative and the stewards will be notified seventy-two (72) hours before implementation of the change.

- **Section 3.** Meal and Rest Breaks shall be given in accordance with California state law.
- **Section 4.** Shifts will be defined by their start times in the following windows:

First Shift: Beginning 4:00 a.m. to 9:59 a.m. Second Shift: Beginning 10:00 a.m. to 6:00 p.m. Third Shift: Beginning 10:00 p.m. to 3:59 a.m.

When employees are permanently changed from one shift to another all affected employees will be notified at least five (5) workdays in advance of the starting time of the new shift to which they are assigned. This section shall not apply to floor crew employees. Should the nature of the floor crew position change and floor crew employees are placed on a consistent, permanent schedule, the parties agree to meet and bargain the effects of the consistent, permanent schedule.

Section 5. An employee who is scheduled and reports for work at the scheduled time without having been notified not to report, shall receive pay not less than four (4) hours pay at his/her working rate. If more than four (4) hours are worked, the employee shall receive pay for actual hours worked.

Section 6. The Company will distribute overtime as equitably as possible amongst employees. The Supervisor will maintain an overtime roster of those employees who have opted in for preplanned overtime. The Steward may request access to the overtime roster.

Overtime shall be paid pursuant to California State Law.

Any employee who has worked overtime at any time in the workweek shall not be given time off later in the week for the sole purpose of offsetting the overtime hours previously worked.

All hours worked will be counted as time worked toward the computation of overtime pay.

Section 7. During the course of this labor agreement, the Company may request from the Union consideration for a four (4), ten (10)-hour days schedule.

Section 8. There shall be no pyramiding of overtime. Nothing in this Agreement shall be construed as to require the payment of overtime on overtime, or the compounding of overtime as a result of computing hours in accordance with this Article.

ARTICLE 12. - HOLIDAYS

Section 1. Holiday pay is eight (8) hours pay, which is payable at the employee's working rate of pay. The eight (8) hours pay will be considered as time worked for the purpose of computing overtime.

Section 2. Any employee volunteering to work on any of the holidays will be paid for all hours worked at a rate of time and one half (1.5), plus eight (8) hours holiday pay. However, any employee required to work on any of the holidays will be paid for all hours worked at double (2.0) the working rate plus eight (8) hours holiday pay. When seeking volunteer (1.5x pay), the Company will first offer the employee lowest on the overtime list (as detailed in Article 11, Sec 6), until such list is exhausted. Once the list is exhausted, the Company may require (2x pay) employees to work a holiday, in reverse seniority. Holidays may not be carried over from one year to the next.

Section 3. Employees shall be paid for the holidays named herein, or days celebrated as such, provided they work the last scheduled work day preceding as well as the next scheduled workday following the holiday (except in cases of excused paid-time off; such as, excused vacation, or sick time). When a holiday falls during an employee's vacation, the holiday will not be charged as vacation. The employee will receive holiday pay for the holiday.

- New Years' Day
- Memorial Day
- Independence Day (4th of July)
- Labor Day
- Thanksgiving Day
- Friday after Thanksgiving
- Christmas Eve
- Christmas Day
- Day after Christmas
- New Year's Eve

Any holiday falling on a weekend will be observed on the same day as the Customer.

Section 4. When a holiday falls during and employees' vacation, the holiday will not be charged against the employee's vacation balance. The employee will receive holiday pay for the holiday.

ARTICLE 13. – VACATION AND PAID PERSONAL TIME

Section 1. Each employee shall be entitled to vacation as follows:

VACATION SCHEDULES

Length of Service	Annual Accrual	Monthly Accrual	Maximum Accrual
			(Rollover)
0 through 4	80 hours	6.67 hours	200 hours
5 through 14	120 hours	10.0 hours	250 hours
15 and over	160 hours	13.35 hours	300 hours

For vacation purposes, all employees will be entitled to paid vacation which will be based upon years of service and each anniversary date thereafter shall be the reference point for vacation. Paid vacation will accrue monthly as follows. The appropriate monthly accrual rates will be based off the vacation rates listed above. Prior service seniority dates will be honored for this Article.

Section 2. Employees are requested to make their written vacation request as far in advance as reasonable. It is understood and agreed that final approval of vacation requests rests exclusively with the Company and an employee's request will not be unreasonably denied.

Section 3. Vacation pay shall be computed at the employee's working rate, to include premiums.

Section 4. Employees will be paid out the balance of any vacation time accrued (earned) upon termination of employment or being laid off.

Section 5. Upon reaching the maximum vacation accrual, employees will stop accruingvacation time until their accruals fall below the maximum accrual.

Section 6. Each employee shall be entitled to sick time as follows:

SICK TIME SCHEDULES

Length of Service	Annual Accrual	Monthly Accrual	Max Accrual
			(Rollover)
0 through 4	40 hours	3.34 hours	48 hours
5 through 12	80 hours	6.67 hours	48 hours
13 and over	120 hours	10.0 hours	48 hours

Employees shall be entitled to take sick time in one (1) hour increments. Sick leave may only be used for personal illness, appointments for such illness, and/or an illness or appointment of a dependent or spouse (including Registered Domestic Partner and those living in their permanent domicile). Human Resources may require a doctor's note when an employee is out for three (3) consecutive days or more. No employee will be penalized for using sick leave for its legitimate purpose as described above or any other legal permissibility. Upon reaching maximum sick accrual, employees will stop accruing sick time until their accrual falls below the maximum accrual. The Max Accrual (Rollover) refers to hours in addition to the annual accrual for the calendar year. (Example: If a 14-year employee used no sick time in 2021, the employee could rollover forty-eight (48) hours of the unused sick time to 2022, for a total of 168 hours in 2022).

ARTICLE 14. – JURY DUTY

An employee required to be absent from his employment to serve on a jury shall be paid his working rate of pay for all regular scheduled straight time hours for each day of jury services. Such absences shall be supported by a statement signed by the Clerk of Court certifying as to each day of jury duty. Employee may be required to provide proof of appearance.

An employee who is subpoenaed to court as a witness and is not involved directly in the case shall receive all benefits and pay and operate under the same conditions as outlined above.

ARTICLE 15. – BEREAVEMENT

Employees shall receive three (3) paid days of bereavement leave when a death occurs in their immediate family. Immediate family is defined as parent, grandparent, spouse, child, grandchild, brother, sister, mother-in-law, father-in-law, stepparent, step-children, brother-in-law, sister-in-law and registered domestic partner, and foster children.

If the funeral is more than four hundred (400) miles from the employee's address of record with the Company, the employee shall be granted four (4) additional days off without pay to attend the funeral, but the employee may use any sick or vacation time available. The employee must give advanced notice (insofar as possible) of their intent to use sick, vacation, or unpaid time. Upon request of the Company, the employee shall furnish adequate proof of death and relationship. No employee will be unreasonably denied bereavement leave.

ARTICLE 16. – WAGES AND JOB CLASSIFICATION

Section 1 General Wage Increase

The following hourly rates of pay shall prevail during the term of this Agreement.

A. New Employees hired upon ratification or after 11/18/2021

Contract Rate	Current	11/18/2021	11/18/2022	11/18/2023
Custodian	\$16.50	\$19.50	\$20.00	\$20.50

Individuals in the following classifications and currently making below \$25.07 will receive the appropriate wage differential from the Custodian Contract Rate above. Any employee who moves from one classification to a different one will receive the appropriate wage rate and/or differential associated with their new classification.

Classification	Differential
Clean Room	
Technician	\$1.00
Floor Technician	\$1.50
Lead	\$2.00
Cleared Space	
Individual	\$6.50

- Any Custodian or Clean Room Technician who performs Floor Technician work will be provided the appropriate differential for the hours worked in that classification.
- A Certified Clean Room Technician must be assigned to, and actively working in the Clean Room to be paid the above differential.

B. Current employees making less than \$25.07 will receive increases as follows:

11/18/2021 - \$3.00/hour increase

11/18/2022 - \$0.50/hour increase

11/18/2023 - \$0.50/hour increase

C. Current employees making \$25.07 or more will receive increases as follows:

11/18/2021 - 2% wage increase

11/18/2022 - 2% wage increase

11/18/2023 - 3% lump sum to be paid as follows: half on 11/18/2023 and half on 5/18/2024. The lump sum is to be based on annual salary calculated from the rate in effect at the time the first half is to be paid.

Any current employee in the "currently making \$25.07 or more" category and who acquires, holds and carries a Special, Top Secret, or Secret clearance will make no more than \$33.35 wage rate.

Any individual under this Subsection C who becomes a Lead in a cleared space will received a \$2.00 differential.

Pay period is bi-weekly. No current employee's pay may be reduced as a result of these adjustments.

Lockheed Martin (LM) requires employees and/or contractors to have certain clearances to operate in some of the facilities on LM properties. These clearances include Top Secret, Secret, and Special.

When more Special, Top Secret, or Secret clearances are required, the Company shall offer employees the opportunity to apply for the necessary clearances by seniority pursuant to Article 5, Section 1.

Section 2 Special Premium

Employees working on 3rd shift shall receive a \$1 per hour shift premium.

ARTICLE 17. – HEALTH AND WELFARE

Section 1. Company will offer all eligible employees its Company sponsored medical plan options (see attached Benefits Guide). Company and Employee contributions will be at the standard Company schedule and align with Company's responsibility under the Affordable Care Act to provide uniform coverage. Open Enrollment is in November of each year and future contribution levels may be adjusted based on plan renewal premium costs. The union members' contributions will not increase over 5% in any year during the Agreement.

Contribution schedules for 2022 Plan Year are as follows:

	Than Tear are as follows		
			Employee
		EE Premium	Share
Provider	Type of Coverage	Bi-weekly Rate	%
Kaiser - Exclusive Plan	Single	\$50.00	23%
Kaiser - Exclusive Plan	Dependent - Child	\$155.00	36%
Kaiser - Exclusive Plan	Dependent - Spouse	\$170.00	36%
Kaiser - Exclusive Plan	Family	\$230.00	36%
Kaiser - Elite Plan	Single	\$80.00	32%
Kaiser - Elite Plan	Dependent - Child	\$170.00	34%
Kaiser - Elite Plan	Dependent - Spouse	\$190.00	35%
Kaiser - Elite Plan	Family	\$260.00	35%
UHC - Exclusive Plan	Single	\$50.00	15%
UHC - Exclusive Plan	Dependent - Child	\$175.00	28%
UHC - Exclusive Plan	Dependent - Spouse	\$225.00	29%
UHC - Exclusive Plan	Family	\$325.00	29%
UHC - Elite Plan	Single	\$85.00	25%
UHC - Elite Plan	Dependent - Child	\$195.00	31%
UHC - Elite Plan	Dependent - Spouse	\$250.00	32%
UHC - Elite Plan	Family	\$375.00	34%

If based on renewal costs, the potential contribution in any one year exceeds 5%, the Company agrees to meet with the Union to look at alternative solutions.

Change Carriers: All plan designs, coverage levels and carriers will remain the same for the duration of this agreement except due to economic reasons of for other legitimate business reasons, the Company may elect to change insurance carriers or benefit offerings based on these

business needs. But shall not reduce the current coverage levels unless the Company and the Union agree to such changes. Before any changes are made, the Company will convene a meeting with the Union international representative and Company to review and discuss benefit changes in advance of any final selection of the insurance carrier or other changes to the plan.

Government Mandated Health Care: Company will comply with any government mandated changes to The Affordable Care Act (ACA) over the life of this agreement.

Section 2. Dental and Vision: Employees may opt to purchase only the Company's optional vision benefit and/or either Dental Plan without participating in the Health Insurance Coverage.

Contribution schedules for 2022 Plan Year are as follows:

Provider	Type of Coverage	EE Premium Bi-weekly Rate
Delta Dental PPO	Single	\$20.03
Delta Dental PPO	Dependent - Child	\$36.06
Delta Dental PPO	Dependent - Spouse	\$45.43
Delta Dental PPO	Family \$62.0	
Delta Dental PPO Buy Up	Single	\$22.44
Delta Dental PPO Buy Up	Dependent - Child	\$40.41
Delta Dental PPO Buy Up	Dependent - Spouse	\$50.90
Delta Dental PPO Buy Up	Family	\$69.56
EyeMed	Single	\$4.25
EyeMed	Dependent - Child	\$7.43
EyeMed	Dependent - Spouse	\$7.28
EyeMed	Family	\$11.97

Section 3. Additional Voluntary Plans

SBM eligible employees may purchase voluntary group term life insurance/accidental death and dismemberment insurance (AD&D) up to 5x annual salary. Employees may also purchase spouse and dependent life insurance as well. The monthly cost is based on the employee's age and their requested life insurance volume. Proof of insurability and approval by the insurance carrier may be required.

SBM offers voluntary individual short term disability coverage through Unum. The cost of the coverage is individually based. Eligible employees interested in STD can contact UNUM directly.

ARTICLE 18. – 401K PLAN

Section 1. At the effective date of this agreement, all employees covered under this agreement shall be eligible to participate in the company sponsored 401(K) Savings Plan, pursuant to the terms and conditions of that 401(K) Plan policy. Employees will be permitted to contribute their own monies via payroll deduction up to the maximum allowable by IRS regulations and 401(K) Plan policy. As detailed in the plan documents, the Company shall match 100% of the first 4% of the eligible compensation that theeligible employee contributes. Once eligible to participate in the plan and receive the Company's match, eligible employees contributing to the 401(K) Plan shall have such contributions and the match made on a bi-weekly basis.

ARTICLE 19. – LEAVE OF ABSENCE

Section 1. Limited unpaid personal leaves of absence may be granted by the Company at the Company's sole discretion. Such leaves shall be not more than thirty (30) calendar days. Requests for unpaid personal leave of absence must be made in writing and must receiveapproval by the Company.

Section 2. Seniority shall continue to accumulate during the approved leave of absence. When an employee has been granted a leave of absence for a specified period of time, it will be

the employee's responsibility to request an extension of such leave prior to expiration if additional time is permitted. All such extensions must have prior Company approval. The employee may request the Union submit an extension request on his or her behalf.

- **Section 3.** All leaves of absence will be in accordance with applicable state and federal laws.
- **Section 4.** An employee on leave of absence for personal health reasons may return to work prior to or at expiration of such leave upon the written release of a licensed physician provided the employee is able to perform his/her assigned duties safely. Should the Company question the employee's capability to perform the assigned duties safely, the Company may have the employee examined by another physician, prior to returning the employee to work.
- a) While on leave of absence for personal health reasons, the employee shall notify the Company as to his/her potential of returning to work on a biweekly basis, except in those cases where the employee's physician has provided an expected date of return.
- b) An employee may be returned to duty provided the Company is able to accommodate said restrictions.
- **Section 5.** Leaves of absence without pay for Union business will be granted to Bargaining Unit employees of the Company who are elected or appointed by the Union, to attend such functions as conferences, conventions, and Union educational courses, provide at least five (5) workdays advance noticed is given in writing to the Company. However, not more than one (1) employee may be on a short or long term leave of absence with the Union at any given time. Employees on such leave shall continue to accrue seniority. A union leave of absence may not exceed ten (10) business days but may be extended by mutual written agreement.

Section 6. Seniority shall continue to accrue while on approved leaves of absence without pay in worker's compensation injury and legal occupational disease cases.

Section 7. An employee who is called to and performs short term active duty of thirty (30) calendar days or less, including active duty training as a member of the United States Armed Forces Reserves or National Guard, shall be paid the difference between the employee's military rate and the employee's straight time hourly rate of pay for a period of up to twenty (20) scheduled working days per calendar year. The employee must present a copy of the employee's order to the Company as soon as they are received by the employee. Upon return from active short-term duty, the employee must present pay vouchers so that the calculation of the difference in pay may be computed. The employee will be given a leave of absence for and will accumulate seniority during such period of service. Employees required to report for military training in excess of thirty (30) consecutive days or those called to active duty shall be reinstated in accordance with the Uniformed Service Employment and Reemployment Rights Act. The partiesto this Agreement shall comply with current applicable state and federal legislation regarding military service.

Section 8. When leaves of absence are granted, the employee, upon return to active employment, will be returned to his/her classification or similar position based upon seniority.

When an employee fails to return to work at the expiration of an approved leave of absence, the employee shall be deemed to have resigned his position.

ARTICLE 20. – NO STRIKES OR LOCKOUTS

There shall be no picketing, respecting of picket lines, supporting or sympathy strikes, strikes, sitdowns, slow-downs or work stoppage during the life of this Agreement, nor shall any officer or official of the Union or any of its locals assist or encourage any picketing, supporting of sympathy strikes, sit-downs, slow-downs or work stoppage during the life of this Agreement. If any bargaining unit employee, or group of employees represented by the Union, should violate the intent of this section, the Union shall take immediate affirmative action to prevent such illegal acts and take all necessary steps to the end that work will be properly and orderly resumed. Violation of the provisions of this section shall be grounds for immediate discharge. The Company agrees that it shall not lock out the employees during the term of this Agreement.

ARTICLE 21. – BULLETIN BOARD ACCESS

The stewards shall have access to a union provided glass-enclosed bulletin boards onsite to post official Union information for their membership. The keys shall be retained by the Union. The bulletin board shall be in an enclosed employee access area only. Postings shall not be defamatory toward any person or the Company or organization. The Union indemnifies and will hold the Company harmless against any and all claims, suits, demands, charges, complaints or other causes of action for items that are posted on the bulletin boards.

ARTICLE 22. – EFFECT OF LAW

Section 1. Should any part of this Agreement or any provision herein contained be rendered or declared by reason of any existing or subsequently enacted legislation or a decree of a court of competent jurisdiction, such invalidation of any such part or portion of this Agreement shall not invalidate the remaining portions herein and they shall remain in full force and effect.

The Company and the Union, within thirty (30) days of knowledge of such an occurrence shall meet to discuss the impact of such actions. If either party desires to negotiate a new provision regarding the affected portion, then that party may serve notice upon the other, in writing, of its desire to negotiate the provision of the Agreement affected by such legislation or court decree. The parties shall meet within thirty (30) days of presentation of the written notice to negotiate changes to the Agreement. Any modification or changes to this Agreement brought about by the above negotiations shall be in writing and signed by the parties here to.

ARTICLE 23. – SCOPE OF AGREEMENT

Should the Customer establish any new facilities that results in work or services presently performed under this Agreement being transferred, the Company agrees to notify the Union.

The Company shall give notice of the existence of this Agreement to any purchase, transferor, lessee, assignee, etc. of the operation covered by this Agreement or any part thereof. Such notices shall be in writing with a copy to the Union at the same time the seller, transfer, lessors execute a contract of transaction as herein described.

ARTICLE 24. – NON-DISCRIMINATION

Section 1. The Company and the Union agree to observe all applicable Federal and State laws regarding non-discrimination against any employee or applicant for employment because ofrace, color, religious creed, national origin, disability, veteran status, age, gender identity/expression, sexual orientation, or preference, citizenship status, medical condition or sex.

Section 2. The use of personal pronouns of masculine gender is for grammatical purpose only, and the terms of the Agreement shall apply equally to persons of either sex.

ARTICLE 25. - SAFETY AND EQUIPMENT

Section 1. It is the intent of the Company to maintain safe and healthy conditions as is necessary to protect employees from injury. It is the desire of the parties to this Agreement to have a site "Joint Safety Committee", to promote and maintain high standards of safety for the operations of the Company, in order to eliminate, as far as possible, industrial accidents and illness.

The Joint Safety Committee will be made up of an equal number of employees from the Company and the BU employees. The Committee will meet no less than quarterly.

Section 2. If required as part of the employee's daily Personal Protective Equipment (PPE) by

the Company or the Customer; the Company shall provide OSHA-compliant safety gear as required for use in performing work. If protective footwear is required by the Company or Customer, the Company will reimburse employees for such footwear up to \$200.00 (no more than once per year). If prescription safety glasses are required as part of the employee's daily PPE by the Company or Customer; the Company will reimburse each employee up to \$200.00 (no more than once per year) for the purchase of prescription safety glasses if the employee is required to wear prescription safety glasses. Receipts must be presented to the employee's supervisor to receive reimbursement.

Section 3. The Company shall furnish all special tools and equipment necessary for the performance of work.

ARTICLE 26. – GENERAL PROVISIONS

- **Section 1.** The Company agrees that it will not discriminate against any employee because ofhis membership in the Union.
- **Section 2**. The current methods of pay delivery options include paper checks, pay cards, and direct deposit
- **Section 3.** Employees may wear approved IAMAW Union logos on their clothes/uniform along with Company logos. Each employee shall properly maintain a clean, neat, and professional appearance. Employees are required to wear either a Company issued shirt (at least five to be provided upon hire). Uniform pants, the cost of which will be reimbursed by the Company not to exceed one hundred and twenty dollars (\$120.00), receipt from the company may be requested for reimbursement. The Employer will only pay to replace an issued uniform if the employeeturns in a uniform that is no longer reasonably useable based on wear-and-tear. Upon termination (voluntarily or involuntarily), the employee must turn in all company issued uniforms
- **Section 4.** All Custodial work in the facilities will be performed by employees covered by this Agreement. The supervisor shall not perform any custodial work except in case of instruction, and emergencies. This is not intended to take away work that is consistently performed by regular employees.
- **Section 5.** The Union will be given notice of new or amended rules or policies and given an opportunity to meet and confer concerning said rules or policies.

ARTICLE 27. - MACHINISTS CUSTOM CHOICE WORKSITE BENEFITS PROGRAM

Section 1. It is understood and agreed between the parties that the Machinists CustomChoice Worksite Benefits Program of supplemental insurance benefits will be offered to employees in the bargaining unit through their designated agent, Employee Benefit Systems,Inc. (EBS). Members of the bargaining unit will be given an opportunity to spend up to fifteen minutes with an EBS Counselor at the worksite during normal working hours, once per year. The Company reserves the right to coordinate the schedule with EBS to prevent conflict with mission requirements.

Section 2. The Company will honor payroll deduction requests and remit deductions to the

underwriting insurance Company designated by EBS on a schedule, which is mutually agreed to by the Company and EBS. The Union will defend, save, and hold harmless and indemnify the Company from any and all claims, demands, suits or any other forms of liability that shall arise out of any such deductions or related process made pursuant to this Article.

Section 3. The Company agrees to implement the provisions of this agreement as soon as possible after the administrative systems.

Section 4. The parties agree that the provisions of this agreement will be effective for the term of the current Collective Bargaining Agreement between the parties unless rescinded or amended earlier by mutual agreement between the parties.

ARTICLE 28 - MNPL PAYROLL DEDUCTION

Section 1. Any employee covered by this Agreement may authorize and the Company will withhold by payroll deduction, contributions for the Machinists Non-Partisan Political League (MNPL). The employee must execute a Company approved payroll deduction authorization fora bi-weekly deduction in increments of fifty cents (50¢). The deductions, including a list showing the Local Lodge identification, employees' names and amounts deducted will be transmitted monthly to the Treasurer of the MNPL, care of the Union. There shall be no solicitation of employees for MNPL contributions on plant during work hours by the Union, its representatives or by employees. The Union will defend, save, and hold harmless and indemnify the Company from any and all claims, demands, suits or any other forms of liability that shall arise out of any such deductions, and any such deduction or related process made pursuant tothis Article.

ARTICLE 29 – RATIFICATION BONUS

If the employees vote to ratify the contract on or before November 18th, 2021, the Company agrees to make available a turkey (no less than 16 lbs.) annually one week prior to Thanksgiving. The Company will host a training session during that week at which time the turkeys will be made available.

ARTICLE 30 – DURATION

Upon ratification, this Agreement will be in full force and effect November 18th, 2021 to and including November 17th, 2024 and will continue from year to year thereafter unless written notice of desire to negotiated changes or revisions or terminate this Agreement is served by either party shall, no more than ninety (90) days and at least sixty (60) days prior to anniversary date hereof, notify the other party of a desire to negotiate the current contract.

No agreement, wavier, alteration, understanding, variation or modification of any terms or conditions contained herein shall be made by an employee, or group of employees with the Company, and in no case shall it be binding upon the parties hereto unless such Agreement is made and executed in writing between the parties hereto, and the same has been ratified by the

Union IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their authorized representative this 18th day of November, 2021.

AGREEMENT BETWEEN SBM Management Services, LP

and

The International Association of
Machinists
and
Aerospace Workers, AFL-CIO
District Lodge 725, Local Lodge 2228

Effective: November 18th, 2021

For The Company

aul Emperador

Executive Vice President

For the Union

Okesene Jese

Area Director/Business Rep

IAMAW District 725

Keyn Lee

DL 725 Business Representative

IAMAW District 725

Maria Avila

LL2228 Negotiator

Appendix A: Custodial Lead Description

Job Title/Layer:	Custodial Lead, Layer 2, Level 1	Department:	Operations
Reports To:	Custodial Supervisor / Site Manager	FLSA Status:	Non-Exempt
Approved By:	Human Resources	Date Approved:	6/2018
Job Overview			

Responsible for the cleanliness and sanitation of the areas assigned and provides some workdirection to custodial staff.

Roles & Responsibilities

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily.

Performs janitorial duties.

Performs all duties listed on the daily schedule.

Provides work direction and assistance to custodians as directed by Custodial Supervisor. Assists Custodial Supervisor in scheduling and training staff as needed.

Operates motorized cleaning equipment.

Tracks equipment inventory, maintenance and repair. Schedules

clean up and repairs as needed.

Maintains daily upkeep of assigned area.

Tracks and maintains supplies inventory.

Assists Custodial Supervisor in purchasing cleaning supplies and equipment.Performs quality, service, and safety inspections.

Monitors employees for proper use of personal protective equipment, and supplies.

Oualification

The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Education and/ or Experience

At least 1 year related experience.

Certificates, Licenses, Registrations

May be required to have a valid driver's license.

Completed all safety and task training certification.

May be required to be forklift certified.

Knowledge, Skills, and Abilities

Ability to read and interpret instructions, procedures, manuals, and other documents.

Strong verbal and written communication skills.

Knowledge of cleaning methods and equipment and willing to share with team.

Knowledge of the upkeep and care of the cleaning equipment.

Knowledge of cleaning compounds and chemicals, and their safe, efficient use.

Supervisory Responsibilities

This job has no supervisory responsibilities.

Physical Demands & Work Environment

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. While performing the duties of this job, the employee is frequently required to sit and talk or hear. The employee is occasionally required to stand; walk and stoop, kneel, crouch, or crawl. The employee must regularly lift and/or move up to 10 pounds, frequently lift and/or move up to 25 pounds and occasionally lift and/or move up to 50 pounds.

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. The noise level in the work environment is usually quiet.