

LABOR AGREEMENT

BETWEEN

**INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL UNION NO. 501**

AND

**NATIONAL SECURITY TECHNOLOGIES LLC.
(NSTEC)**

EFFECTIVE

OCTOBER 1, 2012

THROUGH

SEPTEMBER 30, 2017

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LABOR AGREEMENT
BETWEEN

NATIONAL SECURITY TECHNOLOGIES LLC.
AND
INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL 501, AFL-CIO

THIS AGREEMENT, entered into this 1st day of October, 2012, by and between NATIONAL SECURITY TECHNOLOGIES LLC (hereinafter referred to as "Employer") located at 2621 Losee Road, North Las Vegas, NV. 89030 and its successors and assigns, hereinafter referred to as "the Employer" and the INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL NO. 501, including its subordinate branches, A.F.L.-C.I.O., and its successors and assigns, hereinafter referred to as "the Union".

WITNESSETH:

WHEREAS, pursuant to a valid reopening notice served upon the Employer by the Union, the parties have, by negotiations and collective bargaining, reached complete agreement on wages, hours of work, working conditions and other related, negotiable subjects to be incorporated into a new Labor Agreement which shall supersede all previous verbal or written agreements applicable to the employees in the bargaining unit defined herein which may have existed between the Employer and the Union or between the predecessor of the Employer, if any, and the Union.

NOW, THEREFORE, in consideration of the foregoing, the execution of this Agreement and the full and faithful performance of the covenants, representations and warranties contained herein, it is mutually agreed as follows:

ARTICLE 1
RECOGNITION AND DEFINITIONS

1.01 Recognition

The Employer recognizes the Union as the exclusive collective bargaining representative for Operating Engineers, Local Union No. 501 employees employed by the Employer in the bargaining unit defined in Section 1.03.

1.02 Definition of Employee

The term "employee" or "employees", as used in this Agreement means all persons directly employed by the Employer to perform work covered by the classifications set forth in Article 16.

1.03 Definition of Bargaining Unit

The term “bargaining unit” means the aggregate of employees (as such term is above defined) employed by the employer at 2621 Losee Road, North Las Vegas, NV 89030.

1.04 In this Agreement, whenever the context so requires, the masculine gender shall include the feminine.

ARTICLE 2
MUTUAL OBLIGATIONS AND PURPOSE OF AGREEMENT

2.01 Binding effect of Agreement

This Agreement shall be binding upon the Union and the Employer. The Employer shall give the Union reasonable advance notice in writing of any change in ownership/contractor. The Employer shall be responsible for making adequate provisions to insure the payment of accrued wages, vacations, and fringe benefits as of the date of any change of ownership/contractor.

2.02 Purpose of Agreement

It is the intent and purpose of the Employer and the Union to set forth their agreement covering the rates of pay, classifications, hours of work, benefits and other conditions of employment for the employees covered by this Agreement; to promote and sustain the maximum productivity of each employee covered by this Agreement; and to provide the procedure for the prompt and peaceful settlement of grievances which may arise between the Employer and its employees or the Union to the end that there shall be no interruption of the Employer’s operation, during the term of the Agreement, except as otherwise permitted in this Agreement. This section shall not supersede any other provisions of this Agreement, nor shall this section or Agreement operate to deprive any employee covered by this Agreement of any right, benefit or privilege to which the employee would otherwise be entitled.

ARTICLE 3
EMPLOYMENT PROCEDURE AND PROCESSING TIMES

3.01 Employment Procedure

- A. In the employment of applicants for all work covered by this Agreement, the following procedure shall govern:
- B. The Union shall establish and maintain open and nondiscriminatory employment lists for eligible applicants desiring employment on the work covered by this Agreement.

- C. In order to be considered eligible for registration and dispatchment, the applicant must be able to demonstrate his proficiency in the particular branch or specialty of the trade in which he seeks to register by producing applicable licenses or certifications. Nothing herein shall be construed to prohibit an applicant from registering in more than one (1) classification or specialty.

3.02 Notification of Vacancies

The Employer may secure applicants for employment for work covered by this agreement from the following sources: the Union's employment lists, the Company's internal transfer program or the Company's employment office. The Employer will notify the Union's dispatch office first for all vacancies and the dispatch office shall furnish to the Employer the required number of qualified and competent applicants.

It shall be the responsibility of the Employer, when requesting applicants, to specify in writing, the qualifications and applicable licenses and certifications applicants are expected to possess. All applicants from any source, including those dispatched to the Employer by the Union, shall produce copies of such licenses and certifications at the time of the interview with the Employer.

In order to give the Union an opportunity to refer those applicants who most nearly meet his specifications, the Employer agrees to give the dispatch office as much advance notice of the anticipated opening as is possible under the circumstances then prevailing. At the time such notice is given to the Union, the Employer will specify the date the vacancy is to be filled and the qualifications the applicants are expected to possess.

3.03 Dispatching Procedure

The dispatching office will refer in accordance with the Employer's specifications, from among those entered on its lists, those registrants who meet the qualifications required by the Employer in the Order of Preference set forth in Section 3.05 and subject to the following terms and conditions.

- A. The selection of registrants to be referred shall be on a nondiscriminatory basis and, in accordance with applicable law.
- B. In the administration of the provisions of this section, it is understood and agreed that the dispatch office will immediately notify the Employer if no qualified applicants for the job to be filled are available. Similarly, the Employer shall promptly notify the dispatch office of his decision with respect to applicants referred by the Union.
- C. If sufficient applicants are available, the Employer may request multiple referrals for a single vacancy and, the Union dispatch office could refer at least five (5) qualified registrants at the same time for each such vacancy. If at least two (2) qualified applicants are not available; the Employer shall have the right to secure applicants from any source per the provisions of Section 3.04 of this Article.

- D. The Union shall not be required to refer additional registrants for the same vacancy until the Employer notifies the Union of his decision with respect to registrants previously referred.
- E. If the initial pool of applicants fails to meet the Employer's job requirements, the Employer and Union representatives shall discuss, in further detail, the Employer's requirements.
- F. The Union and the Employer will cooperate with regards to compliance with the American's with Disabilities Act.

3.04 Right to Recruit From Other Sources

The Employer may recruit and interview applicants from other sources under the following conditions:

- A. The Employer has afforded the Union an opportunity to refer at least two (2) applicants for each vacancy; and
- B. Forty-eight (48) hours have elapsed from the notification to the dispatching office pursuant to Section 3.02 and no applicant satisfactory to the Employer has been referred, provided however, that the Employer need not wait forty-eight (48) hours if the Union has notified the Employer that no qualified registrant is available. For purposes of determining the forty-eight (48) hour period, Saturdays, Sundays and recognized holidays are excluded.

3.05 Order of Preference

- A. List "A" - Applicants who have performed at least 2,000 hours of work for employers engaged in the industry covered by this Agreement in Southern Nevada, and who have been employed or available for work during the twelve (12) month period immediately preceding registration at the dispatch office. Applicants registered on List "A" who possess the qualifications requested by the Employer and are available for employment will be referred in order of their registration. It is understood, however, that the Employer may request, by name, those applicants on List "A" who meet the qualifications and the dispatch office will refer such named applicants.
- B. List "B" - When List "A" is exhausted, those applicants who within the five (5) years immediately preceding registration at the dispatch office, have performed work of the type covered by this Agreement within the territorial jurisdiction of the Union and who meet the qualifications required shall be referred in the order of their registration.
- C. List "C" - When List "B" is exhausted, those applicants who within five (5) years immediately preceding registration at the dispatch office have performed work of the type covered by this Agreement within the territorial jurisdiction of the Union, and who meet the qualifications required, shall be referred in order of their registration.

3.06 Notification of Applicants Hired and Probationary Employment

The Employer shall, within seventy-two (72) hours of the date of hire of bargaining unit employees, notify the Union. No applicant shall be hired without presenting a dispatch slip from the Union.

Applicants who are hired are considered Probationary Employees and may be terminated, without cause, by the Employer within the first six (6) months of their employment.

No Arbitrator shall have the authority to review, revoke, modify, or enter any award with respect to the discharge of any employee having less than six (6) months of continuous service with NSTec.

3.07 Change in Qualifications

If the Employer changes the qualifications stated to the Union, it shall immediately notify the dispatch office of the fact and the dispatch office will have forty-eight (48) hours from that time to refer additional applicants who most nearly fit the changed requirements.

3.08 Right of Selection

The Employer shall be the sole judge of an applicant's competence and qualifications to perform the work of any job to be filled. The Employer may accept or reject any applicant for employment referred by the Union.

3.09 Posting Requirements

The Union shall post in places where notices to registrants are customarily posted, all provisions relating to these hiring procedures.

3.10 Time Limits

In computing any time limits referred to in this Article, Saturdays, Sundays, and recognized holidays shall be excluded.

3.11 Eligibility for Employment

The Union shall comply with its obligations under the Immigration Reform and Control Act of 1986 in referring applicants for employment.

The Employer may conduct an appropriate background check and drug test of any applicant.

3.12 Employment Processing Time

The Employer agrees to pay all persons immediately employed and put to work, the straight-time rate of pay for all time actually spent in pre-employment processing time. The Employer shall determine

what time is to be considered as pre-employment processing time.

3.13 A job applicant who is rejected as a result of a pre-employment physical examination for a condition which the applicant was aware of and concealed shall not be entitled to payment for any processing time.

3.14 The Employer agrees to pay all employees for all time spent in processing which is required by the Employer on the termination/layoff of an employee for any reason. It is recognized by the Union that employees who are discharged may require an escort as designated by the Employer to the appropriate personnel office at the time of termination.

3.15 For the purposes of Sections 3.12 and 3.13, the Employer's records shall be determinative of the amount of processing time involved.

3.16 Any processing time required by the Employer shall not be counted as time worked for the purpose of computing overtime.

3.17 The compensation provided for in this Section shall not be due or paid to any employee for time spent if the employee quits employment before the completion of forty (40) hours work for the Employer.

ARTICLE 4 UNION SECURITY

4.01 Union Shop

Subject to the provisions of the Labor-Management Relations Act, 1947, as amended, it shall be a condition of employment hereunder that all employees covered by this Agreement who are members of the Union in good standing on the date of execution of this Agreement shall remain members in good standing throughout their employment by the Employer, and those who are not members of the Union on the date of execution of this Agreement shall, on the 30th day following execution of this Agreement, become and remain members of the Union throughout their employment by the Employer. It shall also be a condition of employment hereunder that all employees covered by this Agreement shall, on or after the 30th day following the employee's first employment by the Employer in the classification covered hereunder, become and remain members of the Union throughout their employment with the Employer.

4.02 Effect of State Laws

Notwithstanding anything to the contrary therein, Section 4.01 shall not be applicable if all or any part thereof shall be in conflict with applicable law; provided, however, that if all or any part of Section 4.01 becomes permissible by virtue of a change in applicable law, whether by legislative or judicial action, the provisions of Section 4.01 held valid shall immediately apply.

4.03 Indemnification

The Union will indemnify and save the Employer harmless against any and all claims, demands or other forms of liability which may arise out of or by reason of any action taken or not taken by the Employer at the request of the Union in accordance with the provisions of this Article.

ARTICLE 5 **UNION REPRESENTATIVES AND SHOP STEWARDS**

5.01 Union Business Representatives

Authorized representatives of the Union shall have reasonable access to the site, provided they do not unduly interfere with the work of the employees, and further provided that such representatives fully comply with the visitor safety and security rules established by the Employer and owner. Union Representatives shall first advise the Employer's representative before seeking access to the premises. It is understood that organized meetings of employees covered by this Agreement to conduct Union business is not permitted, unless authorized by the Employer.

5.02 Shop Steward

The Union may select from among the employees two (2) working Shop Stewards one (1) steward from the North Las Vegas Facility (NLV) and one (1) steward from the Remote Sensing Lab (RSL) Facility). The Union agrees to notify the Employer, in writing, of the employees selected to serve as Shop Steward.

A Shop Steward shall be permitted to perform, during working hours, such of his union duties as cannot be performed at other times. The Union agrees that such duties shall be performed as expeditiously as possible and the Employer agrees to allow the Shop Steward a reasonable amount of time for the performance for such duties. It is understood and agreed that the Shop Steward's duties do not include any matters relating to referral, hiring and termination. Further, nothing in this Agreement shall require the Employer to assign a Shop Steward to work overtime or be assigned to a shift which is outside the Shop Steward's normal work day. The Shop Steward shall not leave the work area without notifying the appropriate supervisor. The Shop Steward shall not stop the Employer's work for any reason other than safety.

The Shop Steward will be subject to discharge for just cause to the same extent as other employees provided however, the Local Union shall be notified twenty-four (24) hours prior to the discharge. The Shop Steward shall remain on the job as long as there is work in a classification he is qualified to perform. It shall be the Employer's right to determine the qualification of the employee to meet the requirements to perform the work within a classification.

The Shop Steward shall not be appointed to a Lead Man's position, nor, any other similar position, while serving as Shop Steward. When the abilities of employees working under this Agreement are being evaluated for the position of a Lead Man, Shop Stewards can be considered, the same as any other employee.

ARTICLE 6
WORKDAY AND WORKWEEK

6.01 The standard workday and workweek shall be established, changed or modified at the discretion of the Employer. Once established, the standard workday and workweek may be modified with at least two (2) weeks' notice to the employees and Union.

In addition, the Employer shall have the right to establish any special schedule and/or work hours in order to meet customer needs, emergency conditions or special requirements established by the Employer. If a special schedule and/or work hours are established, the Union will be notified within forty-eight (48) hours after the start of the special schedule and/or work hours.

The standard workweek for pay purposes shall be Monday 12:01 am through Sunday 12:00 am.

6.02 The standard workweek shall be either a five-day, eight hour (5/8) workweek, or a four-day, ten hour (4/10) workweek or nine-day, eighty hour (9/80) work schedule. A five-eight (5/8) workweek shall be scheduled Monday through Friday. A four-ten (4/10) workweek shall be scheduled either Monday through Thursday or Tuesday through Friday. A nine-eighty (9/80) work schedule shall consist of eighty (80) hours in a two (2) week period (forty-four (44) hours the first week and thirty-six (36) hours the second week). A nine-eighty (9/80) workweek is from Friday to Friday.

6.03 The standard workday shall be either eight (8) or ten (10) consecutive work hours between the hours of 5:00 am and 6:00 pm, exclusive of a thirty (30) minute unpaid meal period.

6.04 The starting and quitting times of any scheduled workday may be varied for individual employees or crews as determined by the Employer. Nothing herein shall be construed as guaranteeing any employee eight (8) or ten (10) hours per day or forty (40) hours per week.

The Employer agrees that the intent of Section 6.04 is that there will be no reduction by NSTec in the forty (40) hour workweek for members of the bargaining unit represented by the Union without prior discussion with the representatives of the Union.

6.05 The Employer shall determine a non-paid meal period of thirty (30) minutes, which shall begin between four (4) and six (6) hours after the designated starting time established by the Employer. The Employer may schedule staggered meal periods for individual employees or crews within this four (4) and six (6) hour frame time. In the event an employee is required to work through the thirty (30) minute meal period and is unable to break for a meal within the four (4) and six (6) hour time frame, the employee shall be paid the applicable overtime rate for the meal period.

6.06 An employee reporting for work at the scheduled start time for whom no work is provided, shall receive two (2) hours pay at the employee's straight-time hourly rate of pay, unless notified prior to or at the end of the employee's previous work shift not to report. An employee who begins work shall receive a minimum of four (4) hours pay at the employee's straight-time hourly rate of pay for employees assigned to a five (5) day, eight (8) hour shift or a minimum of five (5) hours pay at the employee's straight-time hourly rate of pay for employees assigned to a four (4) day, ten (10) hour shift,

or at the applicable overtime rate if the work day is an overtime day.

6.07 The provisions of Section 6.06 shall not apply if an employee reports for work unfit for duty or is unable to perform the available work for reasons due to his own responsibility.

6.08 In the case of an employee who works in more than one (1) classification or type of work, the employee shall be paid the highest rate of pay for the entire day.

6.09 Time spent in training mandated by the Employer shall be considered as time worked for pay computations.

6.10 Five Day, Eight Hour (5/8) Shift:

- A) The first two (2) hours worked in excess of the established shift shall be paid at the rate of one and one-half (1-1/2) times the straight-time hourly rate. All hours worked in excess of ten (10) hours shall be paid at double (2x) the straight-time rate hourly rate.
- B) The first ten (10) hours worked on Saturday shall be paid at the rate of one and one-half (1-1/2) times the straight-time hourly rate. All hours worked in excess of ten (10) hours shall be paid at double (2x) the straight-time rate hourly rate.
- C) All hours worked on Sunday shall be paid at double (2x) the straight-time hourly rate.

6.11 Four Day, Ten Hour (4/10) Shift (Monday through Thursday or Tuesday through Friday):

- A) The first one (1) hour worked in excess of the established shift shall be paid at the rate of one and one-half (1-1/2) times the straight-time hourly rate. All hours worked in excess of eleven (11) hours shall be paid at double (2x) the straight-time rate hourly rate.
- B) The first eleven (11) hours worked on the employees 1st or 2nd scheduled day off, shall be paid at the rate of one and one-half (1-1/2) times the straight-time hourly rate. All hours worked in excess of eleven (11) hours shall be paid at double (2x) the straight-time rate hourly rate.
- C) All hours worked on Sunday shall be paid at double (2x) the straight-time hourly rate.

6.12 Nine Day, Eighty Hour (9/80) Shift:

- A) The first two (2) hours worked in excess of nine (9) hours worked on a scheduled workday shall be paid at the rate of one and one-half (1-1/2) times the straight-time hourly rate. All hours worked in excess of eleven (11) hours shall be paid at double (2x) the straight-time hourly rate.
- B) The first two (2) hours worked in excess of eight (8) hours worked on an employee's "workday" Friday, shall be paid at the rate of one and one-half (1-1/2) times the straight-time hourly rate. All hours worked in excess of ten (10) hours shall be paid at double

(2x) the straight-time hourly rate.

- C) The first ten (10) hours worked on an employee's scheduled Friday off or on Saturday shall be paid at the rate of one and one-half (1-1/2) times the straight-time hourly rate. All hours worked in excess of ten (10) hours shall be paid at double (2x) the straight-time hourly rate.
- D) All hours worked on Sunday shall be paid at double (2x) the straight-time hourly rate.

Employees who work on paid Holidays shall be paid their regular Holiday pay plus time and one-half (1-1/2) their regular straight-time hourly rate of pay for the hours actually worked on the Holiday.

In no case shall there be the pyramiding of overtime pay, i.e., an employee shall not receive more than double (2x) the straight-time hourly rate of pay for any hour worked or paid.

UVC shall be included in the calculation toward overtime computation.

EXAMPLE: Employee takes UVC on Wednesday, a regular scheduled work day. Then on Friday of the same week, the employee is asked to work Saturday. Saturday will be paid at the overtime rate.

6.13 The Employer may establish and work a single shift system, or a multiple shift system for any portion of the work covered by this Agreement.

6.14 When a multiple shift system is used by the Employer, swing and graveyard shifts may be scheduled with the following provisions:

- A. Such shifts must continue for a minimum of five (5) workdays on a five-eight (5/8) workweek and four (4) workdays on a four-ten (4/10) workweek. Saturdays, Sundays, and Holidays may be worked and counted as days used to establish the minimum five (5) or four (4) workday requirement.
- B. Employees scheduled to multiple shifts shall be assigned to only one (1) pre-designated shift during any workweek in minimum five (5) or four (4) day increments.
- C. After such swing or graveyard shifts have commenced, the Employer may increase or decrease the number of employees assigned to such shifts as required by its operational requirements.
- D. The Union will be notified within twenty-four (24) hours after such new shifts are scheduled.
- E. In the event the provisions of Article 6 are not met, the employees assigned to such shifts shall be compensated at the appropriate overtime rate for all hours worked on such shifts, except that such overtime pay shall not be due any employee so assigned who is unable to continue on such shift for reasons due to his own responsibility.

- F. For two (2) or three (3) shift work operations, the following shift schedule and rates of pay shall be applicable:

First Shift: Eight (8) or ten (10) straight-time hours worked for eight (8) or ten (10) straight-time hours pay, exclusive of a thirty (30) minute meal period.

Second Shift: Seven and one-half (7 1/2), or nine and one-half (9 1/2) straight-time hours worked for eight (8) or ten (10) straight-time hours pay, exclusive of a thirty (30) minute meal period.

Third Shift: Seven (7) straight-time hours worked for eight (8) straight-time hours pay, exclusive of a thirty (30) minute meal period.

6.15 Nine Day, Eighty Hour (9/80) Work Schedule (Alternate Workweek)

The nine day, eighty hour (9/80) work schedule is also referred to as the “compressed workweek”. Employees assigned to this schedule will work a total of eighty (80) hours in a two-week period.

- A. On the first week, an individual will work forty-four (44) hours. (Four (4) nine (9) hour days, Monday through Thursday and one (1) eight (8) hour day on Friday).
- B. On the second week, an individual will work thirty-six (36) hours. (Four (4) nine (9) hour days, Monday through Thursday and Friday off).
- C. Two (2) schedules exist for the nine-eighty (9/80) workweek, the “A” Schedule and the “B” Schedule. The two (2) schedules have opposite Fridays off, which allows the Employer’s operations to be conducted five (5) days per week. Employees will be assigned to the “A” or “B” schedule based on operational staffing requirements.

6.16 Scheduled Shift

An employee’s scheduled shift will be established between the hours of 5:00 am and 6:00 pm.

6.17 Workweek

The nine-eighty (9/80) workweek is from Friday to Friday. The first four (4) hours of Fridays shift (based on the scheduled start time of the shift) constitutes the end of one (1) work week and the beginning of the next.

Examples:

- A. An employee’s scheduled shift is 6:00 am to 3:30 pm (nine and one-half (9-1/2) hours, inclusive of one-half (1/2) hour unpaid meal period). The work week ends for this individual on Friday at 10:00 am.
- B. An employee’s scheduled shift is 7:30 am to 5:00 pm (nine and one-half (9-1/2) hours, inclusive of one-half (1/2) hour unpaid meal period). The work week ends for this individual on Friday at 11:30 am.

6.18 Time Logs

Employees assigned to a nine-eighty (9/80) workweek submit daily time logs each week for

all hours worked through the weeks “cut-off” time.

All hours worked beyond the “cut-off” time will be submitted on the following week’s time log and compensated on that week’s check.

6.19 Holiday on Nine-Eighty (9/80) Schedule

Paid Holidays are authorized up to a maximum of eighty (80) hours per year (ten (10) holidays at eight (8) hours per day).

The following guidelines for Holiday Pay apply to all employees assigned to a nine-eighty (9/80) schedule:

If an employee is assigned to the nine-eighty (9/80) schedule and a scheduled Holiday falls on the employee’s normal Friday off, they will receive the preceding workday off.

For Example: If Friday, July 3 falls on a regularly scheduled Friday off, that employee will also get Thursday, July 2 off. If the Friday after Thanksgiving is a regularly scheduled Friday off, that employee will have Wednesday, November 25 as their paid Holiday.

Employees must also use one (1) hour of UVC, one (1) hour of Leave without Pay (LWOP) or make up the extra hour during the pay period if the Holiday falls on a day when an employee normally works nine (9) hours. This will allow employees to show a forty (40) hour workweek on time cards during those Holiday periods. *This only applies to employees on the nine-eighty (9/80) schedule.*

6.20 A call-out prior to and continuous with the employee’s normally scheduled shift shall be paid on the basis of actual hours worked at the applicable overtime rate.

6.21 Employees who have left the job after the completion of their assigned shift, and who are subsequently called out during their normal workweek to perform work which is not continuous with their daily working schedule, shall be paid a minimum of four (4) hours pay at the applicable overtime rate for employees assigned to five-eight (5/8) shift, four and one-half (4.5) hours pay at the applicable overtime rate for employees assigned to nine-eighty (9/80) shift, or five (5) hours pay at the applicable overtime rate for employees assigned to four-ten (4/10) shift.

6.22 If an employee is called out on their normal day off, they shall be paid a minimum of four (4) hours pay at the applicable overtime rate for employees assigned to a five-eight (5/8) shift, four and one-half (4.5) hours pay at the applicable overtime rate for employees assigned to nine-eighty (9/80) shift, or five (5) hours pay at the applicable overtime rate for employees assigned to a four-ten (4/10) shift. If the employee works beyond the minimum hours described above, but less than eight (8), nine (9), or ten (10) hours for a full shift, the employee shall be paid at the applicable overtime rate for actual hours worked.

6.23 If an Employee is contacted on their off-duty hours by an authorized representative of the employer, and asked for technical advice, or to assemble a crew, only that employee will be entitled to a minimum of two (2) hours’ pay at the straight-time rate of pay.

ARTICLE 7
HOLIDAYS

7.01 The Employer may change the Holidays listed below to conform to Holidays established as a part of the regular company schedule.

Employees assigned to a five (5) day, eight (8) hour shift or a nine-eighth (9/80) schedule are entitled to ten (10) holidays for a total of eighty (80) hours.

Employees assigned to a four (4) day, ten (10) hour shift are entitled to eight (8) holidays, for a total of eighty (80) hours.

New Year's Day

Martin Luther King's Birthday

Presidents' Day

Memorial Day

Independence Day

Labor Day

Veterans' Day

Thanksgiving Day

Day after Thanksgiving Day

Christmas Day

7.02 Holidays that fall on Sunday will be observed on the following Monday. Holidays that fall on Saturday will be observed on the preceding Friday.

7.03 Each employee will, when work schedules permit, be granted time off with pay at his straight-time rate on the days observed as the holidays listed above, provided the scheduled workdays immediately preceding and following such days observed as these holidays are worked, the employee was in paid status, or the employee was on approved absence. Holiday pay shall be eight (8) hours only, regardless of the length of the employees regularly scheduled workday.

7.04 If any of the days on which the above holidays are observed fall on an employee's day off, said employee shall be paid holiday pay consisting of eight (8) hours at his straight-time hourly rate.

7.05 Any employee required to work on any day on which the above holidays are observed will be paid in accordance with the overtime provisions of Article 6.

7.06 In order to be eligible to receive holiday pay, the employee must be in pay status or on approved leave on his scheduled workdays immediately preceding and following the holiday.

ARTICLE 8
VACATION TIME (UVC) AND SICK LEAVE

8.01 Employees covered by this Agreement will accrue Vacation Time (UVC) as follows:

From accredited service date until fifth (5th) anniversary of that date:

Ten (10) hours per month, for an annual accrual of one hundred twenty (120) hours.

From fifth (5th) anniversary date until twentieth (20th) anniversary date:
13.33334 hours per month, for an annual accrual of one hundred sixty (160) hours.

From 20th anniversary date:
16.66667 hours per month, for an annual accrual of two hundred (200) hours.

Not more than one hundred sixty (160) hours of unused UVC may be carried over from one (1) calendar year to the next for the duration of this Agreement. Unused UVC hours in excess of one hundred sixty (160) hours which remain to the credit of any employee at the end of a calendar year, shall be paid to the employee no later than thirty (30) days after the end of the calendar year.

All UVC will be paid at the employee's straight-time hourly rate and shall be used in increments of one-half (1/2) of an hour. Employees must be in pay status for at least one-half (1/2) of the workdays in such month.

Should multiple employees request UVC for the same days off, primary consideration will be given to the employee(s) with the most longevity.

UVC leave time shall be counted as time worked for the purpose of computing overtime.

Any employee terminated for any reason shall receive pay for any accrued UVC hours through the day of termination.

8.02 Sick Leave accrued by employees covered by this Agreement prior to July 29, 1996 will be placed in a Sick Leave Savings Account (SLSA). This SLSA shall be used in accordance with the Employer's policy covering its non-bargaining unit employees.

ARTICLE 9 **BEREAVEMENT LEAVE AND MILITARY LEAVE**

9.01 Employees covered by this Agreement shall have the same bereavement leave and military leave benefits, which are available to non-bargaining unit employees of the Employer. Modifications made by the Employer to bereavement leave and military leave benefits covering non-bargaining unit employees will automatically apply to the bargaining unit employees during the term of the Agreement.

ARTICLE 10 **JURY DUTY**

10.01 Employees covered by this Agreement shall have the same jury duty leave benefits, which are available to non-bargaining unit employees of the Employer. Modifications made by the Employer to jury duty leave benefits covering non-bargaining unit employees will automatically apply to the bargaining unit employees during the term of the Agreement.

ARTICLE 11
REDUCTION IN FORCE (RIF) PROCESS

11.01 The Craft Employee Evaluation Procedure (CEEP) is implemented by the Labor Relations Department to provide an equitable process to reduce the number of employees onsite when a reduction in force (RIF) is required. The CEEP is consistent with overall company procedures and operations.

ARTICLE 12
MANAGEMENT RIGHTS

12.01 The Employer shall retain full and exclusive authority for the management of its operations and the work subject to this Agreement. Except as specifically and expressly limited by the terms of this Agreement, the Employer shall retain all rights of management and all rights conferred by law, including, but not limited to the right to direct the work forces, selection and hiring, promoting, laying off, suspending, disciplining or discharging for cause, work schedules, work practices and the selection of all supervisory employees. The Employer shall have the right to close work facilities temporarily due to emergency shutdown, extended holiday shut-down or other reason determined appropriate by the Employer.

The Employer shall have the right to determine crew size, the number and when Lead Men are required to perform the work and shall have the right to transfer employees from different pieces of equipment or work operations and between work crews, and to different areas and to different shifts as necessary. The Employer shall be the sole judge of whether an employee is required for a specific task or the operation of a specific piece of equipment.

It is understood that the Employer retains the right to direct the assignment of work and supervision of individual employees or crews.

12.02 The Employer shall be the sole judge of the competence of each employee and the number of employees, which may be required to perform work subject to this Agreement.

12.03 The Union agrees to instruct all its members covered by this Agreement to perform any and all work assigned to them in accordance with instructions from the Employer's supervisors regardless of the nature of the work if it can be accomplished safely. The Union will instruct its members that they have no right to refuse work or instructions from supervisors, and that in those cases where such instructions or work assignments are questionable, the sole remedy is through the grievance and arbitration procedure as set forth in this Agreement.

12.04 The Employer retains the right to subcontract work, which is covered by this Agreement, that is of a substantial, major or continuous nature, to any person, firm, corporation, partnership or other organization. The Employer agrees that any such work, which is subcontracted, shall be performed under the wages, hours and working conditions set forth in this Agreement.

Under the conditions listed below, the Employer may exclude work from coverage under this Agreement:

- A. The work covered by this Agreement is removed from the Employer's scope of work by the Department of Energy (DOE).
- B. The DOE specifically directs or compels the Employer to Subcontract the work covered by this Agreement due to DOE specifications, requirements or needs.
- C. The Union, upon request to supply qualified employees to the Employer according to the terms of Article 3, Employment Procedure and Processing Times, is unable to comply with the employment order requested by the Employer.

12.05 The Employer may establish and enforce reasonable rules for the NLV and RSL Facilities policies and procedures applicable to employees, provided that such rules, policies and procedures do not conflict with the provisions of this Agreement. It will be the responsibility of the Employer to furnish a copy of such rules, policies and procedures to the employee and to the Union and it shall be the responsibility of the employee to be familiar with such rules, policies and procedures.

The Employer shall maintain, in a location readily accessible to the members of the bargaining unit, a copy of all written rules, policies and procedures which are applicable to them, and shall notify them when a policy or procedure changes.

Before any new rules, policies and procedures are implemented hereafter, the Employer will furnish the Union with a copy of the proposed new rules, policies and procedures and allow the Union ten (10) days in which to request a meeting to discuss the same. Such meeting shall be held within twenty (20) days after the Union receives a copy of the proposed rules. Any dispute over the reasonableness of any rules, policies and procedures shall be subject to the Grievance and Arbitration Procedure set forth in Article 14 hereof unless the rules, policies, and procedures are mandated by the customer/DOE orders and Directives.

12.06 The foregoing listing of management rights shall not be deemed to exclude other functions not specifically set forth herein. The Employer therefore retains all legal rights not specifically enumerated in this Agreement.

ARTICLE 13 **DISCIPLINE AND DISCHARGE**

13.01 The employer's intent is to consistently and fairly apply the Craft Employee Work Rules.

ARTICLE 14
GRIEVANCE AND ARBITRATION PROCEDURE

14.01 Definition

A grievance shall be defined as a dispute regarding the interpretation and application of the provisions of this Agreement raised by the Union, or an employee alleging a violation of the terms and provisions of this Agreement.

14.02 Procedure

All grievances shall be handled exclusively in the following manner:

- A. STEP ONE (1): The steward and the grievant shall attempt to resolve the grievance with the Employer's Labor Relations Representative and the employee's supervisor.
- B. STEP TWO (2): In the event the matter remains unresolved in Step 1 above, within ten (10) calendar days the grievance may then be referred, in writing for discussion and resolution to the Union's and Employer's designated representatives.

Grievances involving discharge cases must be filed with the Employer within ten (10) calendar days of the date of the discharge. Grievances involving other matters must be filed with the Employer within ten (10) calendar days after the first occurrence of the event giving rise to the grievance or within ten (10) calendar days of the time the employee or the Union reasonably could have acquired knowledge of the event. Anything herein to the contrary notwithstanding, it is understood and agreed that the Union shall have the right to grieve live warning notices at the time of subsequent discharge or suspension unless the case involves witnesses. At the time the warning notice is issued, the Employer shall indicate on the notices whether witnesses are involved. After the Employer receives the written grievance, the parties shall meet within ten (10) calendar days, unless otherwise mutually agreed by the parties, for the purpose of attempting to resolve grievances prior to arbitration. At this meeting, the parties shall make full disclosure to each other of all facts and evidence then known to them which bear on the grievance.

- C. STEP THREE (3): If the representative of the Employer and the representative of the Union are unable to resolve the grievance within ten (10) calendar days after the written grievance has been filed, as provided in Step Two (2), upon mutual agreement by both parties, the Federal Mediation Conciliation Service (FMCS) may be asked to mediate the issue. If a resolution is not reached, then the grievance may be submitted to arbitration by either party giving the other written notice of its intent to do so within an additional five (5) calendar days or the time may be extended by mutual consent of both parties. The request for arbitration and/or the request for an extension of the time must be in writing with a copy to the Employer and Union.

14.03 Arbitration

- (A) Representatives of the Employer and the Union may agree to select an arbitrator, but if they are unable to do so, the arbitrator shall be chosen from a seven (7) member panel, received from the Federal Mediation and Conciliation Service (FMCS), of arbitrators who are members of the National Academy of Arbitrators and who reside in California or Nevada. The arbitrator shall be notified in writing of his/her selection, and shall have no authority, jurisdiction or power to amend, modify, nullify or add to the provisions of this Agreement.
- (B) Neither the Employer nor the Union nor any of its members shall, in the interpretation of any provision of this collective bargaining agreement, rely on or cite the making or withdrawal of any proposal by either party during negotiations in support of their respective positions in any arbitration case or other legal proceeding.
- (C) The award of the arbitrator shall be final and binding upon the Employer, the Union, and the employee(s) involved.
- (D) The expenses and fees of the arbitrator shall be shared equally by the Employer and the Union. If the parties are unable to agree to dispense with the services of a court reporter, the cost of the services of the court reporter and the cost of the arbitrator copy of the transcript shall be borne equally by the parties.

14.04 Time Limits

It is understood and agreed that if an employee or the Union fails to abide by the time limits specified in this Article 14, the grievance shall be invalid. Likewise, it is agreed that if the Employer fails to abide by the time limits imposed upon it, the grievance shall be granted.

ARTICLE 15 **WORK STOPPAGES AND LOCKOUTS**

15.01 There shall be no work stoppages, strikes, sympathy strikes, picketing or lockouts at any of the work locations or projects covered by this Agreement. The Union, its officers and representatives will make good faith efforts to avert or end any actual or threatened work stoppages or strike in violation of this Article.

15.02 The Employer will not lockout employees covered under this Agreement during the term hereof. The term lockout does not include discharge for cause or layoff.

15.03 The Employer and Union shall use their best efforts to end any violation of this Article. In the event of a violation of the Article, either party reserves the right to pursue remedies available under law.

ARTICLE 16
CLASSIFICATIONS AND WAGE RATES

16.01 General Lead Maintenance Engineer

An employee designated by the Employer as General Lead Maintenance Engineer (GLME) shall be paid at a rate of three dollars (\$3.00) per hour above the individual employee's regular "straight-time" hourly rate of pay or the listed Maintenance Engineer II rate, whichever is greater.

16.02 Lead Maintenance Engineer

An employee designated by the Employer as Lead Maintenance Engineer (LME) shall be paid at a rate of one dollar and fifty cents (\$1.50) per hour above the individual employee's regular "straight-time" hourly rate of pay or the listed Maintenance Engineer II rate, whichever is greater.

16.03 Posting of GLME and LME positions

When necessary to fill the position of a GLME or LME, the Employer shall post a notice of an opening. Those individuals who are interested in the position shall sign the posting. The necessity for a GLME or LME, and the number of GLME or LME used by the Employer, shall be solely determined and approved by the Employer.

The posting applies only to the facility where it is posted.

EXAMPLE: An LME position is posted at NLV; therefore, only NLV employees can sign the posting for the LME position.

A GLME and LME are appointed and voluntary classifications. Should an individual in these classifications decide to step down, they may resign from either position by submitting a letter of resignation and be allowed to bump back into the bargaining unit.

It is understood that GLME and LME are working positions and the GLME and LME are expected to perform work in the same manner as any other employees covered by this Agreement as assigned by the Employer. It shall not be the intent of the Employer to assign a GLME or LME's responsibilities to an employee without designating such employee as a GLME or LME and compensating him within the intent of this Article.

The GLME and LME are subject to all Articles and benefits under this Agreement. Written notification to GLME and LME of their GLME and LME status shall be provided by the Employer.

16.04 Respirator Premium

Employees required by the Employer to wear a respirator which requires a fit card shall receive a premium of one dollar (\$1.00) above their straight-time rate of pay, for a minimum of a half shift or maximum of a full shift, based on half shift wear.

The respirator premium shall be paid only to the employees actually wearing the respirator and shall not be paid to Lead Maintenance Engineers or General Lead Maintenance Engineers unless they are engaged in work that require them to also wear a respirator.

16.05 Classifications

All employees covered under this Agreement shall be designated as essential personnel.

All employees covered under this Agreement shall be paid by negotiable check on the Employer's designated payday.

The wages and classifications covered under this Agreement are as follows:

General Lead Maintenance Engineer

The position of General Lead Maintenance Engineer (GLME) shall be appointed at the discretion of Employer.

Qualifications required may be considered by the Employer will be identified in the position posting.

Lead Maintenance Engineer

The position of Lead Maintenance Engineer (LME) shall be appointed at the discretion of Employer.

Qualifications which may be considered by the Employer:

- A. Capable of planning and coordinating multiple jobs as assigned by the Employer.
- B. Capable of coordinating with customers, assembling materials, assigning tasks to crews, working with and coordinating various crafts, and documenting job completions.
- C. Capable of leading and directing employees and managing multiple projects simultaneously.
- D. Capable of ensuring that all safety requirements are followed.

Maintenance Engineer II

An employee covered by this Labor Agreement who has been classified and actively employed with NSTec as a Maintenance Engineer I for a period of six (6) continuous months shall be reclassified to a Maintenance Engineer II (ME-II). For the purpose of this section, leaves of absences shall not count towards the accrual of the six (6) months of active employment.

Maintenance Engineer I

The position of Maintenance Engineer I (ME-I) shall require the minimum qualifications listed below. The selection of ME-I positions shall be solely within the discretion of the Employer. The Employer shall retain the right to determine the overall qualifications, skill level and the validity of supporting training documentation and certifications of an individual ME-I.

Minimum Qualifications as determined by the Employer

- A. Formal and/or documented experience/training/certification in at least one (1) craft discipline from an organization which is recognized by the Employer, and/or on-the-job training (OJT) in material and inventory control.
- B. Experienced and skilled in two (2) or more craft disciplines.
- C. Four (4) years minimum experience.

16.06 Wage Rates

The Union shall have the right of distributing hourly monetary package and increases or any portion of the monetary package to wages or a legally establishing fringe benefit/contribution fund. The Union agrees to indemnify the employer and hold it harmless against any and all claims, suits, or other forms of liability that may arise out of any action or distributing funds from the monetary wage and benefit package. It shall be understood that the Union shall give written notice to the contractor at least forty-five (45) days in advance of the proposed effective date of the allocation or reallocation of such monies.

General Lead Maintenance Engineer: \$3.00 per hour above the listed Maintenance Engineer II rate.

Lead Maintenance Engineer: \$1.50 per hour above the listed Maintenance Engineer II rate.

Maintenance Engineer II: An ME-I shall be reclassified to an ME-II after six (6) months of active continuous employment with NSTec. Hourly Wage Rates for ME-II's are as follows for each year of the contract:

Effective:	<u>10/01/12</u>	<u>10/01/13</u>	<u>10/01/14</u>	<u>10/01/15</u>	<u>10/01/16</u>
	\$31.22	\$31.81	\$32.40	TBA	TBA

The breakdown is as follows:

1st Year = \$0.60:

Health & Welfare = \$.00 Pension = \$0.00 Wages = \$0.59 Training = \$0.01

2nd Year = \$0.60:

Health & Welfare = \$.00 Pension = \$0.00 Wages = \$0.59 Training = \$0.01

3rd Year = \$0.60:

Health & Welfare = \$0.00 Pension = \$0.00 Wages = \$0.59 Training = \$0.01

Maintenance Engineer I:

Hourly Wage Rates for ME-I's are as follows for each year of the contract:

Effective:	<u>10/01/12</u>	<u>10/01/13</u>	<u>10/01/14</u>	<u>10/01/15</u>	<u>10/01/16</u>
	\$27.08	\$27.67	\$28.26	TBA	TBA

The breakdown is as follows:

1st Year = \$0.60:

Health & Welfare = \$0.00 Pension = \$0.00 Wages = \$0.59 Training = \$0.01

2nd Year = \$0.60:

Health & Welfare = \$0.00 Pension = \$0.00 Wages = \$0.59 Training = \$0.01

3rd Year = \$0.60:

Health & Welfare = \$0.00 Pension = \$0.00 Wages = \$0.59 Training = \$0.01

ARTICLE 17 MEALS, BREAKS, AND UNIFORMS

17.01 Meals

The Employer shall determine a non-paid meal period of thirty (30) minutes, which shall begin between four (4), and six (6) hours after the designated starting time established by the Employer. The Employer may schedule staggered meal periods for individual employees or crews within this four (4) and six (6) hour time frame. In the event an employee is required to work through the thirty (30) minute meal period and is unable to break for a meal within the four (4) and six (6) hour time frame, the employee shall be paid the applicable overtime rate for the meal period.

17.02 Breaks

Employees may have an unorganized fifteen (15) minute break in the morning and the afternoon.

Employees are not permitted to:

(A) Forfeit scheduled meal periods or rest periods.

(B) Accumulate their meal period and/or rest period times to be taken in one lump sum or towards the end of their shift.

17.03 Uniforms

A. Within three (3) weeks of his/her date of hire, an employee shall be furnished with at least one (1) clean, properly fitting uniform (consisting of shirt and pants) in good repair, for each day worked, at no expense to the employee. In the event the Employer fails to provide uniforms as required, he shall, as a penalty, pay the employee one dollar and fifty cents (\$1.50) for each day he was required to furnish a clean uniform in good repair and failed to do so. Employees shall be allowed to wear their uniforms to and from work.

For the first replacement, the Employer shall not charge an employee more than the actual replacement cost of uniforms lost by the employee, less a reasonable allowance for normal wear and tear. Such allowance shall be computed at fifty percent (50%) of the cost to the Employer of a new uniform. Additional replacements will be at actual replacement cost. This is on an annual schedule.

B. The Employer shall have rain gear consisting of slickers and rubber boots available for use by employees who are required to work outside in inclement weather or on assignments where such gear is warranted.

ARTICLE 18
BULLETIN BOARDS

18.01 The Employer agrees that the Union shall be permitted to post, in places where notices to employees are customarily posted, notices of union elections and results, meetings, and recreational and social affairs. Such notices shall be signed by an authorized union representative.

ARTICLE 19
INDIVIDUAL AGREEMENTS

19.01 No employee covered by this Agreement shall be compelled or permitted to enter into any individual contract or agreement with an Employer concerning the conditions of employment set forth herein.

ARTICLE 20
PAYMENT OF WAGES

20.01 Payment of Wages

All employees covered by this Agreement shall be paid once a week by negotiable check on a designated weekly pay day, prior to the end of their established shift. If the designated weekly pay day falls on an observed Holiday, pay day shall be the day preceding such Holiday. In the

event an employee is not paid prior to the end of their regular shift, they shall be compensated in one-half (1/2) hour increments at the straight-time hourly rate, not to exceed their regular assigned shift hours per day, in any twenty-four (24) hour period, until such payment is made.

EXAMPLE:

Assigned 8 hour shift = Maximum 8 hour penalty pay

Assigned 10 hour shift = Maximum 10 hour penalty pay

20.02 Payment Upon Layoff or Discharge

Employees who are laid off or discharged must be paid wages due them at the time of layoff or discharge. In the event the Employer fails to pay an employee at time of layoff or discharge, they shall be paid waiting time not to exceed their regular assigned shift hours at the straight-time rate of pay, in any twenty-four (24) hour period, until such payment is made.

20.03 Payment Upon Resignation or Voluntary Quit

Whenever an employee resigns or quits their employment, the wages and compensation earned and unpaid at the time of his resignation or quitting, must be paid no later than the day on which he would have regularly been paid the wages or compensation, or seven days after he resigns or quits, whichever is earlier. This payment will be mailed by Certified Mail.

20.04 Insufficient Funds

Employees who receive a check which is non-negotiable because of insufficiency of funds on deposit, shall be paid in cash. Employees shall be paid waiting time not to exceed their regular assigned shift hours at the straight-time rate of pay, in any twenty-four (24) hour period, until such time the cash payment is made.

20.05 Incorrect Payments

Employees must bring the matter of incorrect payments to the attention of the Employer in writing utilizing the Labor Relations "Pay Discrepancy Form". This form must be submitted to Labor Relations by Supervision on the same day received. Once this form is received by Supervision and relayed to Labor Relations, the Employer shall correct the incorrect payment in the pay period in which the form is received. If the correction is not made within this time period, the penalty for an incorrect check shall be a minimum of two (2) hours straight-time. If the amount of the incorrect payment is greater than two (2) hours straight-time, the penalty shall equal the amount of the incorrect payment, up to a maximum of eight (8) hours straight-time pay for employees on a five-eight (5/8) shift or ten (10) hours straight-time pay for employees on a four-ten (4/10) shift, for each twenty-four (24) hour period in which compensation is not corrected.

20.06 Wage Increase/Allocations

Wage Increases, Allocations, and Re-Allocations to this Labor Agreement shall be implemented and paid to employees within forty-five (45) days of receipt of written notification from the Union to the Employer, and be paid retroactive to the effective date of such increase/allocations. A penalty of one (1) hour straight-time rate of pay will be paid to employees for each day of waiting time beyond the forty-five (45) days, until such Wage Increase/Allocation payments are made.

20.07 Direct Deposit

All employees will be encouraged to participate in the Employers direct deposit program, if applicable.

ARTICLE 21
HEALTH & WELFARE, DENTAL, VISION, AND DISABILITY

21.01 The Employer agrees to make contributions to the following Fringe Benefit Funds in the amounts stipulated in this Article.

All employees who have completed sixty (60) days of service covered by this Agreement will be covered under the "Operating Engineers Local 501 Security Fund" Health and Welfare Plan.

21.02 Health and Welfare

Effective with the month of October 2012, based upon hours worked or paid during the prior month, and monthly thereafter until modified pursuant to Section 21.05 hereof, the Employer shall continue to remit to the Operating Engineers Local 501 Security Trust Fund such premiums as are required to be paid pursuant to the Subscribers Agreement of said Fund, with a maximum of seven hundred seventeen dollars and thirty-five cents (\$717.35) per month for each employee who has worked seventy-two (72) hours or more during the preceding month, and at the rate of one hundred sixty-five dollars and fifty-four cents (\$165.54) per week in which two (2) days or more are worked by each employee working less than seventy-two (72) hours in a month. Such contributions shall be utilized to provide eligible employees covered hereunder with the schedule of benefits of Operating Engineers Local 501 Security Trust Fund Health and Welfare Plan.

21.03 Dental Plan

Effective with the month of October 2012, based upon hours worked or paid during the prior month, and monthly thereafter until modified pursuant to Section 21.05 hereof, the Employer shall continue to remit to the Operating Engineers Local 501 Security Trust Fund such premiums as are required to be paid pursuant to the Subscribers Agreement of said Fund, with a maximum of thirty-eight dollars and ninety-nine cents (\$38.99) per month for each employee who has worked seventy-two (72) hours or more

during the preceding month, and at the rate of nine dollars (\$9.00) per week in which two (2) days or more are worked by each employee working less than seventy-two (72) hours in a month. Such contributions shall be utilized to provide eligible employees covered hereunder with the schedule of benefits of Operating Engineers Local 501 Security Trust Fund Dental Plan.

21.04 Vision Plan

Effective with the month of October 2012, based upon hours worked or paid during the prior month, and monthly thereafter until modified pursuant to Section 21.05 hereof, the Employer shall continue to remit to the Operating Engineers Local 501 Security Trust Fund such premiums as are required to be paid pursuant to the Subscribers Agreement of said Fund, with a maximum of eleven dollars and sixty-six cents (\$11.66) per month for each employee who has worked seventy-two (72) hours or more during the preceding month, and at the rate of two dollars and sixty-nine cents (\$2.69) per week in which two (2) days or more are worked by each employee working less than seventy-two (72) hours in a month. Such contributions shall be utilized to provide eligible employees covered hereunder with the schedule of benefits of Operating Engineers Local 501 Security Trust Fund Vision Plan.

Employee's must meet the eligibility requirements of the Plan, including working a minimum of 72 hours per month or more (worked or paid), in order for the Employer to make the full monthly contribution.

Should the Union request to raise this contribution above seven hundred and sixty-eight dollars (\$768.00) per month during the term of this Agreement, this additional contribution shall be reallocated from wages, and the Union shall notify the Employer in writing of the amount of the reallocation and from which fund(s) the amount shall be reallocated.

21.05. Disability Plans

Employees may elect to be covered by Employer's short-term and long-term Disability Plans which are available to non-bargaining unit employees of the Employer. Modifications made by the Employer to the short-term and long-term Disability Plans covering non-bargaining unit employees will automatically apply to the bargaining unit employees during the term of the Agreement. Employees may enroll during annual open enrollment only.

ARTICLE 22 PENSION

22.01 Pension

The Employer hereby agrees to be bound by the Agreement and Declaration of Trust entered into as of September 7, 1960, establishing the Central Pension Fund of the International Union of Operating Engineers and Participating Employers and by any amendments thereto.

The Employer further agrees to execute the Participating Agreement.

22.02 Contributions

The Employer shall contribute to the Central Pension Fund of the International Union of Operating Engineers the following amounts listed per hour worked and or paid for by employees covered by this Agreement on the yearly dates identified each of the five (5) years of this Agreement. No additional pension contribution shall be made for year four (4) and five (5):

Effective:	<u>10/01/12</u>	<u>10/01/13</u>	<u>10/01/14</u>	<u>10/01/15</u>	<u>10/01/16</u>
	\$ 7.00	\$7.00	\$7.00	TBA	TBA

22.03 Represented Employees Savings Plan

Employees covered by this Agreement may elect to participate in the Employer's Represented Employees Savings Plan. Contributions and participation shall be determined by the provisions of the Plan.

ARTICLE 23
APPRENTICESHIP AND TRAINING PROGRAM

23.01 Agreement and Declaration of Trust

The Employer agrees to become a party of the Agreement and Declaration of Trust establishing the Southern Nevada Operating Engineers Apprenticeship and Training Trust Fund.

23.02 Contributions

Effective September 1, 2013, the Employer shall remit to the Southern Nevada Operating Engineers Apprentice and Training Trust Fund the sum of five hundred forty dollars and eighty cents (\$540.80) multiplied by the number of Operating Engineers on the payroll as of the initial effective date of this Agreement and on the thirty-first (31st) day of July of each succeeding year of this Agreement.

Effective September 1, 2014, the Employer shall remit to the Southern Nevada Operating Engineers Apprentice and Training Trust Fund the sum of five hundred sixty-one dollars and sixty cents (\$561.60) multiplied by the number of Operating Engineers on the payroll as of the initial effective date of this Agreement and on the thirty-first (31st) day of July of each succeeding year of this Agreement.

Effective September 1, 2015 and annually thereafter, the Employer shall remit to the Southern Nevada Operating Engineers Apprentice and Training Trust Fund the sum of five hundred eighty-two dollars and forty cents (\$582.40) multiplied by the number of Operating Engineers on the payroll as of the initial effective date of this Agreement and on the thirty-first (31st) day of July of each succeeding year of this Agreement.

23.03 Employment of Apprentices

The Employer shall have access to all benefits of the Program but the employment of apprentices shall be at the discretion of the Employer.

23.04 Apprentice Maintenance Engineer (AME) - Wage Progression Scale

First six months	60%	Fifth six months	80%
Second six months	65%	Sixth six months	85%
Third six months	70%	Seventh six months	90%
Fourth six months	75%	Eighth six months	95%

Note: Apprentice Maintenance Engineer percentages to be computed on the then current rate for a Maintenance Engineer II.

23.05 Employment of Graduating Apprentices

The parties agree that the Employer retains the option to determine the continued employment of an apprentice in the position of a Maintenance Engineer II following completion of all apprenticeship requirements.

ARTICLE 24
SCOPE OF WORK

24.01 It is understood and agreed that the Union shall have the sole and exclusive right to determine the scope of work to be covered by this Agreement. The scope of work shall include work performed by the maintenance department at the above referenced facilities as defined and evidenced by the National Labor Relations Board election conducted in Case No. 28-RC-5404/5404.

24.02 The above referenced work scope shall be subject to this Agreement upon execution thereof at the following locations only: the work performed by the Employer's employees represented by the Union and assigned to the DOE facilities located in NLV, at its Losee Road facilities and its RSL facilities. The scope of work shall include work performed by the maintenance department at the above referenced facilities as defined and evidenced by the National Labor Relations Board referenced in Section 24.01.

The below listed areas of scope of work shall apply to all Maintenance, and or Repairs of existing systems for NLV and RSL:

- (A) Roads and Grounds, to include all landscaping and irrigation, curbing and sidewalks, fencing
- (B) All water distribution systems, including domestic and fire
- (C) Fire control systems
- (D) Energy management control systems

- (E) Electrical systems
- (F) Pneumatic systems
- (G) Plumbing
- (H) Sewage systems
- (I) Movement of equipment and/or furniture
- (J) Modular furniture assembly and disassembly
- (K) Painting
- (L) May be assigned to administrative duties, to include but not limited to, defining scope of work, JHA's, STR, SME, purchasing, preparing requisitions and entering purchases in procurement systems, emergency transporting of parts and supplies as needed, Lead Mechanic duties, on an as-needed basis
- (M) Maintenance and repair of all Machine shop equipment
- (N) Maintenance and repair of all assigned equipment, including lifts and platforms
- (O) Movement of site trash containers
- (P) Maintenance and repair of all overhead cranes
- (Q) Maintenance and repair of all roofs and building structures
- (R) Maintenance and repair of all HVAC and air handling systems

24.03 It is agreed that additional work or facilities may be added to Section 24.02 of this Article upon agreement between the Employer and the Union. Such additional work would be applicable to DOE Facilities only.

ARTICLE 25
CHECK-OFF

25.01 Check-off

The Employer will check-off and remit to the Union monthly dues and initiation fees of employees who have executed and furnished to the Employer a Payroll Deduction Authorization in the form of Exhibit 1, attached hereto, and by reference made a part hereof.

25.02 Indemnification

The Union shall indemnify and save the Employer harmless against any and all claims, demands, suits and other forms of liability which shall arise out of, or by reason of, action taken or not taken by the Employer at the request of the Union under the terms of this Article.

ARTICLE 26
GENERAL SAVINGS CLAUSE

26.01 It is not the intent of either party to this Agreement to violate any federal, state or local laws, rulings or regulations of any governmental authority or agency having jurisdiction of the subject matter of this Agreement, and the parties agree that in the event any provision of this Agreement is finally held or determined to be illegal or void, as being in contravention of any such laws, rulings or regulations, the remainder of the Agreement shall remain in full force and effect. The parties agree that if and when any provision of this Agreement is held or determined to be illegal or void, they will then promptly enter into lawful negotiations concerning the substance thereof. If the parties are unable to resolve the conflict, the matter will be subject to the Grievance and Arbitration Procedure - Article 14

ARTICLE 27
NONDISCRIMINATION/EQUAL EMPLOYMENT OPPORTUNITY/
AFFIRMATIVE ACTION PROGRAM

27.01 The Employer and the Union agree they will not discriminate against any employee or applicant for employment because of race, creed/religion, sex, color, age, handicap, veteran status, national origin, or any other basis recognized by law.

27.02 The parties hereby agree to comply with all applicable federal laws and executive order pertaining to nondiscrimination and equal opportunity in employment, including all orders issued by the office of Federal Contract Compliance and any other orders which are applicable to government contract operations such as that conducted by the Employer.

27.03 The parties recognize the requirement that the Employer, as a Federal Government contractor, adopt an affirmative action program, which includes goals and objectives for the recruitment, employment, training and upgrading of minority employees and female employees. The Union hereby agrees to and supports the implementation of the Employer's Affirmative Action Program and will assist in every way possible in the achievement of those goals and objectives within this bargaining unit.

ARTICLE 28
SAFETY

28.01 Employees are required to comply with all safety rules, policies and practices established by the Employer from time to time, and to cooperate with the Employer in the enforcement of safety measures. Violations of any such rules, policies, and procedures shall be grounds for disciplinary action up to and including discharge.

28.02 The Employer shall provide the employees with any Personal Protective Equipment (PPE) required under any federal or state law to perform work. The Employer shall make a temporary replacement uniform available to any employee exposed to bio-hazardous material.

ARTICLE 29
PHYSICAL EXAMINATION

29.01 The Employer may have any employee in a position, subject to this Agreement; submit to a post-offer-of-employment, periodic, or termination physical examination by its medical advisors.

29.02 The Employer agrees to pay an employee for time spent in a physical examination ordered by the Employer.

29.03 Any report resulting from any examination specified above shall be made available to the Employee involved upon written request by said employee.

29.04 It is not the intent of the Employer to use the results of any of the above physical examinations to make employment decisions unless the results show that the employee's continuation on the job would be detrimental to himself or hazardous to other persons.

In the event a dispute arises between the parties over the Employer's use of the results of a physical examination, pursuant to the above provision, such dispute shall be subject to the Grievance and Arbitration Procedure set forth in Article 14.

29.05 The Employer agrees to make reasonable efforts to place a disabled employee in a position, which such employee can safely perform.

29.06 If a subsequent physical examination by the Employer discloses that the employee has remedied the disability and is capable of performing his duties, he shall be eligible for rehire.

29.07 An employee may request a physical examination provided that such requests may not be made more often than intervals recognized by the Employer's medical staff as consistent with good medical practices.

ARTICLE 30
DOE ORDERS AND DIRECTIVES

30.01 It is understood and agreed that the Employer's operations involved herein are subject to its contract with the DOE and the Orders and Directives of said Department, and it is agreed that should any National Security, Safety, or Health Orders and Directives of the DOE conflict with any of the provisions of this Agreement, the parties shall meet and confer in an effort to resolve the conflict. If the parties are unable to resolve the conflict, the matter will be subject to the Grievance and Arbitration Procedure - Article 14.

ARTICLE 31
NEST TEAM AND OTHER VOLUNTARY
EMERGENCY RESPONSE TEAM PARTICIPATION

31.01 It is understood by the parties to this Agreement that individual employees covered by this Agreement may volunteer to participate as a member of the Employer's NEST Team or similar programs (Special Programs). Further, it is understood that the Employer shall have the right to limit the number of employees covered by this Agreement who volunteer for participation in Special Programs and that such participation in Special Programs must be pre-approved by the Employer.

31.02 Any employee who participates as a volunteer in Special Programs shall not be covered by the terms of this Agreement during the term of their participation in any activity associated with Special Programs. The terms and conditions of employment during participation in Special Programs shall be independently and individually negotiated between the employee and the Employer.

31.03 While an employee covered by this Agreement is participating in NEST or other volunteer Company related Special Programs, the employee's hourly rate of pay and fringe benefit payments shall be in accordance with payments required by this Agreement. Overtime payment will be in accordance with the Employer's policy and guidelines covering its non-bargaining unit employees.

ARTICLE 32
COMPANY REQUIRED TRAVEL

32.01 While an employee covered by this Agreement is on Company required travel, which is not part of a voluntary Special Program as outlined in Article 31, the employee shall be paid the hourly wage rate and fringe benefit payments required under this Agreement. Travel time shall be considered as time worked for the purpose of calculating overtime.

32.02 An employee shall be reimbursed for expenses incurred while on Company required travel in accordance with the Employer's policy covering its non-bargaining unit employees.

ARTICLE 33
TERM OF AGREEMENT

33.01 Term of Agreement

This Agreement shall become effective on October 1, 2012 and shall continue in full force and effect through September 30, 2017, and from year to year thereafter, unless either party hereto shall notify the other in writing by certified mail not less than sixty (60) days prior to October 1, 2017, or the 30th of September of any succeeding year, of a desire to terminate, modify or amend this Agreement.

33.02 Wage and Fringe Re-Opener

The Employer agrees to re-open this Agreement for the purposes of negotiating wages and fringe benefits ninety (90) days prior to October 1, 2015.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of this 4th day of December, 2012.

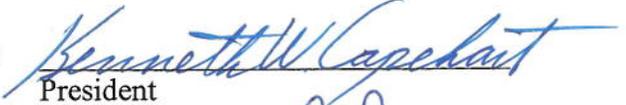
For the Employer:

NATIONAL SECURITY TECHNOLOGIES LLC

BY: 
Its: Manager, Labor Relations

For the Union:

INTERNATIONAL UNION OF
OPERATING ENGINEERS LOCAL 501,
AFL-CIO

BY: 
Its: President

BY: 
Its: Business Manager

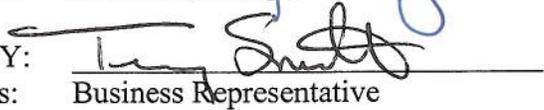
BY: 
Its: Business Representative

EXHIBIT I

INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL 501-LAS VEGAS, NEVADA

PAYROLL DEDUCTION AUTHORIZATION

(EMPLOYER)

I, the undersigned, a member of the International Union of Operating Engineers, Local No. 501, hereby request and voluntarily authorize the Employer to deduct from my wages or compensation due me, the regular monthly dues, initiation fees, reinitiating fees and assessments uniformly applicable to the members in accordance with the Constitution and the By-Laws of the Union.

This authorization shall remain in effect and shall be irrevocable unless I revoke it by sending written notice to both the Employer and the International Union of Operating Engineers, Local Union No. 501, by certified mail during a period of fifteen (15) days immediately succeeding any yearly period subsequent to the date of this authorization or subsequent to the date of termination of the applicable contract between the Employer and the Union, whichever occurs sooner, and shall be automatically renewed as an irrevocable check-off from year to year unless revoked as herein provided.

NAME _____
(Please Print)

(Signature)

Date _____