

**COLLECTIVE BARGAINING AGREEMENT**

**BETWEEN**

**CUBIC GLOBAL DEFENSE, INC.**

**AND**

**THE SERVICE EMPLOYEES INTERNATIONAL UNION  
LOCAL NO. 925**

**NAS WHIDBEY ISLAND, WA**



**OCTOBER 1, 2016 THROUGH SEPTEMBER 30, 2019**

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## PREAMBLE

The Parties have entered into this Agreement for the purpose of setting forth in writing the understandings they have reached with respect to wages, benefits and working conditions of the employees covered hereby, as well as to the rights of the Company and the Union, and to provide a peaceful means for the settlement of any disputes which may arise with respect to the interpretation or application of their understandings and agreements as set forth herein.

This agreement is dated the 3rd day of October 2016, by and between Cubic Global Defense, Inc. (hereinafter referred to as the "Company") and the Service Employees International Union (SEIU), Local Lodge 925 (hereinafter referred to as the "Union").

## ARTICLE 1 RECOGNITION

**Section 1.** The Company recognizes the Union as the exclusive collective bargaining representative with respect to rates of pay, wages, hours of employment and other conditions of employment for all the Flight Crew Simulator Instructors of Cubic Global Defense, Inc., in the bargaining unit on the F/A-18 COMS/CI Contract described in the recognition agreement between Cubic Global Defense, Inc. (Cubic) and the Service Employees International Union (SEIU), dated 23 September 2016.

Except as otherwise clear from the context, the term "employees" as used in this Agreement means employees in the bargaining unit.

**Section 2.** Specifically excluded from this Agreement are Company executives and supervisory employees having authority, in the interest of the Company, to hire, transfer, reward, or discipline other employees or effectively to recommend such action.

**Section 3. Service Contract Act and Performance Work Statement:** The Service Contract Act of 1964, so amended (41 U.S.C. 351 et Seq.) and the appropriate Performance of Work Statement and associated appendices will govern in those instances where the Agreement is silent.

## ARTICLE 2 NON-DISCRIMINATION

The Company and the Union agree that there shall be no discrimination, harassment or bullying behavior against any employee or applicant because of Union membership or activity, race, color, creed, religion, sex, or sexual preference, political affiliation, age, marital status or the presence of any sensory, mental or physical disability provided that the job duties may be performed efficiently by an individual without danger to the health or safety of the physically disabled person or others. The Company and the Union separately and jointly recognize their obligation to abide by state and federal laws relating to equal employment opportunity, and nondiscrimination. It is understood that wherever in this Agreement employees or jobs are referred to in the male or female gender; it shall be recognized as referring to both male and female employees.

### **ARTICLE 3 RIGHTS OF MANAGEMENT**

**Section 1.** Except as modified 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 (without limiting the generality of the foregoing) its right to establish or continue policies, practices, and procedures for the conduct of the business; to select and direct the working force, to establish, eliminate, change, or combine work schedules and work assignments; to transfer, promote or demote employees, or to lay off, terminate or otherwise relieve employees from duty for lack of work or other legitimate reasons; to subcontract work which is not intended to result in the permanent displacement of current bargaining unit employees; to make and enforce 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. It is understood and agreed that any of the powers and authority, which the Company had prior to the signing of this Agreement, are retained by the Company except those specifically modified, delegated or granted by this Agreement.

**Section 2.** The Company shall not exercise any of its rights in an arbitrary or capricious manner, or in a manner discriminating against employees. Any action in the exercise of its enumerated rights that the Union claims is contrary to a provision of this Agreement shall be subject to Article 8, Grievance Procedure, up to and including Arbitration.

**Section 3.** The Company shall take no action that is prohibited by any other provision of this agreement.

### **ARTICLE 4 UNION SECURITY**

**Section 1.** All employees covered by this Agreement who are members of the Union in good standing on the effective date of this agreement shall remain members in good standing. For the purpose of this article, an employee shall be considered, as a member of the Union in good standing if the employee tenders the periodic dues and initiation fees or "Fair Share Fee" uniformly required of all members.

**Section 2.** Each employee covered by this Agreement shall be required, as a condition of employment, beginning thirty (30) days after their hire, to become a member of the Union or pay the Union a "Fair Share Fee" equivalent to the cost of administration and representation of this Agreement. The "Fair Share Fee" for non-members will be paid within the time constraints set forth herein for members under Article 5, Dues Check Off.

### **ARTICLE 5 DUES CHECKOFF**

**Section 1.** Upon receipt of a signed authorization by the employee, the Company shall deduct from the employee's pay, the initiation fee, dues and/or "Fair Share Fee" payable by him to the Union during the period provided for in said authorization.

Deductions shall be made on account of dues and/or initiation fees, if appropriate, from each bi-weekly payroll check of the employee after receipt of his/her authorization and thereafter from every bi-weekly paycheck of the employee in each month.

**Section 2.** The sums deducted as stated above shall be forwarded to the designated financial officer of the Union no later than the fifteenth (15<sup>th</sup>) day of the month after which the deductions are made.

**Section 3.** The Union will indemnify and hold the Company harmless from and against any and all claims, 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 of the foregoing provisions of this Article, or in reliance on any list, notice or assessment furnished under any of such provisions.

## **ARTICLE 6 ASSIGNMENT OF SHOP STEWARDS**

**Section 1.** The Union shall have the right to appoint Shop Stewards under the terms of this Agreement. The Company shall be furnished with the names of the Shop Stewards so appointed. The Shop Stewards shall see that the provisions of this Agreement are observed, and she/he shall be allowed a reasonable time to investigate grievances during regular working hours.

**Section 2.** It is agreed that Shop Stewards have full-time job duties to perform as employees. Shop Stewards shall endeavor to make every effort to keep to a minimum the actual time spent investigating, adjusting, and disposing of grievances.

All representation related affairs will be conducted so as not to interfere with the delivery of services to the customer. When it is necessary for a Shop Steward to leave the immediate work area, he shall first request permission from his Site Manager. Such requests shall not be unreasonably denied, and any problems relating to the issue can be referred to the Company Program Manager.

**Section 3. Union Access to Operations.** Representatives of the Union will be allowed access to the premises, subject to approval of the United States Navy, where employees in the unit are assigned, for the purpose of investigating grievances and to ensure the collective bargaining agreement is being complied with. However, prior to entering such premises, the shop steward on the behalf of such representatives shall contact the Site Manager, to advise him of the purpose of the visit and determine the availability of the employee(s). Prior approval must be obtained from the Site Manager or his designee and such visits shall not interfere with the production of work being performed.

## **ARTICLE 7 STRIKES AND LOCKOUTS**

**Section 1.** It is the intent of the parties, in the interests of attaining peaceful, orderly relations and efficient, uninterrupted operations, to set forth in this Agreement the obligations of the Company to the Union and the employees it represents, and to provide the exclusive procedures through which the Union, the Company, and the employees shall resort to secure redress for grievances arising from this Agreement.

**Section 2.** The Union shall not cause nor permit its members to cause, nor shall any member of the Union take part in any sit-down, stay-in, or slowdown in any Company location or any curtailment of work or restriction of production or interference with the operations of the Company.

**Section 3.** The Union shall not cause nor permit its members to cause, nor shall any member of the Union take part in, any strike of any of the Company's operations, or non-informational picketing of any of the Company's plants or premises.

**Section 4.** Any employee found guilty of violating this Article and disregarding the instructions given by the Union in accordance with Article 3, may be discharged or subject to other disciplinary action as the Company may consider appropriate subject to the grievance procedure outlined in Article 8.

**Section 5.** The Company shall not authorize or direct a lockout during the period this Agreement is in effect.

## **ARTICLE 8 GRIEVANCE PROCEDURE**

**Section 1.** For purposes of this Agreement, a grievance is defined as a dispute between the Company and the Union or between the Company and any bargaining unit employee covered hereby, with respect to the alleged violation of a specific provision of this Agreement. Grievances as herein defined shall be processed in keeping with the following procedure:

**Step 1.** Both parties encourage the verbal resolution of disputes as quickly as possible. An aggrieved employee, with his/her Shop Steward, shall discuss the dispute with the Site Manager or, in his/her absence, with the Program Manager within twenty (20) working days of the occurrence, or when the grievant was made aware of the occurrence. If the grievance has not been satisfactorily resolved within five (5) working days following its presentation to the Site Manager, then:

**Step 2.** The grievance may be submitted in writing on a form mutually agreed to by the Company and the Union, containing information set out in Section 3 of this Article. If filed by the Union or a bargaining unit employee, a grievance may be submitted to the Site Manager, within ten (10) working days following the Step 1 verbal response form the Site Manager. The Site Manager shall give his/her written answer to the grievance within ten (10) working days after its submission to him/her in Step 2. Either side may request a meeting or teleconference to discuss the details of the grievance and attempt to reach a resolution prior to the issuance of the written answer. The designated union representative(s), or his/her designee, may attend this meeting or teleconference. In the event there is no satisfactory settlement of the grievance at this Step, then Step 3 may be invoked.

**Step 3.** The Company shall request a meeting within ten (10) working days following the Union's appeal to Step 3. The Company shall give their written answer to the grievance within ten (10) working days after its submission in Step 3. If the grievance is not satisfactorily resolved at this level, it may be appealed to Step 4.

**Step 4.** The Union may appeal the grievance to arbitration by making a written request for such action within not more than twenty (20) working days following the written Step 3 answer.

**Section 2.** The parties understand and agree that the time limits set forth in the various steps of the grievance procedure are essential to the prompt resolution of the grievances. Accordingly, if such time limits are not abided by in filing a written grievance except in those instances where the parties mutually agree in writing to extend such time limits, the grievance shall be waived. In cases involving suspension or discharge, Step 1 (one) will be waived and the matter taken up with the Site Manager at Step 2 (two) within ten (10) working days following such action by the Company. A final decision made with respect to any grievance in the first (1<sup>st</sup>) or second (2<sup>nd</sup>) step of the grievance procedure shall apply to the grievance only and shall not become a binding precedent in the case of other grievances, or a precedent which shall bind the parties in interpretation of this Agreement. All settlements of grievances in Step 1 (one) or Step 2 (two) must be consistent with the terms and conditions of this Agreement.

**Section 3.** The written grievance shall contain the following information:

1. Name(s) of the employee(s) involved;
2. Approximate date of alleged grievance;
3. Date of first discussion of the grievance with the immediate Supervisor;
4. Nature of the grievance;
5. Current Date;
6. Article/Section of Agreement violated;
7. Requested remedy.

**Section 4.** Upon receipt of a notice to take a grievance to arbitration, the Parties shall jointly request the Federal Mediation and Conciliation Service to furnish a panel of seven (7) arbitrators for the purpose of selecting an arbitrator. Only the Union or the Company may invoke arbitration on the other.

**Section 5.** Upon receipt of the panel, the Parties shall make mutually satisfactory arrangements for the purpose of selecting an arbitrator by the process of alternately striking the names from the list until only one (1) remains. The last remaining member shall serve as arbitrator. On the first arbitration selection under this agreement, the Company will strike the first name from the panel. On the second (2<sup>nd</sup>) arbitration under this agreement, the Union will strike the first (1<sup>st</sup>) name from the panel. Thereafter this alternate striking of names will continue. Mutual records will be maintained by both parties. Either party may reject one (1) panel. Upon such rejection, an additional panel shall be requested in writing from the Federal Mediation and Conciliation Service by the party rejecting such panel with a copy of such request to the other Party.

**Section 6.** The arbitrator's authority shall be limited to disposition of the grievance arising under the contract, and he may only interpret and apply the Contract provisions to the facts of the particular grievance. The arbitrator shall have no power or authority to change, alter, modify, detract from or add to the terms of this Agreement. No award shall have retroactive effect prior to the date of the occurrence, which led to the filing of the grievance upon which the arbitrator's award is based.

**Section 7.** The arbitrator's award shall be final and binding upon the Company, the Union and the bargaining unit employees.

**Section 8.** The fees and costs of the arbitrator shall be borne equally by the Parties. Each Party shall otherwise pay its own costs and expenses.

## **ARTICLE 9 BARGAINING UNIT WORK**

**Section 1. Contract Instructor (CI) Work Responsibilities.** Job descriptions for Contract Instructors are available with the Site Manager and/or the Shop Steward. These descriptions shall be reviewed annually against the current statement of work and appendices as applicable. Descriptions shall be reviewed and approved by both Management and the Union. Proposed changes to job descriptions shall be provided electronically to the Shop Steward and the assigned Union Internal Organizer.

**Section 2. Full-time Employees.** Full-time employees are those designated by Company management who are generally scheduled to work 40 hours a week, whenever possible, on a regular basis. The number of full-time employees working at a site is determined by management and is based on maintaining a competitive business posture and meeting the needs of the customer. It is the understanding between the Company and the Union that at least seventy-five (75%) percent of the hours will be assigned to full time employees whenever possible. In order to ensure high quality, continuity, standardization and stability to the customer, the Company agrees to staff each site in a manner that will maximize full-time and minimize part-time employees.

**Section 3. Part-time Employees.** Part-time employees are those who are scheduled for work on an as-required basis to meet the requirements of the daily schedule.

Part-time employees are compensated in accordance with the wages stipulated in the applicable table in Article 14, Compensation, and are paid for each hour worked.



Part-time employees are paid on a pro-rata basis for holiday and vacation pay for each hour worked based on the formula specified below:

<b>Years of Service</b>	<b>Holiday &amp; Vacation (H/V) Pay Calculation</b>
Date of Hire thru end of Year 4 (up to 48 months)	Hourly Base Rate x (200 / 2080) = H/V Pay Hourly Base Rate + H/V Pay = Total Hourly Rate
4+ Years thru end of Year 9 (over 48 months to 108 months)	Hourly Base Rate x (240 / 2080) = H/V Pay Hourly Base Rate + H/V Pay = Total Hourly Rate
9+ Years thru end of Year 14 (over 108 months to 168 months)	Hourly Base Rate x (260 / 2080) = H/V Pay Hourly Base Rate + H/V Pay = Total Hourly Rate
14+ Years thru end of Year 24 (over 168 months to 288 months)	Hourly Base Rate x (280 / 2080) = H/V Pay Hourly Base Rate + H/V Pay = Total Hourly Rate
24+ Years (over 288 months)	Hourly Base Rate x (300 / 2080) = H/V Pay Hourly Base Rate + H/V Pay = Total Hourly Rate

**Section 5. Site Manager.** The Company employs a Site Manager expected to perform both management and Contract Instructor tasks as required. The Site Manager will not be used to replace or displace bargaining unit personnel.

## **ARTICLE 10 SENIORITY**

**Section 1. Probationary Employee.** Defined as a new employee during the first ninety (90) days of employment who has not yet achieved customer certification to conduct training and/or classroom events in accordance with customer guidelines. Employment of probationary employees is at the sole and absolute discretion of the Company. An employee terminated for any reason during the probationary period has no mandatory seniority, recall or reinstatement rights. The Company may terminate or transfer probationary employees at its discretion and such actions are not subject to the Grievance Procedure.

**Section 2. Application of Seniority.** For the purpose of operating under this Agreement, employees shall be entitled to seniority in accordance with their date of hire with a predecessor contractor, the present contractor, or a successor contractor, and shall only include the whole span of continuous service at NAS Whidbey Island herein called seniority date. The most senior employee (i.e. employee with the earliest prior contract service date of hire at NAS Whidbey Island) shall be listed at the top of the Seniority List and the least senior employee shall be listed at the bottom of the Seniority List. All other employees shall be listed on the Seniority List in descending order based upon their date of hire at NAS Whidbey Island. Employees hired subsequent to this agreement shall be assigned a seniority date based on date of hire, or if hired on the same date, be assigned seniority based on an alphabetical listing, beginning A-Z of their last name. The seniority list shall be available with the Shop Steward and Site Manager.

Seniority shall be used by the Company in making layoff, recall and promotion/demotion decisions depending on the requirements of the Company's contract with the Government and if all other factors, including but not limited to qualification, skill and ability, are met. This seniority date shall be used to establish first right of refusal in the determination of, but is not limited to, layoff/recall and advancement/demotion. In the case of advancement from PT to FT or assignment of new training, qualifications and certifications as per Government requirements will be used in conjunction with seniority. Qualifications and certifications will be determined by Government requirements.

**Section 3. Loss of Seniority Rights.** Seniority rights shall be lost due to the following:

- a) Resignation
- b) Discharge for just cause.
- c) Non-Medical Leave of Absence for more than one (1) calendar year.
- d) Failure to return to work within ten (10) days of a recall notice, unless a satisfactory reason is given.
- e) Acceptance of other employment while on an approved leave of absence without prior permission from management.

**Section 4. Layoff and Recall Procedures.** The seniority list shall be based on the order of seniority and established qualifications to work the remaining jobs. Those with the least seniority will be laid off first per Section 2 (two), above, and those with the most seniority will be recalled first. If a more senior employee is determined by the Company to be unqualified for a remaining job, the Company will state in writing the reasons for an unqualified rating. The designated union representative shall be copied on all layoff and seniority bypass notices.

**Section 5. Posting Of Jobs.** New job classifications and any job vacancies shall be posted on Company bulletin boards for at least five (5) working days before the Company may select employees, in accordance with this Article, to fill the new/vacant positions. The Shop Steward shall receive notification of all job postings.

**Section 6. Recall Notice.** An employee shall be recalled by certified mail, return receipt requested, mailed to the employee's last known address of record. The postmark on the return receipt requested shall be the date of notification of recall. The designated union representative shall be copied on all recall notices.

**Section 7. Management Seniority.** Any current management personnel or any employee from the bargaining unit who accepts a management position in the future shall be frozen at their current seniority and seniority accrual will resume upon reintroduction to the bargaining unit.

## **ARTICLE 11 DISCIPLINARY & DISCHARGE CASES**

**Section 1.** The Company wants to assure the Union that it remains committed to respecting the provisions of the Collective Bargaining Agreement regarding just cause in the area of discipline and discharge, as well as the provisions covering the grievance procedures. No employee covered under this agreement will be disciplined or discharged except for just cause. When disciplinary action is contemplated against any employee, the Union will be notified prior to any action being taken.

**Section 2. Investigative Meeting.** Any employee who is called into a meeting, which they believe could lead to discipline, will have the right to have a Shop Steward present.

**Section 3. Disciplinary Record.** An employee's disciplinary record will remain in their personnel file for a period of twelve (12) months. If during this time there have been no similar violations, then the disciplinary record will be expunged from the employee's record.

**Section 4.** If after investigation and/or Grievance/Arbitration, the charge against an employee who has been suspended or discharged is found to be without merit, the employee will be reinstated with full seniority and back pay.

**Section 5.** An employee, who loses certification and fails to regain certification within thirty (30) days, will be terminated from employment.

**Section 6. Loss of Access.** If employee's security clearances and/or certifications are allowed to lapse through the fault of the Company and they cannot access the facilities those employees will be paid for all time they would have worked had they been allowed to work.

## **ARTICLE 12 HOURS OF WORK**

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**Section 1.** The Company defines in its workweek to begin at 12:00:01 a.m. Saturday and end at 12:00 midnight on Friday. The normal but not guaranteed workweek for each Full-time employee is forty (40) hours. The normally assigned work week shall be Monday through Friday.

**Section 2. Split Shifts.** A split shift is defined as a published and scheduled break between an employee's last event and the beginning of his next event of two (2) hours or greater. For Split Shift scheduling compensation, refer to Article 13, Overtime.

**Section 3. Worksite Closure.** If the customer closes the worksite, employees will be paid their regular rate of pay for hours they would have worked had the workplace not been closed. Full-time employees will receive eight (8) hours of pay, and Part-time employees will be paid for the time which they were scheduled.

## **ARTICLE 13 OVERTIME**

**Section 1.** Employees will be paid overtime at one and one-half times their regular hourly rate after forty (40) hours are worked in a week. Unless he/she volunteers for a split schedule, an employee whose daily schedule exceeds a ten (10) hour time period, will receive premium pay (time and one-half their regular rate) for all hours worked past the tenth scheduled hour.

Employees will be paid one and one-half times their regular hourly rate for all hours worked on a Saturday/Sunday. Employees scheduled and working on a holiday will be paid their regular hourly rate of pay for hours worked plus double-time (2x) for all hours worked on the holiday.

## **ARTICLE 14 COMPENSATION**

**Section 1. Wages** The following base hourly rates will be paid in accordance with the table below to all qualified instructors who have achieved customer certification in at least one area of training in accordance with customer guidelines covered by this Agreement.

<b>Classification</b>	<b>10/1/16</b>	<b>10/1/17</b>	<b>10/1/18</b>
EA-18G Instructor	\$62.79	\$64.05	\$65.21

**ARTICLE 15  
HEALTH & WELFARE BENEFITS**

**Section 1. Health & Welfare.** All bargaining unit employees will receive bona-fide fringe benefits on a cash-in-lieu basis equivalent to the rate stipulated in the table below for all hours paid (maximum of 80 hours per two week pay period).

A portion of these Health & Welfare benefits will be paid to The Boon Group, the Company's third-party SCA/ACA administrator. The Boon Group will provide employees with a health insurance program (medical, dental, basic life and STD) and/or a non-elective 401(k) plan deferral (if the employee executes a waiver form with proof of other eligible group medical coverage). The amount assigned to The Boon Group will be established annually in accordance with the local Wage Determination incorporated for the work. The difference between The Boon Group contribution and the hourly value of H&W will be paid on cash-in-lieu of benefits basis in the employee's paycheck.

10/1/16	10/1/17	10/1/18
\$9.75	\$10.75	\$11.25

**Section 2.** The Company will provide regular full-time employees with term life insurance equal to 1.75 times their base annual pay, rounded to the next highest \$1,000 (up to a maximum of \$50,000) at no cost to the employee.

**Section 3. Voluntary Insurance Plans.** Full-time employees may elect to enroll in the Company's optional insurance plans such as dental, vision, optional life insurance, dependent life insurance, short-term disability coverage, and long-term disability coverage. Employees will be responsible to pay the bi-weekly payroll deductions for these plans based on the coverage elected.

**ARTICLE 16  
HOLIDAYS**

**Section 1.** Employees will be compensated at their working rate of pay for the following holidays:

<i>New Year's Day</i>	<i>Martin Luther King's Birthday</i>
<i>President's Day</i>	<i>Memorial Day</i>
<i>Independence Day</i>	<i>Labor Day</i>
<i>Columbus Day</i>	<i>Veteran's Day</i>
<i>Thanksgiving Day</i>	<i>Christmas Day</i>

In addition to the holidays listed above, the Company will observe any holidays declared as a legal federal holiday by both the Congress and the President.

**Section 2.** In the event any of these holidays occur on a Saturday or Sunday, they shall be observed by the Contractor per the practice observed by the Government.

**Section 3.** Full-time employees will receive eight (8) hours pay per holiday.

**Section 4.** Employees must be in an active paid status the day prior to and following a Holiday to be eligible for Holiday pay.

**Section 5.** Employees working on a holiday will be compensated for eight (8) hours of holiday pay plus double-time (2x) their base hourly rate for all hours worked on the holiday. Part-time employee's holiday pay is discussed in Article 9, Section 3.

**ARTICLE 17  
VACATION**

**Section 1. Eligibility.** Employees will accrue vacation on a pay period basis (1/26th of annual amount). Employees may use vacation hours as they accrue them. Employees may accumulate unused vacation equivalent to a maximum of 120 hours from one benefit year to the next. Vacation in excess of this amount will be paid off annually at the employee's base rate of pay plus any applicable lead pay in the first pay period following the employee's anniversary date.

Part-time employees will be compensated for vacation/holiday time at a pro-rated rate according to hours worked as discussed in Article 9, Section 3.

The following vacation schedule applies:

<b>Years of Service</b>	<b>Months of Service</b>	<b>Annual Vacation Amount</b>	<b>Pay Period Accrual Amount</b>
0 thru 4 years	0 - 48	120 hours	4.62 hours
4+ thru 9 years	48 - 108	160 hours	6.15 hours
9+ thru 14 years	108 - 168	180 hours	6.92 hours
14+ thru 24 years	168 – 288	200 hours	7.69 hours
24+ years	288+	220 hours	8.46 hours

**Section 2. Vacation Advance.** Employees who wish to take vacation without having earned the required amount will be permitted to borrow up to forty (40) hours from their anticipated vacation earnings. In the event an employee ceases employment with a negative balance, the Company will deduct such amount from the employee's final paycheck.

**Section 3. Vacation Pay.** Vacation may be recorded in a minimum of one hour increments. A full day of vacation taken will be recorded as an eight (8) hour day.

**Section 4. Leave Donations.** The Company may authorize employees to donate their accrued vacation to another employee who is suffering from or who has an immediate family member suffering from an extraordinary or severe illness, injury, or physical or mental condition which has or is likely to cause the employee to take leave without pay or to terminate their employment.

**ARTICLE 18  
ABSENCES**

**Section 1. Sick Leave.** Full-time employees will be awarded six (6) days of sick leave at the start of each Fiscal Year. The cost of sick leave will not be deducted from the Health and Welfare benefit stated above. Sick Leave is to be used as actual sick time and not supplemental to Vacation Leave. Unused sick leave may be carried over to the following year to a maximum of 48 hours.

Unused sick leave in excess of the carry over amount is forfeited. There is no pay out of sick leave upon termination.

**Section 2. Bereavement Leave.** The Company will provide Full-Time employees with three (3) paid days of bereavement leave to mourn the loss of immediate family members. Employees who wish to take time off due to the death of an immediate family member should notify their supervisor immediately. If there is a travel requirement beyond four hundred (400) miles an additional two (2) paid days shall be provided.

Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. Employees may, with their supervisor' approval use any available paid leave for additional time off as necessary.

"Immediate family" shall be considered as follows: Spouse; qualified domestic partner; parent; parent of spouse; stepparent; stepparent of spouse; legal guardian; child; brother or sister; brother or sister of spouse; stepchild; stepbrother or stepsister; grandchild; grandparent; and grandparent of spouse. It is understood between the Company and the Union that references to Spouse and the family members spouses that it shall include domestic partners.

**Section 3. Jury Duty.** Full-time employees will receive their regular hourly rate of pay for up to ten (10) days (longer if required by state law) of jury duty service per calendar year with documented proof of service. Full-time employees who are subpoenaed by the Company to serve as a witness in a trial regarding their duties as an employee, will be compensated by the Company for the difference between any witness pay received and their normally scheduled hours lost, at the straight-time hourly rate, less any mileage fees received.

**Section 4. Military Differential Pay.** Full-time employees who are military reservists are eligible to receive ten (10) days differential pay (difference between Company earnings & total U.S. government compensation earnings) per fiscal year for military duty. Differential pay will be paid upon completion of active duty period after Company receipt of the employee's Leave & Earnings Statement (LES).

**Section 5. Extended Military Leave.** Employees will be allowed unpaid military leave of absence consistent with applicable state and federal statute. Upon return from active duty, re-employed employees seniority shall be reinstated.

**Section 6. Union Leave.** Employees who are Officers, Stewards or Committee Members will be granted up to three (3) days unpaid leave per year for attendance at Union sponsored training or functions. Requests for additional leave will be considered, subject to approval by the Site Manager. Such leave must be requested at least five (5) working days in advance of the leave. No more than three (3) such employees will be released at any one time. The Union agrees that this coordination includes the Company's ability to execute the training schedule as provided by the customer. Should the requested period not be achievable based on the customer training schedules, the Company and the Union agrees to find an alternate date or reduce the number of requested employees to meet training requirements.

**Section 7. Family & Medical Leave Act (FMLA).** The Company will comply with all Federal and State requirements under these statutes

**ARTICLE 19  
MISCELLANEOUS PROVISIONS**

**Section 1. Partial Invalidity of Agreement.** In the event that any of the provisions of this Agreement shall be or become legally invalid or unenforceable, such invalidity or unenforceability shall not affect the remainder of the provisions hereof. In the event of such invalidation or unenforceability, the parties shall meet at a mutually agreeable time within thirty (30) calendar days to negotiate substitute provision(s) for such provision(s) rendered or declared invalid or unenforceable. Such negotiations shall be restricted and limited to determining substitute provision(s) for the same subject. This provision shall also apply to changes in the Performance of Work Statement or applicable appendices from the Government.

**Section 2. Application.** This Agreement shall be binding upon the Union, the Company, its successors and/or assigns of the Company.

**Section 3. Applicable Company Policies.** Items not specifically covered by this Agreement and governed by Company policy which are applicable to employees within the bargaining unit will be made available to the Union.

**Section 4. Company Sponsored Employee Programs.** The Company shall not exclude employees from any offered Company sponsored programs based solely on Union membership. Such employee opportunities shall be provided to the Union for review and acceptance or rejection for bargaining unit use.

**Section 5. Timesheets.** The electronic timekeeping system shall accurately reflect the amount of hours worked each day. The electronic timekeeping system shall be signed by each employee, then reviewed and signed by the time approver at the end of each pay period.

**Section 6. Meet and Consult.** In the event significant program changes occur during the life of this Agreement, the Company agrees to meet and consult with the Union concerning the effect of such changes on bargaining unit employees.

**ARTICLE 20  
401(k) PLAN**

**Section 1.** The Company will provide a 401(k) Savings Plan for bargaining unit employees. Eligible employees may elect to defer compensation within the limitations provided by the Plan. All conditions of participation will be governed by the Plan document(s).

**ARTICLE 21  
TUITION REIMBURSEMENT PLAN**

**Section 1.** The Company will provide a tuition assistance program that grants educational financial assistance to employees that enroll in and successfully complete accredited courses with a satisfactory grade according to current Company policy. Educational reimbursement is limited to \$2,500.00 per calendar year in accordance with Company policy.

## **ARTICLE 22 SECURITY**

**Section 1.** The Union recognizes that the Company may now have, or may incur in the future, obligations with respect to the security of information and materials under contract with the government.

**Section 2.** The Union agrees that nothing contained in this Agreement shall place the Company in violation of security agreements with the government.

**Section 3.** It is understood by and between the parties hereto that as a necessary condition of continued employment, employees shall be subject to investigation for security clearance or national agency check and/or unescorted entry authorization under regulations prescribed by the Department of Defense, or other agencies of the United States government on government work, and that denial of such clearance and/or unescorted entry authorization by such governmental agency shall be cause for release from the Company due to inability to meet job requirements.

**Section 4.** It is understood that there shall be no liability on the part of the Company for any release growing out of the denial of clearance and/or unescorted entry authorization by the United States government.

## **ARTICLE 23 DRUG FREE WORKPLACE**

**Section 1.** The Company and the Union are committed to providing employees with a drug-free and alcohol-free workplace. It is our goal to protect the health and safety of employees and to promote a productive workplace, and protect the reputation of the Company, the Union, and the employees.

**Section 2.** Consistent with these goals, the Company prohibits the use, possession, distribution or sale of drugs, drug paraphernalia or alcohol on Company premises. Bargaining unit employees will continue to be subject to drug and alcohol testing under the Company's Drug and Alcohol policy. The Company agrees that any such testing will be conducted in compliance with applicable federal or state regulations. All drug and alcohol testing will be at the expense of the Company.

**Section 3.** Pre-employment drug testing may be required as a condition of employment.

## **ARTICLE 24 SAFETY**

**Section 1. Health and Safety.** The Company will continue to comply with the applicable State and Federal OSHA requirements and make reasonable provisions for the comfort, safety, and health of employees. The Union shall have the right to confer with the Company regarding these matters. The Company will provide such tools and personal protection equipment as required to perform daily operations in a safe manner.



**ARTICLE 25  
DURATION AND TERMINATION**

**Section 1. Expiration Date.** This Agreement shall continue in full force and effect up to and including September 30, 2019.

**Section 2. Notice to Modify or Terminate, Automatic Renewal.** This Agreement shall continue in full force and effect for successive yearly periods after October 1, 2019 unless notice is given in writing by either the Union or the Company to the other party at least sixty (60) days prior to September 30, 2019. If such notice is given, this Agreement shall be open to modification, amendment, or termination, as such notice may indicate.

**Section 3. Waiver of Bargaining During Contract Term.** All Articles of this Agreement other than those specifically dated or those related to economics shall become effective upon receipt by the Company from the Union of written notice that it has been accepted by the Union.

**IN WITNESS WHEREOF**, the parties have become bound and caused this Agreement to be executed by their respective duly authorized representatives on the **3rd day of October 2016**.

**CUBIC GLOBAL DEFENSE, INC.**

**SERVICE EMPLOYEES INTERNATIONAL  
UNION – LOCAL LODGE NO. 925**

\_\_\_\_\_  
**Harold Carlisle**  
Vice President of Technical Services

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**Brandon Tippy, SEIU**  
Internal Organizer

\_\_\_\_\_  
**Kimberly Hartsoch**  
Vice President of Human Resources

\_\_\_\_\_  
**Don Kohlenberger**  
Chapter President

\_\_\_\_\_  
**James Hardin**  
Program Manager, Technical Services

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**Barry Kragel**  
Bargaining Team