COLLECTIVE BARGAINING AGREEMENT

Between

UNITED SPACE ALLIANCE, LLC

And

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL NO. 2088

Effective September 25, 2010 – August 2, 2013

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PREAMBLE

This Agreement entered into by and between the United Space Alliance LLC, hereinafter called the "Company" (the term "Company" as used throughout this Agreement refers only to those areas of the Company covered by this Agreement as defined in Article I, Section 1, hereof and the International Brotherhood of Electrical Workers Local No. 2088 of the A.F.L. - C.I.O., hereinafter called the "Union"), a nonprofit organization, evidences the desire of the parties hereto to promote and maintain harmonious relations between the Company and the Union.

ARTICLE I - GENERAL PROVISIONS

Section 1 - Recognition and Jurisdiction

The "Company" recognizes the "Union" as exclusive collective bargaining agent of the hereinafter defined employees of the Company. The word "employee" or "employees" as used in this Agreement means all employees of United Space Alliance occupying job classifications set forth in Schedule A, attached hereto, and working in the following Departments at John F. Kennedy Space Center (which, for this purpose will include the NASA Shuttle Logistics Depot), Brevard County, Florida: LPS Operations, 52300; LPS Maintenance, 52600; Navaids Engineering and Operations, 51910; Instrumentation and Calibration, 56600; Process Sampling, 54210; Support Quality Inspection, 54430; Process Assurance Inspection, 13520; Information Management Platform Services, 12940 and Receiving Inspection,14131.

Excluded Employees

The following employees are excluded from the above bargaining unit: All employees currently represented by another labor organization, all professional and administrative employees, confidential employees, watchmen, guards, confidential secretaries, and all managers and other supervisors as defined in the Labor Management Relations Act, as amended.

Section 2 - Period of Agreement

A. This Agreement shall remain in full force and effect from September 25, 2010 – August 2, 2013, and thereafter from year to year until modified, amended or terminated as hereinafter provided. Notice to modify or amend this Agreement will be given not less than 60 days and not more than 75 days, prior to 12:01 a.m. August 3, 2013 and during a like period of any subsequent year that this Agreement remains in effect. Either party may give to the other written notice of desire for modification(s) or amendments. The parties agree to exchange proposals for modification or amendment within fifteen (15) days after the giving of such notice. In the event of a failure of the parties to reach an agreement upon such modifications or amendments by midnight August 2, 2013 or midnight August 2nd of any subsequent yearly period for which this Agreement remains in full force and effect, either the Company or the Union may terminate the Agreement upon five (5) days written notice to the other.

The parties may mutually agree to extend this Agreement for a specific period of time for further negotiations.

B. In the event of instructions from the Federal Government to alter or change the working schedule now in effect, the Company may, upon fifteen (15) days written notice, reopen negotiations with the Union to the end of amending such Sections of this Agreement as pertain to hours of work and/or overtime payment for the sole purpose of considering objectives desired by the Government.

C. Any notice given under this Section shall be mailed, postage prepaid, certified mail, return receipt requested, to the Labor Relations Manager, United Space Alliance, for service upon the Company and when similarly mailed to the Business Manager, Local Union Number 2088, International Brotherhood of Electrical Workers, Cocoa, Florida, for service upon the Union. The date of receipt shown on the certified return mail receipt shall be the controlling date for all purposes under this Agreement.

D. For the purpose of computing the number of days which elapse after any notice is given under this Section, the day such notice is received shall not be counted.

Section 3 - Waiver

The waiver of any breach or condition of this Agreement by either party shall not constitute a precedent for any further waiver of such breach or condition.

Section 4 - Right to Manage Plant

The Company has and will retain the right and power to manage the Space Flight Operations activities at Kennedy Space Center and direct the working forces, including the right to hire, to discipline, suspend or discharge for just cause, to promote, demote and transfer its employees, subject to the provisions of this Agreement. Any claim that the Company has exercised such right and power contrary to the provisions of this Agreement may be taken up as a grievance.

Section 5 - Non-Bargaining Unit Employees Performing Bargaining Unit Work

Professional employees, non-bargaining unit employees and supervisors, will not perform the work of the occupational classifications covered by this Agreement, except for purposes of instruction, systems evaluation, system validation certificates or certification, or emergency conditions to meet mission support requirements.

An emergency condition is defined as an unsafe condition which, if not resolved, could result in damage to flight hardware, facilities or the safety of employees, as determined by the cognizant organizational director.

The Company will use its best efforts to ensure that the terms of this section are understood and applied throughout the Company in keeping with the spirit and intent herein.

Section 6 - Strikes and Lockouts

For the duration of this Agreement, the Union agrees that it will not cause or engage in any strike including a sympathy strike, slowdown or stoppage of work, and the Company agrees that it will not cause or engage in any lockout.

Section 7 - Union Responsibility

The Union agrees with the objectives of achieving the highest level of employee performance and efficiency consistent with safety, good health and sustained effort, and will not take, authorize, or condone any action, which interferes with the attainment of such objective. In the event of a breach by the Union of the provisions of Article I, Section 6, of this Agreement, the Company may abrogate this entire Agreement.

Section 8 - Deductions from Earnings

A. The Company will deduct from his wages and turn over to the Union, the Union Membership Dues of each employee who individually and voluntarily authorized the Company in writing to make such deductions. The term "Union Membership Dues," as used herein shall include Union initiation fees, assessment or reinstatement fees of employees rehired by the Company, with or without seniority, when such employees are reinstated or rejoin the Union.

Such deductions shall be made in accordance with the following provisions:

(1) Such deductions shall be made only in accordance with instructions upon authorization cards, which shall be in a form mutually agreed to between the Company and the Union. In order to be effective, such authorization cards shall be delivered by the Union to the Labor Relations Department of the Company.

(2) Deductions from that portion of the Union Membership Dues consisting of Union initiation fees assessment or reinstatement fees, as provided above, shall be made from the employee's paycheck monthly in the amount as specified by the employee on the authorization card.

(3) Deductions for other Union Membership Dues shall be made from the employee's paycheck monthly for twelve (12) months of the calendar year. Such deductions shall be in the amount certified to the Company by the Union. Any change in the amount of deductions for such Union Membership Dues shall be made effective for the next full month after written notice of such change by the Union to the Company. In the event a deduction for such dues is not made from one or more consecutive monthly paychecks due to insufficient earnings by the employee, then on the next paycheck that the employee has sufficient earnings, a retroactive deduction shall be made.

(4) To be effective, dues deduction authorizations must be received by the Labor Relations Department of the Company by 4:00 p.m. on or before the last day of the month.

(5) The dues deduction authorization is voluntarily made in order to pay the Union's cost of representing an employee for the purposes of collective

bargaining, and the authorization is not conditioned on an employee's present or future membership in the Union. The authorization is made with the specific understanding that it is not a condition of employment with the Company.

PAYROLL DEDUCTION AUTHORIZATION CARD

I, _____, , hereby authorize my employer, United Space Alliance or any successor employer to the contract under which I maintain continuous employment with, to deduct from my wages on the first pay day of each month my regular membership dues in Local Union No. 2088, International Brotherhood of Electrical Workers, AFL-CIO, an amount equal to the dues in accordance with the Local Union bylaws, as an employee of said Company and submit same to the said Union.

This authorization shall remain in effect for one (1) year, without regard to whether I am a Union member during that period, and shall be automatically renewed from year to year, for a period of one (1) year, unless within ten (10) days of the anniversary of this authorization, I revoke this authorization in writing, by certified mail or not more than twenty (20) calendar days and not less than ten (10) calendar days prior to the expiration of each period of one (1) year or of each applicable bargaining agreement between the Company and Union, whichever occurs sooner.

I acknowledge that as long as I am employed under a contract lawfully requiring membership in Local 2088 as a condition of continued employment, the withdrawal of this payroll deduction authorization as herein provided shall not relieve me of the obligation to pay Union dues as required by the contract between the Union and my Employer.

FEES, DUES AND ASSESSMENTS COVERED BY

THIS AUTHORIZATION ARE NOT DEDUCTIBLE

AS CHARITABLE CONTRIBUTIONS FOR FEDERAL

INCOME TAX PURPOSES.

_____

PRINT NAME

_____

EMPLOYEE SIGNATURE

_____

SOCIAL SECURITY NUMBER

_____

DATE

An authorization shall remain in effect for one (1) year, without regard to whether an employee is a Union member during that period, and shall be automatically renewed from year to year, for a period of one (1) year, unless within ten (10) days of the anniversary of such authorization, the employee revokes the authorization in writing, by certified mail or not more than twenty (20) calendar days and not less than ten (10) calendar days prior to the expiration of each period of one (1) year of each

applicable bargaining agreement between the Company and Union, whichever occurs sooner.

(6) An employee desiring to terminate his dues deduction authorization shall do so by written revocation delivered to the Union by certified mail. The Company's obligation to make such deductions shall terminate upon receipt by the Company of written notice from the Union that an employee has effectively revoked the dues deduction authorization, or, in the event the employee shall cease to be an employee as defined in Article I, Section 1, of this Agreement.

(7) Revocations shall be made effective on employees' paychecks after one (1) full month following receipt of notice as herein set forth. To be effective at such time notice from the Union must be received in the Labor Relations Department of the Company by 4:00 p.m. on or before the last day of the preceding month.

(8) Deductions for Union Membership dues (with a maximum pickup of one month) shall be resumed by the Payroll Accounting Department in the following situations unless written revocation notice from the Union has been received by the Company in accordance with subparagraph (6) of this Section:

(a) Upon recall from layoff,

(b) Upon return from prolonged leave of absence.

B. The Company will mail a check to the Union for the deductions referred to in this Section within ten (10) days following the payday in which such deductions are reflected in the paychecks. The Company shall provide the Union with a monthly record of dues deductions, with such record to be on the basis of the Company's accounting months.

C. Where moneys have been deducted from the pay of any employee who does not owe such moneys, it shall be the responsibility of such employee to obtain a refund from the local Union. The Union agrees that it shall hold the Company harmless against any and all complaints, claims, judgments, or demands that may arise out of, or in any way be related to, compliance by the Company with the terms of this section or in reliance by the Company upon any document furnished to the Company by the Union pursuant to the provisions of this section.

Section 9 - Separability

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

Section 10 - Security Regulations

The Union recognizes that the Company has certain obligations in its contracts with the Government pertaining to security, and agrees that nothing contained in

this Agreement is intended to place the Company in violation of its security agreements with the Government.

Therefore, in the event that NASA or other Government Agency duly concerned with United Space Alliance security regulations, advises the Company in writing that any employee in the Union Bargaining Unit is restricted from work on or access to classified information and material, the Union will not contest such action as the Company may take pursuant to such advice to comply with its security obligations to the Government. If an employee has not been granted an unescorted access authorization for all work areas where such is required and/or Secret clearance at the end of 180 calendar days from the date of the request, the Company may terminate his employment.

If an employee has not been granted the necessary clearance and/or access, the Company will make a good faith effort to place the employee in an available opening within his classification, where such credentials are not required, for a reasonable period of time not to exceed six months, awaiting a determination. However, the Company reserves the right to terminate his employment.

Section 11 - Nondiscrimination in Employment

The Company and the Union agree that there will be no discrimination in employment because of race, religion, color, sex, age or national origin.

The Company and the Union agree that there shall be no discrimination based upon the age of an employee, recognizing however, limitations imposed by statute on the employment of minors.

Union membership or legitimate Union activity will not jeopardize an employee's standing with the Company or opportunity for advancement.

For purposes of this Agreement, references to employees in the masculine gender shall be deemed also to apply equally, and without distinction or discrimination, to the female gender.

Section 12 - Educational Reimbursement

Employees who have satisfactorily completed six (6) months of service are eligible for educational reimbursement as follows:

- Reimbursable costs include books and most fees.
- A $2,000 recognition award upon degree completion.
- Availability of financial hardship advances.

It is understood that the educational reimbursement policy may be subject to modification by the Company. Such modifications, whether more or less favorable, will apply to the bargaining unit without further negotiation.

Section 13 - Sanitary, Safety, and Health Conditions

The Company agrees to maintain sanitary, safe, and healthful conditions in accordance with the laws of the state, county, city and in accordance with instructions and work practices established by NASA. No employee shall be discharged or otherwise disciplined for refusing to work on a job not made

reasonably safe for him or that might unduly endanger his health. Nor shall any employee be harassed or intimidated for refusing to work a job not made reasonably safe for him or that might unduly endanger his health. The Union agrees to support and participate in the Area/General Safety Committee in their work area. The Union may appoint one representative to meet at least once each month with their respective supervisors to discuss safety problems and practices in their activity. In the event an employee fails to conform to established safety regulations, he shall be subject to disciplinary action, up to and including discharge.

Any employee required by the Company to wear foot protection to perform the duties of their regular job shall be eligible for reimbursement of up to one hundred thirty-five (135) dollars for one pair of Company-approved safety shoes every calendar year. Reimbursement at the same rate may be authorized within the specified twelve (12) month period for replacement shoes as necessary upon verification by management that replacement is justified due to excessive wear, damage, or deterioration.

Any employee that wears eyeglasses and is required by the Company to wear eye protection to perform the duties of their regular job shall be eligible for reimbursement each calendar year according to the following:

$ 90.00 Single Vision Lenses

$120.00 Bifocals

$135.00 Trifocal or progressive

The above reimbursement rates may be increased consistent with periodic amendments to the Company's policy without further negotiation.

The Company acknowledges that Union Safety Representatives are advisory participants and it is the exclusive responsibility of the employer to maintain a safe workplace, in compliance with applicable federal and state laws and NASA regulations.

The Company will supply the Local's Business Manager an accident report(s) for all accidents, occupational injuries, illness or fatalities, as allowed by Federal and state laws.

Section 14 - Employment of the Handicapped

The Company and the Union agree that, consistent with the Rehabilitation Act of 1973 and regulations thereunder and applicable state laws pertaining to handicapped employees, there will be reasonable accommodation to employees and applicants with physical or mental limitations, and the parties agree to cooperate to that end. The Company and the Union also agree to work together in order to comply with the Americans With Disabilities Act.

Section 15 - Sole Agreement

This Agreement, when accepted by the parties hereto, shall constitute the full agreement between them, except for the agreements between the parties with respect to the retirement plan, savings plan, and certain Letters of Understanding dated September 25, 2010.

Section 16 - Waiver of Obligation

The parties expressly declare that they have bargained between themselves on all phases of hours, wages, rates of pay, conditions of employment and working conditions and that this contract represents their full and complete agreement without reservations or unexpressed understanding. Any aspect of hours, rates of pay, wages or conditions of employment of this Agreement is declared to have been expressly eliminated, except as noted in Article I, Section 2B as a subject for bargaining and during the life of this Agreement may not be raised for further bargaining in negotiations without the written consent of all parties hereto.

This contract constitutes the entire agreement and understanding between the parties and shall not be modified, altered, changed or amended in any respect except on mutual agreement set forth in writing and signed by both parties.

Only the Company's designated Labor Relations Representative and the Union's Business Representative, hereafter, "the parties," may interpret, alter or amend this Agreement by mutual action in writing and no individual employee, or group(s) of employees, shall have cause to complain therefore, it being understood that any interpretation or arrangement mutually satisfactory to the parties hereto shall be binding upon all individual employees, or group(s) of employees, whether such action be prospective or retroactive.

Section 17 - Technological or Changes in Scope

The Company will notify the Union, as soon as practical, of any technological improvements or changes in the United Space Alliance Space Flight Operations Contract scope that may be deemed by the Company to affect the IBEW bargaining unit covered by this Agreement.

The Company will conduct a training assessment to identify training needs for the affected classifications. Based on this assessment, the Company will make provisions for appropriate training to be conducted prior to deployment of the new systems.

Should a technological change substantially change work processes, at least the following will be considered in the evaluation of bargaining unit scope and job classification:

Whether and to what extent the skill level and responsibility required in the resulting job are similar to the skill level and responsibility of the pre-existing job;

Whether and to what extent the resulting job functions are similar to the pre-existing job functions; and;

Whether and to what extent the resulting end product of the system is similar to the end product of the pre-existing system.

In the event of a disagreement on the Union's jurisdiction, the appropriate representatives of the parties shall meet, using the mutual gains procedure, to discuss their concerns. Should the parties fail to reach a mutually satisfactory agreement, the Union shall have the right to submit any dispute arising under this Article to the grievance and arbitration procedure.

ARTICLE II - UNION-COMPANY RELATIONS

Section 1 - Union Representatives

A. Designation of Stewards

Until January 1, 2011 the Company shall recognize up to three (3) Chief Stewards and nine (9) Stewards. Between January 1, 2011 and the layoff that will follow the last Shuttle flight the number of Union representatives recognized by the Company will be reduced, as the number of employees declines, to the following levels:

- 1st Shift - no more than three (3) Stewards or Chief Stewards.
- 2nd Shift, if populated - no more than one (1) Steward or Chief Steward
- 3rd Shift, if populated - no more than one (1) Steward or Chief Steward

The extent and timing of the reduction(s) during the period from January 2011 to the layoff following the last Shuttle flight shall be as mutually agreed by the Company and the Union. The reductions shall be planned to coincide with the Company's layoffs. The Company and the Union may agree to increase or decrease the number of Stewards provided for in this Section as circumstances warrant. Should either party feel that the other party's failure to agree to a change is unreasonable, they may submit the matter to binding arbitration, which shall be a "last offer," also known as a "baseball" or "pendulum" arbitration for resolution, the costs of which shall be borne by the parties, as provided in the arbitration section of this Agreement. The Stewards shall be employees of the Company and shall be appointed by the Union. The Union will provide the Company with a list in writing of the names of the accredited Stewards and their assigned areas of responsibility on a current basis.

B. Scope of Steward's Union Activities

The Steward's Union activities on Company time shall fall within the scope of the following functions:

(1) To consult with an employee regarding the presentation of a request, complaint or grievance which the employee desires him to present.

(2) To investigate a complaint or grievance of record before presentation to the appropriate supervisor.

(3) To present a request, complaint or grievance to an employee's immediate supervisor in an attempt to settle the matter for the employee or group of employees who may be similarly affected.

(4) To meet by appointment with an appropriate Manager or other designated representative of the Company, when necessary, to adjust grievances in accordance with the Grievance Procedure of this Agreement. The Company and the Union are in agreement that a minimum amount of time should be spent in the performance of these duties.

Section 2 - Union Officials

A. Scope of Union Representatives' Activities

Subject to existing security regulations, the Business Manager or other authorized representative of the Union shall have access to the Company's work areas during working hours for the purpose of investigating grievances, complaints, or matters arising out of the application of this Agreement and for the purposes of attending meetings in accordance with the Grievance Procedure. He shall obtain from the Company authorization for each visit, and such visit shall be subject to such regulations as may be made from time to time by the Company. The Company will not impose regulations, which will exclude such representatives from the work areas nor render ineffective the intent of this provision.

B. Introduction of Employees

New or transferred employees who are employed in occupations covered by this Agreement shall be introduced to the Union Steward in the activity to which such employees will be permanently assigned at the earliest possible date, but no later than five (5) working days following such assignment. The sole function of the Steward under this Section is to explain his responsibilities under this Agreement.

C. Permission to Leave Work for Union Activities

The Steward before leaving his workstation to perform any of his functions herein set forth, shall request permission from the immediate supervisor and state the Union business he desires to conduct on Company time. Such permission shall be immediately granted unless it should substantially interfere with operations. If necessary, a Steward shall remain on his regular work until a reasonable time is afforded to provide a substitute in his place. When entering the area of another supervisor's responsibility, he will contact the supervisor before attempting to contact any employee. He shall report to his supervisor upon completing each mission.

Section 3 - Cooperation

The Union and its members agree to report to the Company any acts of sabotage, subversive activities, theft, damage to or taking of any employee's, Company and/or Government's property, and the Union further agrees, if any such acts occur, to use its best efforts in assisting the Company and/or the Government to determine and apprehend the guilty party or parties.

Section 4 - Bulletin Boards and Posted Notices

A. Space shall be provided at locations agreed upon for Union bulletin boards for the posting of the following types of notices:

1. Notices of Union recreational, social and welfare activities;
2. Notices of Union elections;
3. Notices of Union appointments and results of Union elections;

4. Notices of Union meetings; and
5. Such other notices as may be mutually agreed upon by the Union and the Company.

B. The Union shall not distribute or post, nor authorize its members to distribute or post, any material anywhere on the Company's property except as herein provided. The Company may remove such bulletin boards in the event of repeated violation of this section or for reasons such as alterations in facilities, etc., and will inform the Union whenever the Company removes such bulletin boards.

C. The number of bulletin boards shall be governed by practice.

Section 5 - Reports

The Union may request the following reports, which are to be furnished as soon as possible; such request shall be made only by the assigned Business Manager/Financial Secretary of the Union.

A. Upon the request of the Union, the Company shall furnish the Union with a list of employees showing rates, classifications, shifts, and date of hiring.

B. Upon hiring or rehiring, transferring or promoting a bargaining unit employee, the Company, within seven (7) calendar days after the commencement of such action, shall mail a copy of the notice to the office of the Local Union.

ARTICLE III - GRIEVANCE PROCEDURE

Section 1 - Complaints

An employee or employees having a complaint shall have the right to verbally present the same, directly or through the Steward, to his immediate supervisor. If the complaint is not settled within five (5) working days and involves a matter subject to the Grievance Procedure, it may be reduced to writing and considered a grievance subject to the procedure hereinafter described.

Section 2 - Time for Presentation of Grievance

All grievances shall be presented as soon as practicable after the occurrence upon which the same is based, but in no event later than five (5) working days if the same is a dismissal grievance, or later than twenty (20) working days if the grievance arises from any other cause. The failure to submit a grievance within such periods shall constitute a bar to further action thereon.

Saturdays, Sundays, and holidays shall not be counted in computing the due date for any decision or appeal therefrom. Time limits for grievance meetings at any step may be extended by mutual agreement of both Parties. If it is determined under the grievance procedure, including arbitration, that any adjustment in wages is appropriate, such adjustment shall be based upon existing wage rates and shall be applied retroactively to the date of occurrence, provided that such date is not more than twenty (20) working days prior to the date upon which the grievance was presented.

Section 3 - Presentation of Grievance

If there is any grievance, dispute or difference between any of the Parties with respect to the interpretation of application of any provision of this Agreement, such grievance, dispute or difference may be reduced to writing and processed in accordance with the following steps in this Grievance Procedure provided, however, that any individual employee, or group of employees, shall have the right at any time to present complaints or grievances in writing to the Company providing they are within the time limits described herein and to have such grievances adjusted, without the intervention of the Union, as long as the adjustment is not inconsistent with the terms of this Agreement and provided the Union’s representative has been given an opportunity to be present at such adjustment.

A grievance shall be discussed in each of the following successive steps between the representatives of the Parties specified in each step. The grievance shall specify the Section or Sections of the Agreement claimed to have been violated.

Step One

This step is between the supervisor and the Steward. The first step meeting shall be held within five (5) working days from the date the grievance is filed with the Company. The supervisor shall give the Steward his written reply to the grievance within five (5) working days after the meeting with the Steward. If this reply is unsatisfactory, the chief Steward may appeal the decision to Step Two, provided such appeal is made within five (5) working days after the receipt of the

supervisor's reply. A meeting in Step Two shall be held within ten (10) working days after receipt by the Company of notice of appeal. A final decision with respect to any grievance in Step One shall apply to that grievance only and shall not in any manner become a binding precedent in the case of any other grievance, nor a precedent which shall bind the Parties as an interpretation of this Agreement.

Step Two

This step is between the next level of management and the Chief Steward. Such Manager shall make a reply in writing not later than ten (10) working days after meeting with the Chief Steward. If this reply is unsatisfactory, the grievance may be appealed to Step Three provided such appeal is made within ten (10) working days following receipt of the second step reply. A meeting in Step Three shall be held within thirty (30) working days after receipt by the Company of notice of appeal.

Step Three

This step is between the designated Labor Relations representative for the Company at Kennedy Space Center, or his designee, and the Union's Business Representative. An International Representative of the IBEW may be present at this step of the Grievance Procedure. Labor Relations shall make a reply in writing not later than ten (10) working days after meeting with the Union's Business Representative. All decisions of the Labor Relations Office shall be final and binding on all Parties concerned unless the Union informs the Company within ten (10) days from the date of such final Company decision that it desires to submit the matter to arbitration.

Section 4 - Direct to Third Step

In certain instances, the Union may wish to file a grievance directly against the Company. This process shall begin at Step Three and shall be limited to matters dealing with the interpretation or application of the terms of this Agreement or terminations. Such grievance shall be submitted in writing to Labor Relations and shall contain the following:

1. Statement of facts upon which the grievance is based.
2. Reference to the Section or Sections of the Agreement or any applicable State or Federal laws alleged to have been violated.
3. The settlement requested.

Section 5 - Arbitration

A. Any grievance which has not been settled pursuant to Section 1 of this Article and which involves the interpretation or application of a specific clause or clauses of this Agreement, or which alleges that a discharge or suspension was not for just cause may be referred to arbitration. Unless the party seeking to have the grievance referred to arbitration has delivered to the other written notice to that effect within ten (10) calendar days after the Labor Relations Department has given its decision, such grievance shall be deemed to be waived.

B. Upon receipt of such notice, the parties within five (5) days shall meet to select an arbitrator and shall prepare a Submission Agreement stating the issue(s) presented and identifying the clause(s) of the Agreement, the interpretation or application of which are involved in the arbitration. If the parties cannot agree on the statement of the issue(s) or the specific clause(s), the interpretation or application of which are involved in the arbitration, the Submission Agreement shall set forth each party's proposed statement of issue and involved contract provisions, and the Arbitrator shall formulate the statement of the issue(s) and clause(s) involved in the arbitration. If the Company and the Union fail to agree upon an arbitrator, they may request the Federal Mediation and Conciliation Service to submit a list of seven (7) persons from which the arbitrator shall be chosen. The Union and the Company shall automatically strike one name from such list (the right to strike the first name having been determined by lot) until only one name remains and that person shall be the arbitrator.

C. In cases involving disputed qualifications for layoff displacement under Article V, Section 1, paragraph A, the Company shall have the privilege to present its case first.

D. The arbitrator shall have the authority to interpret and apply the provisions of this Agreement, but shall not have the authority to amend or modify this Agreement or to establish new terms and conditions of this Agreement. The decision of the arbitrator shall be final and binding on the Company, the Union and the employee.

E. The arbitrator shall be paid by the parties hereto. This includes compensation and expenses of the arbitrator. Each party shall bear the expenses in respect to its own witnesses.

ARTICLE IV - SENIORITY

Section 1 - Continuous Service Credit

A. Each employee shall have continuous service credit with the Company dating from the first date of unbroken service including recognized service with predecessor contractors.

B. United Space Alliance service date is the date first employed by the United Space Alliance.

C. The continuous service credit and seniority of an employee will be broken under the following conditions, and when so broken, such employee shall be, for all purposes, considered a new employee if and when rehired.

(1) Resignation or other voluntary termination of employment except as outlined in sub-paragraph seven (7).

(2) Discharge for just cause.

(3) Absence in excess of three (3) consecutive working days without notice, either by telephone or written message, by messenger, to his supervisor, unless satisfactory evidence of inability to report is shown.

(4) Unauthorized absence beyond the time limit of an authorized vacation or an approved absence, unless satisfactory evidence of inability to report for work is shown.

(5) Failure to notify the Company of the employee's intention to return to work within five (5) working days after notice of recall from layoff, and failure to report to work after layoff within twenty (20) working days after the Company gives the employee written notice to return to work. Such notice shall be deemed to have been sufficiently given if sent to the employee by certified mail to the last address furnished to the Labor Relations Department of the Company.

(6) Layoff without recall to work within sixty (60) months from the date of such layoff. For employees with less than one (1) year seniority, layoff without recall to work within twelve (12) months from the date of such layoff.

(7) It is herein understood that an hourly-represented employee requesting a lay-off out of line of seniority will do so in writing in a form acceptable to both parties.

It is further understood that any such request will not receive favorable consideration unless a surplus condition exists. If a surplus condition exists, favorable consideration will be given by the parties to requests for layoff out of seniority providing that the granting of this request will not necessitate recalling or hiring a person to fill the billet. Should a condition exist wherein there is more than one request within a classification and department, the more senior employee will receive first consideration.

Severance pay for employees requesting layoff out of seniority order will be in accordance with Article VI, Section 7.

It is further understood that Company management may deny any request out of line of seniority without prejudice.

Decision by management will be final and is excluded from grievance procedures under Article III of the Agreement.

Employees who volunteer for layoff out of seniority and are laid off, will retain recall rights for sixty (60) months from the date of such layoff. Employees who have previously established seniority in any other seniority group/job classification(s) that is scheduled for a layoff may volunteer for this layoff with the understanding that the employees will only have recall rights into the seniority group/job classification(s) where the surplus was identified. Employees who volunteer for layoff out of seniority and who are laid off during the period October 2, 2010 through the major layoff following the last Shuttle flight (contemplated to be about 30 days following "wheel-stop") shall have no recall rights.

Section 2 - Acquisition of Seniority

New employees shall be considered on probation and not entitled to seniority until they shall have acquired ninety (90) calendar days of continuous service credit. Upon completion of said period of employment, the employee shall be considered a regular employee, and his seniority shall date from the start of the probationary period, and when thus established will equal the employee's continuous unbroken service credit, not to exceed current seniority date at Kennedy Space Center, Florida. There shall be no requirement that the Company reinstate or rehire probationary employees if they are discharged during their probationary period, and no grievance shall be filed concerning any such discharge. It is understood however, that probationary employees are represented by the Union and that with the exception of discharge; all other disciplinary actions and violations of this Agreement are subject to the Grievance Procedure.

Section 3 - Accumulation of Seniority

Seniority will accumulate continuously without break during the following:

A. Time lost by reason of industrial accident, industrial illness, or jury duty.

B. Time on leave of absence granted for the purpose of serving in the Armed Forces of the United States.

C. Time spent on authorized leave of absence for Union business.

D. Time spent on leave of absence granted by the Company for the purpose of permitting an employee to engage in activities requested by the Company.

E. Time spent, not to exceed twelve (12) months, on authorized leave of absence granted to cover periods of non-industrial accident or illness or pregnancy.

F. The first ninety (90) days of any other authorized leave of absence.

G. Time spent on lay off for a period not to exceed five (5) years (or for employees with less than one [1] year seniority, time spent on lay off for a period not to exceed one [1] year).

Section 4 - Computation of Seniority

An employee's seniority date shall include his predecessor seniority if said employee transitioned as a bargaining unit employee from a predecessor contractor to United Space Alliance. An employee's seniority date shall be a determining factor for the following: Layoffs, Shift Bids, Promotions, Scheduling of Vacations, Transfers and Temporary Duty Assignments.

Continuous service date (length of service) shall be used to calculate the following: Time Away Days eligibility and severance pay. Continuous service dates will be determined by the employee's total continuous site seniority (as defined by the Service Contract Act Successorship) or their present Company seniority, whichever is greater.

Employees shall accumulate seniority within the bargaining unit in the specific occupational classifications covered by this Agreement, as listed in Schedule "A" of this Agreement, during their period of continuous service with the Company. Employees will maintain separate seniority status within their seniority group. An employee shall establish seniority in his current occupational classification after he has worked in such occupational classification for forty-seven (47) calendar days, and shall thereupon be credited his total bargaining unit seniority in that occupational classification, within his seniority group.

Employees in the bargaining unit on the effective date of this Agreement will be credited with bargaining unit seniority in the specific occupational classification and specific seniority group to which they are now assigned equal to the employees bargaining unit seniority as shown in the next seniority listing to be submitted by the Company under Article V, Section 6 of this Agreement, and as described in Article IV, Section 1.

In the event of transfer from one seniority group to another, the employee shall be credited with his accumulated bargaining unit seniority in the seniority group into which he is transferred after forty-seven (47) calendar days.

When two or more employees otherwise would have identical seniority, seniority rank will be determined by alphabetical order of last names, a name commencing with "A" being the most senior. This procedure shall apply in all determinations of seniority.

Section 5 - Termination of Seniority

The seniority of an employee shall be lost under the same conditions which cause a break in continuous service credit as set forth in Article IV, Section 1, of this Agreement, except that if at the time of layoff or recall, an eligible employee refuses to take a job in the same labor grade as the occupational classification in which he holds seniority, he shall be deemed to have resigned from employment. If, at the time of layoff or recall, an eligible employee refuses to take a job in a lower labor grade than that of the occupational classification from which he was laid off, he shall retain his rights to be recalled to that occupational classification.

Section 6 - Employees Transferred Out of the Bargaining Unit

A. An employee who has established seniority rights in an occupational classification within the bargaining unit, and who is subsequently promoted to a supervisory classification within the Company, shall continue to accumulate seniority rights in accordance with the provisions of this Agreement for a period of twenty-four (24) months from the date of such transfer or promotion. An IBEW-represented employee transferring out of the bargaining unit to another bargaining unit job or to an hourly non-represented or salaried exempt non-supervisory job and subsequently transferring back to the bargaining unit, will have bargaining unit seniority acquired before such transfer or promotion.

B. An employee of the Company in an hourly represented or non-represented or salaried exempt non-supervisory job shall not be transferred back into the bargaining unit when employee(s) with greater seniority are on layoff or in layoff status.

C. An employee promoted or transferred, prior to June 16, 2001 from a classification covered by this agreement to a supervisory classification within the Company, to another bargaining unit job or to an hourly non-represented or salaried exempt non-supervisory job, will retain such seniority acquired in subsection “A” of this section.

D. An employee promoted or transferred, on or after June 16, 2001, but before June 19, 2004, from a classification covered by this agreement to a supervisory classification within the Company, to another bargaining unit job or to an hourly non-represented or salaried exempt non-supervisory job, will retain such seniority acquired in subsection “A” of this section for a period of sixty (60) months from the date of such promotion or transfer out of the IBEW bargaining unit. In the event such person shall transfer to a classification covered by this agreement after the prescribed period of sixty (60) months, his/her seniority shall date from the effective date of such transfer back to the bargaining unit.

E. An employee who has established seniority rights within the bargaining unit and who on or after June 19, 2004 is transferred or promoted to a position not covered by this Agreement, shall be deemed to have retained seniority rights in accordance with the provisions of this Agreement for a period of twenty-four (24) months from the date of such transfer or promotion. If in the opinion of the Company, it becomes necessary or advisable to return such an employee to a position within the bargaining unit it may do so, provided there is no bargaining unit employee with more bargaining unit seniority on layoff or designated for layoff from the specific occupational classification to which such an employee is being assigned. On return to a bargaining unit position such an employee shall have all seniority rights acquired before such transfer or promotion restored. An employee who has never established seniority in the bargaining unit, who is transferred into the bargaining unit, shall establish bargaining unit seniority within the seniority group starting on the first day of entry into the bargaining unit.

Section 7 - Employees Entering Armed Forces

Employees who have heretofore or hereafter terminated for the purpose of entering the Armed Forces of the United States or any State shall be re-employed in accordance with applicable Federal laws.

The Company shall not be liable for a violation of this Agreement if such violation results from good faith compliance with the aforesaid statutes or any applicable administrative ruling or judicial decision.

An employee absent from work because he was ordered to report for physical examination in connection with being ordered to military training and service shall be granted pay for lost time not to exceed his working rate for eight (8) hours, provided:

A. The day of absence from work is necessary to enable the employee to report as ordered,

B. The absence falls within the employee's regular work shift,

C. The absence is to be temporary, following which the employee will return to work, and

D. The absence does not involve an overtime day.

ARTICLE V - SENIORITY PROVISIONS

Section 1 - Layoff

When the Company determines that layoff is necessary in any specific occupational classification, probationary employees, as defined in Article IV, Section 2, in the occupational classification and seniority group affected shall be laid off first. If further layoffs are necessary within the seniority group, such layoffs shall be made by bargaining unit seniority within the specific occupational classification and seniority group affected, provided the senior employees first demonstrate that without any prior training or learning period they can perform the substantive work of the employee(s) with less bargaining unit seniority in such occupational classification and seniority group who will be displaced, if the more senior employee(s) are not laid off. An employee subject to layoff under the foregoing may exercise bumping rights in his bargaining unit as follows:

A. Displace the employee with the least bargaining unit seniority in any occupational classification in any seniority group in which he had established seniority, provided he has greater bargaining unit seniority than the employee being displaced, and provided he or she first demonstrates that without any prior training or learning period he or she can perform the substantive work of the employee being displaced.

B. In the event that a Lead becomes surplus, the downgrade shall be made within the group designated by the Company where the surplus exists. An employee scheduled for downgrade may elect layoff in lieu of downgrade at the time downgrade is offered. Such election should be made on the next working day following the offer but in any event such decision shall be made within two (2) working days following the offer. The employee will only have recall rights for the classification to which the employee was offered a downgrade in accordance with Section 1 of this Article.

C. Displace any probationary employee in the bargaining unit, provided he has the skill and ability to perform the work.

Such employee must notify the Company in writing of his intention to exercise bumping rights within forty-eight (48) hours of the Company's layoff notice. An employee so displaced may similarly exercise his rights of displacing another employee in accordance with the same criteria, it being understood, however, that the initial and resultant "bumps" must occur simultaneously so that there will be no delay in the layoff procedure. No employee may "bump" another employee in a higher-graded occupational classification.

In cases of layoff, the Company will give not less than two (2) weeks notice of contemplated layoffs to the employees affected and to the Union. Where, however, such notice is not feasible, the Company will notify the employee and the Union as promptly as possible and give, in lieu of said notice, up to two (2) weeks pay, not to exceed eighty (80) hours at the employee's straight time hourly base rate. In addition, if any employee bypassed for layoff due to seniority privileges granted under the CBA subsequently loses those privileges for any reason, he or she will be given the same two weeks' notice or pay and be laid off. Compliance with the preceding will not be subject to the grievance process.

Section 2 - Transfers of Employees When a Seniority Group is Discontinued

If the Company finds it necessary to eliminate an existing seniority group, employees so affected shall be reassigned as follows:

A. Into the group or groups, which succeed the discontinued group.

B. If not reassigned into a group which succeeded the discontinued seniority group the employee may displace the least senior employee in any equivalent or lower rated job classification:

   a) First in a seniority group in which he/she has established seniority; and if unable to do so; second,

   b) In any seniority group,

   provided that in either case ("a" or "b") he/she can first demonstrate that without any prior training or learning period he/she can perform the substantive work of such least senior employee.

C. If an employee is displaced due to the elimination of a seniority group, he will be granted his full seniority rights in the new seniority group, for lay off only without satisfying the forty-seven (47) days requirement.

Prior to effecting the elimination of an existing seniority group, the Company will discuss the matter with the Union.

Section 3 - Recall

For the purpose of reinstatement, all laid off employees shall be recalled in the following order:

A. Laid off employees who are classified in the specific occupational classification in the group in which recalls are being made, in inverse order of layoff, provided the employee first demonstrates that without any prior training or learning period he can perform the substantive work of a person in his classification in the department where the opening exists. Those laid off employees who are offered recall and who fail to make application for reinstatement for a position of equal labor grade to the one held at time of layoff within the time limit specified below will lose all recall rights.

B. Employees who are laid off, who make proper application for an open IBEW-represented position with USA for which they have no recall rights, and who have provided written notice to USA Labor Relations identifying the position and noting that they have made such application will be considered, if qualified, for hire in that position prior to USA hiring a new employee. For purposes of efficiency in filling openings, notifications of recall shall be multiple and simultaneous. The recall list shall not include employees who waived recall rights as noted in Article IV, Section 1 of this agreement.

Section 4 - Shift Preference

When a vacancy exists on any shift, or in the formation of any new shift, preference in filling such vacancy shall be granted on a seniority basis, where critical skill or certification is not involved.

If shift preference is denied or delayed by the Company because of critical skill or certification, the Union shall be entitled to a prompt meeting (within thirty [30] days of denial or deferral of the request) with the involved Department Manager and cognizant Director, if necessary, to arrive at a mutually acceptable date. If the Union feels after such meeting that the circumstances do not justify a delay or length of delay specified by Company, the matter will be discussed within five (5) days among the Union's Business Representative, the Labor Relations Manager and the cognizant Director. If an equitable solution cannot be reached at this conference, the Union may process its objections to arbitration. The Company will cooperate fully to obtain an expedited hearing of the matter.

Regular shifts shall be scheduled in advance and quarterly bidding for shift assignments will be held within work groups in accordance with Schedule B.

The Company shall give written notice of at least five (5) working days (or such lesser number of days of notice, as the Company received) of any change in regular shifts or workweek to the affected employee(s). If such notice is provided, the Company may change shift assignments, regular shifts, or work weeks without limitation and without incurring the payment of any premium or extra pay, except that employees will be paid any shift premiums applicable to the new shift (2nd, 3rd, & odd work week) to which they are assigned and premium for working the 6th or 7th, day as applicable and necessary to transition from or to an odd work week schedule.

Section 5 - Seniority Privileges for Union Representatives

As long as there is work available which they are capable of performing, Stewards, Business Manager and Business Representative shall hold seniority over all employees in the respective seniority group. The foregoing shall apply only in case of layoffs.

When mutually agreed between the Company and the Union, shop Stewards shall be deemed to hold seniority for shift and work week preference purposes over all employees in their respective jurisdiction when the exercise of such seniority is for the purpose of assuring employee representation.

Section 6 - Seniority List

The Company shall supply the Union with a seniority list (which will include an employee's continuous service date) of the employees covered by this Agreement. Such list shall be revised quarterly.

Section 7 - Promotional Policy

Before employees are hired from outside the bargaining unit to fill vacancies in all occupational classifications other than entry occupational classifications, it is the intent of the Company to promote from within the bargaining unit if available employees have the skill and ability necessary to do the work as determined by the Company. In such instance, performance, qualification, and seniority shall be factors. Where skill and ability for the vacancy to be filled is substantially equal among employees being considered for promotion, preference shall be given to the most senior employee. The Union will be advised in writing at least one (1) week in advance of such promotions becoming effective. It is understood that the

Company will make the final determination relative to promotions, and it is understood that there is no automatic promotion from one occupational classification to another.

Section 8 - Temporary Promotion

When an employee is assigned to a classification in a higher labor grade to replace another employee absent on vacation or for a temporary period, he shall be paid in the same relative position in the range of the grade assigned (e.g., employee is $2.00 below the maximum of grade 05, employee is paid $2.00 below the maximum of grade 03). A retroactive wage adjustment shall be made upon completion of his assignment. Such temporary assignment shall not be considered an upgrading within the meaning of this Agreement, and upon reassignment of such employee to his previously held classification at the end of the temporary period he shall not be considered a downgraded employee within the meaning of this Agreement. Temporary promotions will normally not exceed sixty (60) days; however, the period may be extended by mutual agreement of the parties. Under no circumstances will a temporarily promoted employee gain seniority in the seniority group to which loaned.

Temporary Leads will be assigned to replace Leads who are absent for a temporary period of one (1) or more days, commencing on the first day. Temporary status of the assignment will be recorded in the employee's record and upon return of the absent Lead, the replacing employee will be returned to his original status. On temporary assignment of a long duration they will be paid for the higher rate on a current basis.

An employee assigned to replace a Lead who is absent on vacation or for a temporary period will be paid Lead pay. The temporary status of the assignment will be recorded in the employee's record, and upon return of the absent Lead, the replacing employee will be returned to his original status.

A Technician or Inspector temporarily promoted to Lead will be paid one dollar ($1.00) per hour above his current rate.

Section 9 - Pay Rate on Promotion

An employee promoted to labor grade 1, 2 or 3 will be paid at either the minimum of the classification to which promoted, or one dollar ($1.00) per hour above the employees' rate prior to promotion, whichever is greater. Employees promoted to all other labor grades will be paid at either the minimum of the classification to which promoted, or fifty ($.50) per hour above the employees' rate prior to promotion, whichever is greater.

Section 10 - Pay Rate on New Classification

In the event the Company desires to establish new classifications or revise existing occupational classifications, the pay rates applicable shall be subject to negotiations between the Company and the Union. Operations shall not be delayed through failure to immediately agree upon pay rates applicable to any such

occupational classification. In such cases, the Company will establish the new or revised occupational classification and the Company proposed pay rate for the classification and put such pay rate into effect. If a negotiated rate is finally established which is higher than the Company proposed rate, it will be paid retroactive to the date of the start of the occupational classification.

ARTICLE VI - EMPLOYEE PRIVILEGES

Section 1.1 - Time Away Days Policy

NOTE: *The provisions of Sections 1.1 and 3.1 shall be effective through December 31, 2010 only. The provisions of Sections 1.2 and 3.2 shall become effective January 1, 2011.*

The Company provides time away benefits to contribute to the well being of its employees. The Company encourages employees to take their time away days to promote appropriate rest and recreation. Time Away Days, so far as possible, will be granted at times most desired by employees. When the schedule of Time Away Days of employees in the same group would hamper efficient operations, the choice of Time Away Days time shall be determined by seniority within the group. The Company reserves the final right to fix the time for Time Away Days in order to insure orderly and efficient operations.

A. Definitions

(1) The term "Christmas Holiday Period" means a six (6) day period (which includes Christmas day and in 2010 includes the observance of New Year's Day, January 1, 2011) that the Company designates as official Company holidays.

(2) "Holidays" means days observed by the Company as official Company holidays, which include: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after Thanksgiving, and a six day Christmas Holiday Period.

(a) Holidays that fall on a weekend will be celebrated on either the preceding Friday or following Monday, as specified by the Company.

(b) Employee(s) with other than Saturday and Sunday as scheduled days off will observe the preceding day when a holiday falls on the employee's first (1st) scheduled day off, and on the following day when the holiday falls on the employee's second (2nd) scheduled day off.

(c) During the Christmas Holiday Period, deviation from the above policy may be necessary to assure that all employees receive the correct number of annual holidays in accordance with this Agreement.

(3) "Holiday Accrual Hours" means those Time Away Hours for Company recognized holidays that are accrued under the Time Away Holiday Hours Accrual Table, shown in B (7) of this Section. These hours are included in and subject to the Time Away Maximum Hours Bank.

(4) "Maximum Hours Bank" means the maximum amount of Time Away Hours that an employee may accrue. An employee will forfeit any Time Away Hours which are accrued beyond his Maximum Hours Bank. Note: The balance as of the week ending just prior to the accrual

available to employee date is used when calculating an employee's Maximum Balance.

(5) "Time Away Bank" means at any point in time, the bank of hours that an employee has accrued according to the Monthly Time Away Hours Accrual Table, less hours taken, as Time Away Hours. This bank of hours is a combination of all vacation and holiday accrual hours.

(6) "Time Away Hours" means the combination of Holiday Accrual Hours and Vacation Accrual Hours that are accrued and taken on the Company's time keeping system and are added to and subtracted from an employee's Time Away Bank. Time Away Hours will accrue while an employee is actively employed or on a paid leave of absence. An employee will not accrue Time Away Hours while on an unpaid leave of absence. Time Away Hours accrual shall be suspended when an employee begins a leave of absence of any type. When such employee returns from leave of absence, accruals for vacation which otherwise would have been credited shall be added to the employee's Time Away Hours Bank. Time Away Hours for holidays that will occur while an employee is on a leave of any type shall not be added to an employee's Time Away Bank upon return from leave. The minimal increment for taking Time Away Hours is one-tenth (0.1) of an hour for all employees. Pay for Time Away hours when taken is at the employee's working hourly rate.

(7) "Vacation Accrual Hours" means those Time Away Hours that are accrued under the Time Away Vacation Hours Accrual Tables, shown in Section B (6). These hours are included in and subject to the Time Away Maximum Hours Bank.

(8) "Vacation Service Date" means that date from which an employee's Years of Service is measured for purposes of determining the Time Away Hours Accrual Schedule. Such date could be the original hire date of an employee who transitioned from an affiliated company into USA, or an official employment date for employees hired directly by USA, or the recognized service date of an employee who transferred from a parent company into USA.

(9) "Years of Service" means the total elapsed time, measured in years, between an employee's Vacation Service Date and the date service is being determined.

B. The Time Away Days Accrual Schedule will be administered as follows:

(1) Employees earn time away days by accruing hours each month based on the tables shown in B (6) and (7) of this Section. Except as provided under B. (5) of this Section, total Time Away Hours will not accrue beyond the Maximum Hours Bank amount shown under the respective Years of Service category.

(2) Employees who are hired or return from a leave of absence on the 14th day of the month or later, or terminate employment with the Company between the 1st and the 13th day of the month, will <u>not</u> accrue Time Away

Hours for that month. Employees who are hired or return from a leave of absence between the 1st and the 13th day of the month, or terminate on the 14th day of the month or later, will accrue Time Away Hours for that month.

(3) Employees who complete 5, 10, 15 or 20 Years Of Service during any month will begin accruing the next higher Time Away Hours amount in the following month accrual.

(4) Employees who terminate employment after they have accrued Time Away Hours for a particular Holiday but before that Holiday has occurred will forfeit those Time away Hours. New hires hired after the accrual of Time Away Hours for a particular Holiday but who are employed on such Holiday will receive Time Away Hours for the Holiday.

(5) An employee may have a negative balance of up to 5 days (i.e., -40 hours) in his Time Away Bank at any time. Should an employee terminate employment with a negative balance, the employee must pay the Company for such balance at the hourly rate in effect at the time of termination.

(6) TIME AWAY VACATION HOURS ACCRUAL TABLE

MONTH	YEARS OF SERVICE				
	LESS THAN 5	5 BUT LESS THAN 10	10 BUT LESS THAN 15	15 BUT LESS THAN 20	20 AND OVER
January	6.6	8.0	10.0	12.0	13.3
February	6.7	8.0	10.0	12.0	13.4
March	6.7	8.0	10.0	12.0	13.3
April	6.6	8.0	10.0	12.0	13.3
May	6.7	8.0	10.0	12.0	13.4
June	6.7	8.0	10.0	12.0	13.3
July	6.6	8.0	10.0	12.0	13.3
August	6.7	8.0	10.0	12.0	13.4
September	6.7	8.0	10.0	12.0	13.3
October	6.6	8.0	10.0	12.0	13.3
November	6.7	8.0	10.0	12.0	13.4
December	6.7	8.0	10.0	12.0	13.3
TOTAL HOURS	80.0	96.0	120.0	144.0	160.0
TOTAL DAYS	10.0	12.0	15.0	18.0	20.0
MAX HOURS BANK (including holiday hours)	352.0	384.0	432.0	480.0	512.0
MAX DAYS BANK (including holiday hours)	44.0	48.0	54.0	60.0	64.0

(7) TIME AWAY HOLIDAY HOURS ACCRUAL SCHEDULE FOR COMPANY RECOGNIZED HOLIDAYS

	YEARS OF SERVICE				
MONTH	LESS THAN 5	5 BUT LESS THAN 10	10 BUT LESS THAN 15	15 BUT LESS THAN 20	20 AND OVER
New Years Day	8.0	8.0	8.0	8.0	8.0
Memorial Day	8.0	8.0	8.0	8.0	8.0
Independence Day	8.0	8.0	8.0	8.0	8.0
Labor Day	8.0	8.0	8.0	8.0	8.0
Thanksgiving	16.0	16.0	16.0	16.0	16.0
Christmas (year-end) includes one day in observance of New Year's Day, January 1, 2011	48.0	48.0	48.0	48.0	48.0
TOTAL HOLIDAY HOURS (included in Max Hours Bank)	96.0	96.0	96.0	96.0	96.0
TOTAL HOLIDAY DAYS (included in Max Days Bank)	12.0	12.0	12.0	12.0	12.0

C. Company-Sponsored Holidays

(1) Each year the Company observes certain days as official company Holidays. Except as provided in C (3) of this Section, employees must record these days as Time Away Hours or "No Pay" hours. If recorded as Time Away Hours, they will be subtracted from the employee's Time Away Bank.

(2) If an employee chooses for religious or other reasons to observe a holiday other than a company-designated Holiday, Time Away Hours may be used for this purpose with management approval. Otherwise, the time off will be recorded as a leave without pay.

(3) Employees who work on Company-designated Holidays with management approval have the option of recording up to 8 hours of Time Away Hours **in addition** to their time worked hours. Time worked on a holiday shall be paid for at two times the working rate of the employee.

(4) Time Away Holiday Hours for Company recognized holidays will accrue under the Time Away Hours Holiday Accrual Table shown Section B (7). The Time Away Hours for Company recognized holidays will continue to be reflected in the employee's Time Away Hours balance and the Time Away Hours Maximum Bank.

D. Pay in lieu of unused time away days will be as follows:

(1) Employees may not code more than 8 Time Away Hours for any one day.

(2) Employees may choose to sell back up to 5 days (i.e., 40 Time Away Hours) of time away days during the week immediately preceding the Thanksgiving Day holiday. This is done by coding up to 8 hours of Time Away Hours per day, for up to 5 days, during the week immediately preceding the Thanksgiving Day

(3) Upon the occurrence of the following, unused Time Away Hours will be paid based upon the employee's working rate of pay at time of termination:

Termination of employment	Paid on termination
Layoff after at least 1 month of service	Paid on layoff
Death	Paid to beneficiary or estate
Retirement under the provisions of USA's retirement plans	Paid on termination

Section 1.2 – Vacation

***Note**: The provisions of Sections 1.2 and 3.2 shall become effective January 1, 2011. Any banked Time Away/Vacation that exceeds the maximum allowed as a result of transitioning from the schedule outlined in Section 1.1 to the schedule outlined in this Section 1.2 of this Article, plus the equivalent of three months' of vacation accrual, will be paid to the employee out of the employee's time away/vacation bank via the paycheck for the week ending January 14, 2011.*

The Company provides vacation and holiday benefits to contribute to the well being of its employees. The Company encourages employees to take their vacation days to promote appropriate rest and recreation.

A. Definitions:

(1) "Holidays" means days observed by the Company as official Company holidays which include: New Years Day, Martin Luther King's Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day. Holidays that fall on a weekend will be celebrated on either the preceding Friday or following Monday, as specified by the Company and as reflected in Section 3.2 of this Article, below.

(2) "Maximum Vacation Hours Bank" means the maximum amount of all Vacation Hours that an employee may accrue. An employee will forfeit any Vacation Hours which are accrued beyond his or her Maximum Vacation Hours Bank. Note: The balance as of the week ending just prior to the accrual available to employee date is used when calculating an employee's maximum balance.

(3) "Vacation Bank" means at any point in time, the bank of hours that an employee has accrued according to the Vacation Hours Accrual Table, less hours taken, as Vacation Hours.

(4) "Vacation Hours" means the Vacation Accrual Hours that are accrued and taken on the Company's time keeping system and are added to and subtracted from an employee's Vacation Bank. Vacation Hours will accrue while an employee is actively employed or on a paid leave of absence. An employee will not accrue Vacation Hours while on an unpaid leave of absence. Vacation Hours accrual shall be suspended when an employee begins a leave of absence of any type. When such employee returns from leave of absence, accruals for vacation which otherwise would have been credited shall be added to the employee's Vacation Hours Bank. The minimum increment for taking Vacation Hours is one one-tenth (0.1) of an hour for all employees. Pay for Vacation Hours when taken is at the employee's regular hourly rate, including shift and odd work week differentials, if applicable.

(5) "Vacation Accrual Hours" means those Vacation Hours that are accrued under the Vacation Hours Accrual Table, shown in Section B (3). These hours are included in and subject to the Maximum Vacation Hours Bank.

(6) "Vacation Service Date" means that date from which an employee's Years of Service is measured for purposes of determining the Vacation Accrual Hours. Such date could be the original hire date of an employee who transitioned from an affiliated company into the Company, or an official employment date for employees hired directly by the Company, or the recognized service date of an employee who transferred from a member company into the Company. A rehire's Vacation Service Date is the employee's most recent rehire date. An employee's Vacation Service Date will be adjusted to account for any time spent on layoff.

(7) "Years of Service" means the total elapsed time, measured in years, between an employee's Vacation Service Date and the date service is being determined.

B. The Vacation Days Accrual Schedule will be administered as follows:

(1) Employees earn vacation days by accruing hours each month based on the tables shown in B (4) of this Section. Vacation Hours will not accrue beyond the Maximum Hours Bank amount shown under the respective Years of Service category.

(2) Employees who are hired or return from a leave of absence on the 14th day of the month or later, or terminate employment with the Company between the 1st and the 13th day of the month, will not accrue Vacation

Hours for that month. Employees who are hired or return from a leave of absence between the 1st and the 13th day of the month, or terminate on the 14th day of the month or later, will accrue Vacation Hours for that month.

(3) Employees who complete 5, 15 or 20 Years of Service after the 13th day of any month will begin accruing the next higher Vacation Hours amount in the following month accrual.

(4) VACATION HOURS ACCRUAL TABLE

MONTH	**YEARS OF SERVICE**			
	LESS THAN 5	**5 BUT LESS THAN 15**	**15 BUT LESS THAN 20**	**20 AND OVER**
January	6.6	10.0	13.3	16.6
February	6.7	10.0	13.4	16.7
March	6.7	10.0	13.3	16.7
April	6.6	10.0	13.3	16.6
May	6.7	10.0	13.4	16.7
June	6.7	10.0	13.3	16.7
July	6.6	10.0	13.3	16.6
August	6.7	10.0	13.4	16.7
September	6.7	10.0	13.3	16.7
October	6.6	10.0	13.3	16.6
November	6.7	10.0	13.4	16.7
December	6.7	10.0	13.3	16.7
TOTAL HOURS	**80.0**	**120.0**	**160.0**	**200.0**
TOTAL DAYS	**10.0**	**15.0**	**20.0**	**25.0**
MAX HOURS BANK	**160.0**	**240.0**	**320.0**	**400.0**
MAX DAYS BANK	**20.0**	**30.0**	**40.0**	**50.0**

C. Company-Sponsored Holidays

(1) Each year the Company observes certain days as official Company Holidays. The Company shall designate the days to be observed as official Company Holidays in accordance with A. (1) and provide a copy of the days so designated. Employees must record these days as Holiday hours, unless the employee is not entitled to Holiday hours for the Holiday in question. Holiday pay shall be eight (8) hours at the employee's regular hourly rate, including shift and odd work week differentials, if applicable.

(2) If an employee chooses for religious or other reasons to observe a Holiday other than a Company-designated Holiday, Vacation hours may be used for this purpose with management approval. Otherwise, the time off will be recorded as a leave without pay.

(3) Employees who work on Company-designated Holidays must record eight (8) Holiday hours **in addition** to their time worked hours. Time

worked on a Holiday shall be paid for at two times the regular rate of the employee.

(4) Employees who terminate employment after they have accrued Holiday hours for a particular Holiday but before that Holiday has occurred will forfeit those Holiday hours. New hires hired after the accrual of Holiday hours for a particular Holiday but who are employed on such Holiday will receive Holiday hours for the Holiday.

D. Pay in lieu of unused vacation days will be as follows:

(1) Employees may not code more than eight (8) Vacation hours for any one day.

(2) Upon the occurrence of the following, unused Vacation hours will be paid based upon the employee's rate of pay at time of termination:

Termination of employment	Paid on termination
Layoff after at least 1 month of service	Paid on layoff
Death	Paid to beneficiary or estate
Retirement under the provisions of USA's retirement plans	Paid on termination

Section 2.1 - Sick and Injury Leave

NOTE: *The provisions of this Section 2.1 shall be effective through December 31, 2010 only. The provisions of Section 2.2 and the new Section 8 shall become effective January 1, 2011.*

A. Definitions:

Pay for one (1) day's sick and injury leave for a full-time employee means pay for eight (8) hours at the employee's working rate at the time sick and injury leave is used.

B. Sick and injury benefits for an employee that is employed by the Company after the date of this Agreement shall be as follows:

(1) Employees who transitioned to United Space Alliance and who were on a predecessor contractor's payroll or on approved leaves of absence prior to January 1, 1984, will be granted twelve (12) days sick and injury leave on January 1, of each year. Twelve (12) days granted in January of each year will be twelve (12) days earned and accumulated during the previous year of employment.

(2) Predecessor contractor sick and injury leave (known as "banked" sick leave) that remains unused since December 31, 1984, will be held in reserve for the injury or illness of employee only. Requests for use of these hours will be reviewed on a case-by-case basis in the event of subsequent serious illness or injury.

(a) Predecessor hours may be utilized with management approval in the following instances:

(i) Predecessor sick and injury leave will not be used in any case until all sick and injury leave granted by United Space Alliance is exhausted.

(ii) To supplement short-term disability (STD) to bring the employee to full pay (base rate).

(b) Any usage of predecessor sick leave will be authorized only for employee illness or injury. Use for death in the family, personal business for the employee or family members will not be authorized.

(c) Predecessor sick leave will not be paid out upon termination for any reason.

(d) The use of predecessor time is subject to management review in the same manner as the Company hours.

(3) IBEW employees will be advanced twelve (12) days sick and injury leave upon completion of the ninety (90) days probationary period. Any sick and injury leave payoff for IBEW employees will only include that portion that has been on the books for one (1) full year and earned.

(a) Except as provided below, in the event an employee is absent from work because of sickness, injury, death in the immediate family (employee's mother, father, sisters, brothers, children, grandparents, grandchildren, spouse, spouse's mother and father, stepchildren and, if living in the employee's home, foster children), or personal business, the employee shall be entitled to twelve (12) days sick and injury leave with pay during each year of service time.

(b) No sick and injury leave shall be paid an employee for any days for sick and injury leave until he has completed ninety (90) calendar days continuous service time from the date he starts work after his hire or rehire without seniority. After completion of his probation period, the employee will acquire one day each month retroactive to date employed.

(c) An employee starting a new year of service time immediately following return from layoff shall not be credited with any sick leave which accrued in and remained unused from the service time year in which he was laid off. Such new year of service time, together with prior years of service time, shall not entitle such employee to a total of more than twelve (12) days sick and injury leave within any period of twelve (12) calendar months of service time.

(d) Employees receive pay for full day absences from work because of sickness or injury, or critical illness, or personal business at the rate of twelve (12) days for each year of service. Employees can take the time when the absence occurs, or accumulate sick leave up to a maximum of 30 days. Any days unused and in excess of 30 will be paid off at the end of the next year of service time. Accumulated sick leave is paid at the employee's working rate in effect when requested for payoff.

(e) Active payroll in relation to coordination of sick leave/time away hours is defined as an employee who coordinates sick leave/time away hours with short-term disability benefits on a 40%/60% basis. An employee must make the election to coordinate, if that is his desire, beginning the first week of absence from work. The employees must supplement a minimum of two (2) working days per workweek of absence from work.

(f) An employee who either elects not to coordinate sick leave/time away hours with short-term disability benefits on a 40%/60% basis, or lacks a sufficient balance of sick leave/time away hours to coordinate is considered to be "inactive" after thirty (30) days unpaid status.

(g) Employees will be permitted to take sick leave in increments of one tenth (1/10) hour at a time.

C. Verification and Notification

All sick and injury leave is subject to verification by the Company. An employee shall notify the Company of his illness or injury or of a death in his immediate family requiring his absence.

D. Unused Sick and Injury Leave

At the end of each year of service time, each employee may be paid for the days of unused sick and injury leave to which they have become entitled under Section 4 of this Article. Pay for such days of unused sick and injury leave shall be at the employee's working rate in effect at the end of his sick leave eligibility year. Such unused sick and injury leave may be deferred for a maximum accumulation of 30 days. Any earned sick and injury leave may be used in the subsequent years as sick and injury leave or the employee may receive pay for such earned sick and injury leave during the subsequent year(s) at one of the following times:

(1) At the time vacation is taken;

(2) At any time with administrative approval (normally after two [2] weeks notice);

(3) After termination for any reason;

(4) At the end of such service year(s) if still accumulated and unused.

Section 2.2 - Sick and Injury Leave

NOTE: The provisions of Section 2.2 and the new Section 8 below shall become effective January 1, 2011. In the paycheck for the week ending January 14, 2011, each employee shall be paid for the days of unused Sick and Injury Leave to which, as of December 31, 2010, he or she has become entitled under Section 2.1(B)(1) & (3)and 2.1(D) of this Article (Sick and Injury Leave that the employee has the right to have paid to him as compensation, despite not missing work due to illness or injury). Payouts for such days of unused Sick and Injury Leave shall be at the employee's regular hourly rate, including shift and odd work week differentials, if applicable. Sick and Injury Leave which, as of December 31, 2010, the employee

has no right to have paid to him as compensation (except if he is sick or injured) and any predecessor, "banked" sick leave, referenced in Section 2.1(B)(2), shall not be available to the employee after that date (December 31, 2010). Sick leave that, but for the change to this agreement, would have been awarded on January 1, 2011, pursuant to Section 2.1 (B)(1), shall not be paid nor made available to the employees who would have received it.

A. Sick and Injury Leave Benefits:

1. Sick and Injury Leave is for the employee's use in the event the employee is medically unable to work as the result of an occupational or non-occupational sickness or injury. Employees will receive a Sick and Injury Leave grant of three (3) days upon hire and on January 1st each year. Unused Sick and Injury Leave may be banked for future use. There is no maximum limit on the number of banked sick leave hours. Any unused sick leave available at the time of termination will not be paid out.

2. Employees taken ill or injured on the job will be assisted to receive appropriate medical attention. If such medical attention is rendered during regular working hours, the time spent during that work day will be treated as time worked.

B. Verification and Notification:

All Sick and Injury Leave is subject to verification by the Company. The employee must notify his immediate supervisor or designee prior to his scheduled report time, of the forthcoming absence from work because of illness or injury.

Section 3.1 - Holiday Observance Schedule

The Company recognizes the following Holiday schedule effective September 25, 2010:

2010

Thursday, November 25	Thanksgiving
Friday, November 26	The Day After Thanksgiving
Friday, December 24	Christmas Break
Monday, December 27	Christmas Break
Tuesday, December 28	Christmas Break
Wednesday, December 29	Christmas Break
Thursday, December 30	Christmas Break
Friday, December 31	Christmas Break - Observance of New Year's Day, January 1, 2011

Section 3.2 - Holiday Observance Schedule

Below is a list of holidays and the dates on which those holidays are to be observed. Should the federal government designate a different date for the observance of a holiday noted, the Company may change the observance date, accordingly. The Company recognizes the following holiday schedule during the period of this Agreement:

2011	
Observance was on Friday, December 31, 2010	New Year's Day
Monday, January 17	Birthday of Martin Luther King, Jr.
Monday, February 21	Washington's Birthday
Monday, May 30	Memorial Day
Monday, July 4	Independence Day
Monday, September 5	Labor Day
Monday, October 10	Columbus Day
Friday, November 11	Veterans Day
Thursday, November 24	Thanksgiving Day
Monday, December 26	Christmas Day

2012	
Monday, January 2	New Year's Day
Monday, January 16	Birthday of Martin Luther King, Jr.
Monday, February 20	Washington's Birthday
Monday, May 28	Memorial Day
Wednesday, July 4	Independence Day
Monday, September 3	Labor Day
Monday, October 8	Columbus Day
Monday, November 12	Veterans Day
Thursday, November 22	Thanksgiving Day
Tuesday, December 25	Christmas Day

2013	
Tuesday, January 1	New Year's Day
Monday, January 21	Birthday of Martin Luther King, Jr.
Monday, February 18	Washington's Birthday
Monday, May 27	Memorial Day
Thursday, July 4	Independence Day

Section 4 - Leaves without Pay

A. Personal Leaves

Leaves of absence may be granted to employees without pay. On a leave of absence of ninety (90) calendar days, or less, an employee shall accumulate seniority. On a leave of absence exceeding ninety (90) calendar days, seniority shall accumulate after ninety (90) calendar days only if specified by the terms of leave.

B. Union Requested Leaves

On leaves of absence granted for Union business of Local No. 2088, the employee shall accumulate seniority during such leaves of absence. The Union may request and the Company will grant leaves of absence of three (3) or more days without pay to Union members for Union business of Local No. 2088. Such leaves and excused absences shall be limited to no more than three (3) employees at any given time, with twenty-four (24) hours written notice to the Company, except when such notice is waived by mutual consent.

C. Medical Leaves

Employees who have acquired seniority and are unavoidably absent due to illness or physical disability may be granted or placed on a Medical Leave of Absence for a period not to exceed twelve (12) months upon approval by their own physician and/or the Company. Employees returning from Short-Term Disability (STD) must return to work in a full time status for a minimum of two (2) consecutive weeks in order to restart the twelve (12) month leave status period. Failure to work full-time during this entire 2-week period will be considered as not appreciably returning from the previous leave. This 2-week period may be extended in order to accommodate employees returning on a reduced work schedule due to Worker's Compensation or Americans With Disabilities Act (ADA) situations requiring a limited duty status. Employees returning from LTD must return to work in a full-time status for 6 consecutive months to restart the 12-month prolonged leave status period. Failure to work full time during this entire 6-month period will be considered as not appreciably returning from the previous leave. An illness/injury not related to the previous leave will result in a new 12-month period.

Upon being pronounced physically and mentally fit by the Company, and further provided they have the necessary seniority, they shall be returned to their former status. Such employee shall notify the Company at least ten (10) working days in advance of his return. Those employees returning from medical leave of absence,

as hereinafter defined, will furnish a signed letter from his personal physician, attesting to his physical fitness for resumption of employment and will make arrangements through the Labor Relations office to be examined by the Company physician before returning to work. An employee shall accumulate seniority while on medical leave. An employee who engages in gainful employment while on medical leave of absence without prior written approval from the Company shall be subject to termination.

Section 5.1 - Jury Duty

NOTE: *The provisions of this Section 5.1 shall be effective through December 31, 2010 only. The provisions of Section 5.2 shall become effective January 1, 2011.*

A. Jury Service

(1) When an employee is absent from work during his regular eight-hour shift or regular five-day work week, in order to serve as a juror or to report to the court in person in response to a jury duty summons, he shall be paid for those hours absent from work. If an employee is released from jury duty on a work day with sufficient time, including reasonable travel time to report to work for at least one-half the regular work shift, the employee shall report to work or forfeit the one-half day jury pay. Normally, no employee shall be paid more than a total of twenty (20) regular eight (8) hour shifts in any one calendar year at the employee's working rate.

(2) An employee assigned to second or third shift may be temporarily reassigned to first shift commencing the first day of jury duty. The Company will not be penalized for providing less than a five-day notice of shift change. The same shall apply for jury examination or appearance as a subpoenaed witness as defined in paragraph B or C below.

(3) Pay for work time lost while on jury service shall be computed at the employee's working rate in effect at the time of such absence. In no case will payment be made for jury service performed on the sixth or seventh day of an employee's regular assigned workweek, or for hours in excess of the employee's regular eight-hour shift.

B. Jury Examination

(1) An employee who must report for jury examination will be paid for work time lost only when he cannot report for such examination on his own time. Such payment for work time lost shall not exceed payment for time reasonably required for travel to the place designated for such examination and return to the plant plus the time required for such examination.

(2) Pay for work time lost when appearing for jury examination shall be computed at the employee's working rate.

C. Service as a Witness

When an employee is absent from work in order to serve as a witness in a case in a court of law (other than a case against the Company) to which he is not a plaintiff or defendant either directly or as a member of a class and where such

absence is in response to a legally valid subpoena he shall be granted pay for those hours for which he is for such reason absent from work during his regular eight-hour day or regular five-day work week. Such employee may be required to submit evidence of such service as a witness to the Company in order to qualify for such payment. Pay for absence due to service as a witness shall be computed in the same manner as pay for absence due to jury duty as provided above.

Pay for work time lost for jury duty or service as a witness as provided above shall together not exceed, for any one employee, a total of twenty (20) regular eight-hour days in any one calendar year without the Director of Employee and Labor Relations and Programs Elements East approval.

D. Verification for Payment

To receive pay for work time lost, an employee must promptly notify his Department Head of any notice he receives to report for jury examination or jury service and he must provide the Company with a statement by an official of the Court certifying as to the length of time and date of the employee's appearance for examination, or as to service as a juror or appearance in Court for that purpose, and the date or dates of attendance.

Section 5.2 - Jury Duty

NOTE: The provisions of Section 5.2 shall become effective January 1, 2011.

A. In order to comply with local judicial processes, an employee may receive pay for up to a total of 10 workdays when summoned for the jury selection process and/or selected to sit on a jury.

B. To receive pay for work time lost, an employee must promptly notify his Department Head of any notice he receives to report for jury examination or jury service and he or she must provide the Company with a statement by an official of the Court certifying as to the length of time and date of the employee's appearance for examination, or as to service as a juror or appearance in Court for that purpose, and the date or dates of attendance.

Section 6 - Military Reserve Training Leave

An employee on the active payroll of the Company who is required to engage annually in two consecutive weeks (up to 14 consecutive days) of military reserve training, including National Guard, shall, upon the employee's request, be granted a leave of absence for the period of training. An employee granted such leave who has at least twelve (12) months of military reserve service credit immediately prior to commencement of the training period, shall be paid his normal pay during leave for the training period. Upon return from leave the Company will make an adjustment to the employee's pay, deducting the employee's military pay received (excluding subsistence, travel and quarters allowance.). Deduction shall not exceed the "normal pay" advanced by the Company. Leave for employees who do not have at least twelve (12) months of military reserve service credit shall be unpaid.

"Normal Pay" shall be determined on the basis of a forty (40) hour weekly work schedule at the employee's regular working rate in effect on the last day worked immediately preceding the date the training leave commences.

To obtain payment under this provision, the employee shall submit certification, satisfactory to the Company, of participation in the two-week training period and of the amount of pay received for the two-week training period upon return to work.

Section 7 - Severance Pay

In case of layoff, the Company will give two (2) weeks advance notice of layoff to the employees affected. However, no employee shall be entitled to severance pay in cases where such layoff is due to fire, flood, explosion, bombing, earthquake, or Act of God, causing damage at locations where work is performed between United Space Alliance and IBEW, Local 2088, or from strikes or work stoppages occurring at the facilities used by the Company's employees, resulting in the inability to maintain normal operations.

Employees who are laid off will receive severance pay equal to 1 week's base pay (exclusive of overtime, differentials, premiums, or any other type of compensation) per full year of service (min. 4 weeks; max. 26 weeks). Severance pay up to a maximum of 10 weeks pay will be paid as a lump sum payment to employees upon layoff. Remaining severance will be paid in 2 installments, assuming the employee executes a certification stating that he or she is not employed by a succeeding contractor or subcontractor, employed by a NASA contractor, NASA subcontractor, or employed by NASA within a 50 mile radius of his or her last location of employment with the company. The first installment of up to an additional 10 weeks will be paid as a lump sum 10 weeks after the original lump sum payment and completion of the certification. Any remaining available severance will be paid as a lump sum 20 weeks after the original lump sum payment and completion of an additional certification.

An employee recalled to work on or after the effective date of this agreement and subsequently laid off again shall be entitled on the occurrence of the subsequent layoff to the number of weeks of severance calculated, as provided in the preceding paragraph, less the total number of weeks of severance paid the employee on the occurrence of previous layoffs.

Employees will not be eligible for severance payment under this Section in the event the Company's contract with NASA is terminated in full or in part, if the employee is employed by or accepts employment, with a succeeding contractor or subcontractor under a follow-on contract in a position requiring the same, similar, or greater responsibility or skill, or if the employee fails to reasonably pursue such a position with such an employer. As such, employees participating in a contract transition shall not be entitled to bumping or displacement rights under Article V, Section 1, Recall under Article V, Section 2 or Severance Pay under Article VI, Section 8.

In the event of a full or partial loss of the Company's contract with NASA, as envisioned by this Section, no employee whose job is impacted by such loss shall have a right to bump or be recalled, unless despite their reasonable efforts to

pursue employment, as noted in this Section, they are not offered employment with the succeeding contractor or subcontractor.

Section 8 – Bereavement

An employee shall be entitled to up to three (3) days of paid bereavement leave for the purposes of planning and attending the funeral of an immediate family member. An immediate family member means the employee's spouse, parent, step-parent, child, step-child, brother, step-brother, half-brother, sister, step-sister, half-sister, grandchild or grandparent, and the employee's spouse's parent, step-parent, or grandparent. To receive this benefit the employee must provide proof of the family relationship and death, if so requested.

ARTICLE VII - PAY PROVISIONS

Section 1 - Wage Rates

Definitions

An employee's "base rate," for purposes of this Agreement, shall be the straight time hourly rate applicable to his classification, exclusive of any differential, bonus or premium. An employee's "working rate," for the purposes of this Agreement, shall be his "base rate" of pay plus any shift differential and/or odd workweek premium.

Section 2 - Hours of Work and Overtime

A. Hours of Work and Overtime Policy

The Parties recognize the importance to the National Space Program of the work being performed under the terms of this Agreement and the Company agrees that consistent with meeting the requirements to support NASA operations, every effort will be made to arrange work schedules so that a maximum number of employees will be assigned to shifts Monday through Friday in the bargaining unit. However, the Company reserves the right to assign employees to work five (5) consecutive days other than Monday through Friday where continuous operations are necessary to support NASA operations.

This Agreement shall not be construed as guaranteeing any employee a specific number of hours of work per day or per week. The Company shall not be limited in the exercise of its right to require an employee to work overtime.

B. Work Week and Work Day

(1) The "standard work week" consists of one hundred sixty-eight (168) consecutive hours beginning at 0001 Saturday and ending at 12:00 midnight the following Friday (i.e., seven [7] consecutive calendar days). An odd workweek consists of one hundred sixty-eight (168) consecutive hours commencing at the beginning of the first of five (5) consecutive workdays other than the normal schedule of Monday through Friday.

(2) "Regular Work Day"

For the determination of daily overtime and of overtime worked in the "regular work week," on "scheduled days off," and on holidays, the "regular work day" will be used and will consist of twenty-four (24) consecutive hours, from 12:00 midnight to 12:00 midnight (the calendar day), except that in the event the third shift is scheduled to commence work prior to midnight, the regular work day will commence as of the starting time of said shift. In all cases, the first "regular work day" in the "regular work week" will begin at the time the "regular work week" begins. Hours worked on, or in conjunction with, a regular shift starting in the "regular work day," will be counted as worked in such "regular work day."

Employees who are pre-shifted may request and elect, with management approval, to leave work after the completion of eight (8) hours work. The applicable overtime rate will be paid for hours worked before the commencement of the employee's regular shift.

When an operational requirement is scheduled that would require an employee to work past the end of his regular shift, the employee may request and elect, with management approval, to be post-shifted. The applicable overtime rate will be paid for hours worked past the employee's regular shift.

All shifts worked as outlined above shall consist of eight (8) consecutive hours during regular workdays, exclusive of meal periods.

(3) Hours worked in excess of eight (8) hours in any one day of an employee's work week shall be paid for at one-and-one-half times the sum of the working rate, any temporary down-range differential pay, flight pay and/or sea duty pay, if applicable, except that hours worked in excess of twelve (12) hours in any one such day shall be paid for at two times the sum of the working rate, any temporary down-range differential pay, flight pay and/or sea duty pay, if applicable.

(4) Hours worked on the sixth day of an employee's work week shall be paid for at one-and-one-half times the sum of the working rate, any temporary down-range differential pay, flight pay and/or sea duty pay, if applicable, except that such hours worked in excess of twelve (12) hours shall be paid for at two times the sum of the working rate, any temporary down-range differential pay, flight pay and/or sea duty pay, if applicable.

(5) Hours worked on the seventh day of an employee's work week shall be paid for at two times the sum of the working rate, any temporary down-range differential pay, flight pay and/or sea duty pay, if applicable.

(6) Consecutive hours worked in excess of twelve (12) hours shall be paid for at two times the sum of the working rate, any temporary down-range differential pay, flight pay and/or sea duty pay, if applicable, even though such consecutive hours begin in one work day (twenty-four hour period) and end during the following work day (twenty-four hour period); provided, however, that any hours worked during the seventh day of an employee's work week shall be at the double time rate.

(7) The "normal work week" for employees covered by this Agreement shall consist of five (5) consecutive days, Monday through Friday, not exceeding eight (8) hours in any one "regular work day" of twenty-four (24) hours. The "normal work week" for continuous operations shall consist of five (5) consecutive days, not exceeding eight (8) hours in any one "regular work day" of twenty-four (24) hours. The Company reserves the right to assign affected employees to a nonstandard work week (five [5] consecutive days) other than stated in (1) above for continuous seven-day operations.

(8) Effective January 1, 2011, nothing in this Agreement is intended to prohibit or restrict the use of "flex time" at the request of an employee and with the prior approval of management. An employee desiring an

adjustment to their normal schedule to accommodate a specific personal need may report either earlier or later than their normal established starting time and work eight hours (excluding lunch period), or work less than eight hours in one or more specified work days and work the required amount on another work day or work days to make up 40 hours for the work week. Working over eight hours in a workday under prearranged "flex time" shall not constitute overtime, nor trigger the payment of any type of premium or extra pay.

C. Regular Shift

A "regular shift" shall be scheduled in advance, and shall consist of eight (8) consecutive hours during a "regular work day," exclusive of meal periods.

Regular shifts shall be scheduled in advance and quarterly bidding for shift assignments will be held within work groups in accordance with Schedule B.

The Company shall give written notice of at least five (5) working days (or such lesser number of days of notice, as the Company received) of any change in regular shifts or workweeks to the affected employee(s). If such notice is provided, the Company may change shift assignments, regular shifts, or work weeks without limitation and without incurring the payment of any premium or extra pay, except that employees will be paid any shift premiums applicable to the new shift (2nd, 3rd, & odd work week) to which they are assigned and premium for working the 6th or 7th, day as applicable and necessary to transition from or to an odd work week schedule.

The designated time of beginning each shift shall be a period of time within the following schedule:

1st Shift	-	between 0400 and 0800
2nd Shift	-	between 1200 and 1600
3rd Shift	-	between 2000 and 2400

The Company agrees that there shall be no staggered start times of regular shifts within operational areas. Any special staggered start times must be approved by USA Labor Relations and the IBEW Business Agent.

D. Premium Shifts

The time when an employee actually commences work will determine whether or not he has worked a premium shift for purposes of shift differential pay only.

E. Shift Differential

All employees hereafter who are normally assigned to work a second or third shift shall receive a shift differential of one dollar ($1.00) per hour in addition to other premiums for all hours worked on said shift.

Employees required to perform second or third shift work on any of their regularly scheduled day(s) off, who are not normally assigned to work a second or third shift, shall receive a shift differential of one dollar ($1.00) for all hours worked on said shift.

However, no employee shall receive "night shift" differential pay for any hours worked before or after his regularly scheduled shift.

F. Odd Work Week Premium

Employees normally assigned to and working an odd workweek schedule (other than Saturday and Sunday off) will receive odd workweek premium of one dollar ($1.00) per hour worked.

G. Computation of Overtime Payment

(1) Hours worked in excess of eight (8) hours but not in excess of twelve (12) hours in any one work day shall be paid at one-and-one-half (1 ½) times the sum of the employee's working rate, any temporary down-range differential pay, flight pay and/or sea duty pay, if applicable. Hours worked in excess of twelve (12) hours in any one work day shall be paid at two (2) times the sum of the employee's working rate, any temporary down-range differential pay, flight pay and/or sea duty pay, if applicable.

(2) Hours worked on the sixth (6th) day of the employee's work week shall be paid at one-and-one-half (1 ½) times the sum of the employee's working rate, any temporary down-range differential pay, flight pay and/or sea duty pay, if applicable, except that for hours worked in excess of twelve (12) hours shall be paid at two (2) times the sum of the employee's working rate, any temporary down-range differential pay, flight pay and/or sea duty pay, if applicable.

(3) Hours worked on the seventh (7th) day of an employee's work week shall be paid at two (2) times the sum of the employee's working rate, any temporary down-range differential pay, flight pay and/or sea duty pay, if applicable.

(4) An employee required by the Company to start work prior to the established starting time of his regularly assigned shift shall be paid time-and-one-half (1 ½) the sum of his working rate, any temporary down-range differential pay, flight pay and/or sea duty pay, if applicable, for hours worked prior to the starting time of his regular shift with the following exceptions:

(a) No such premium will be paid if the employee, at his request, elects to work less than a total of eight (8) hours in that work day.

(b) All hours worked in excess of twelve (12) hours in the work day shall be paid at two (2) times the sum of the employee's working rate, any temporary down-range differential pay, flight pay and/or sea duty pay, if applicable.

(c) All hours worked during the employee's regular work shift shall be paid at the employee's normal working rate plus any temporary down-range differential pay, flight pay and/or sea duty pay, if applicable.

(d) Employees will not be sent home prior to the end of their normal shift when called in early for early report time nor will they be

required to report in late in order to avoid their normal eight (8) hour shift except as required in Article VII, Section 2J. (Except in [a] above.) Employees reporting late or leaving early at the direction of the Company in order to ensure proper minimum rest in accordance with established maximum work time policies shall be paid their regular hourly rate for all hours not worked during their regular shift.

H. Meal Periods

Employees shall be entitled to a meal period during which they shall be relieved of their duties. No employee shall be required to work more than six (6) hours without being given a meal period of not more than one (1) hour, such meal period to be given after the third hour and to be completed by the sixth (6th) hour. In the event an employee is not relieved of his duties for a meal period during the normal workday in accordance with the foregoing, he shall be compensated for such time and shall not be sent home prior to having worked eight (8) hours, plus the time normally allotted for his meal period. If a work period extends beyond eight (8) hours, additional meal periods may be granted when requested by the employee and approved by supervision. Meal period will not be required on the employee(s)' first or second scheduled day off.

Meal periods will be eliminated on second or third shifts when requested by the employee(s) within work groups and approved by the Company.

I. Changes in Shifts

In the event an employee's shift is temporarily changed (less than five [5] consecutive work days) during his regular work week, the employee shall be compensated for all hours worked outside of his previously established shift for the first day of said shift change at one-and-one-half (1 ½) times his working rate.

In the event five (5) working days notice (or such lesser number of days of notice, as the Company received) of a shift change is not provided, an employee shall be paid time and one-half (1 ½) his working rate for all hours worked outside their previous regular shift on the days of their new shift for which the five (5) working days notice (or such lesser number of days of notice, as the Company received) was not satisfied up to a maximum of three (3) days.

J. Turnabout

When an employee is required to report back to work for another shift of eight (8) hours without having been given at least eight (8) hours off after the completion of his previous work period of not less than eight (8) hours, he shall be paid at the applicable rate for all time worked during the succeeding work period. For purposes of determining the applicable rate under the foregoing, break time will accumulate, although there shall be no payment for such break time.

An employee will not normally be obligated to work more than sixteen (16) continuous hours. Whenever an employee works sixteen (16) continuous hours, he will be given at least an eight (8) hour break before being required to report for his next work period. This provision may be waived when required to eliminate hazards to employees and/or critical equipment or system and is excluded for employees traveling to or from a CLS location.

K. Cancellation of Irregular Report Time

If the Company fails to notify an employee, at least eight (8) hours in advance, of cancellation of reporting time other than the start time of his "regular shift," the employee shall be permitted to report for such assignment unless notice of cancellation is given prior to his departure from his assigned work place during the last work period prior to such assignment.

In the event an employee reports for assignment under the provisions of this Section, he shall be given not less than the equivalent of four (4) hours pay at the applicable rate; provided however, that any amount paid for hours actually worked shall be credited against such minimum guarantee.

L. Irregular Work Periods

When the longest period worked in a "regular work day" is less than eight (8) consecutive hours, the Company will pay an employee, who is available for work, at his straight time rate for difference between the number of hours worked in one such period and eight (8) hours. In computing the payment due under this provision for hours not worked, no other Section of the Agreement shall apply. This provision shall not apply to "scheduled days off" or to holidays.

M. Call-in Pay

Whether or not an employee has been previously scheduled to work such days and is called in to work on a holiday or on one of his scheduled days off, or is recalled after completing a day's assignment and has checked out and left his place of employment, he shall receive not less than the equivalent of four (4) hours pay at the applicable rate; provided, however, that any amount paid for hours actually worked shall be credited against such minimum guarantee.

N. Transfers, Temporary Duty and Training Assignment

An employee may be temporarily assigned to work at any location provided that such assignment does not exceed forty-five (45) calendar days. When it becomes necessary to change an individual or group of individuals reporting location, written notification will be made at least five (5) working days in advance to the employee affected; however, notification may be waived to expedite required employee training when the Company is notified of space available at training centers.

The parties may mutually agree to extend the forty-five (45) day period for Temporary Duty assignments where such extension does not violate the provisions of Article IV, Section 3 pertaining to Acquisition of Seniority in other occupational classifications.

After completing a period of forty-five (45) calendar days temporary assignment at another location, the employee will be returned to his regular assigned work location and will not be selected for temporary assignment, without his consent, for a period of ten (10) working days unless such transfer is necessitated by emergency conditions, as determined by the next higher level of supervision.

All Temporary Duty assignments will be made on the basis of operational requirements of the Company. Preference will be given within the work group by classification on the basis of seniority to employees in the affected classification

who volunteer for Temporary Duty assignment. In the event of an insufficient number of volunteers, preference will be given within the work section by classification on the basis of seniority to employees in the affected classification who volunteer. In the event of an insufficient number of volunteers, preference will be given within the seniority group by classification on the basis of seniority to employees in the affected classification who volunteer. In the event of an insufficient number of volunteers, the least senior affected employee(s) will be assigned from the seniority group.

Cross-utilization of personnel is used for dynamic, unplanned or short-term duration (real time) work requirements by job classification. Recurring or planned temporary personnel needs are subject to Temporary Duty guidelines. While on cross-utilization, an employee may report to their normally assigned work location.

Training will be provided on the basis of operational requirements of the Company. In determining the operational requirements the department manager or designee and the chief steward or designee will meet to identify, status, and schedule job related training needs, opportunities and the number of certifications required.

Preference for training will be given within the work group by classification on the basis of seniority to employees in the affected classification who volunteer. In the event of an insufficient number of volunteers, the least senior employee (s) will be assigned. However, any employee who completes a specific training opportunity or fails to be certified, when required, will not be eligible to attend the same or substantially similar training session until all affected employee(s) have the same opportunity.

Employees completing a vendor or limited training assignment will be required to train other employees through either classroom or on-the-job training.

The Company whenever possible or as required, will allow, provide and promote, the use of job related computer based training by its employees on company time.

All transfers to balance workload will be made on the basis of operational requirements of the Company. Preference will be given within the Work Section and within Work Groups by classification on the basis of seniority to employees in the affected classification who volunteer for transfer. In the event of an insufficient number of volunteers, the least senior employee(s) will be assigned.

Should a vacancy exist in any department for which there is no qualified, promotional candidate, the Company will consider requests for lateral transfers within the Seniority Group with preference to seniority prior to filling such vacancy outside the bargaining unit, consistent with other provisions of this Agreement.

O. Distribution of Overtime

Overtime shall be distributed equitably among the employees within the respective groups consistent with efficient operations. The computation of overtime shall be converted time (i.e., eight [8] hours worked at time-and-one-half [1 ½] pay shall be charged as twelve [12] hours worked). The Company shall make such overtime records available to the employee and the Union.

Overtime will be distributed equitably in accordance with NASA's, Maximum Work Time Policy, as promulgated from time to time by NASA, (hereinafter "Maximum Work Time Policy(ies)").

(1) Both parties agree on the objective to establish a maximum work time policy which meets realistic human factors, personnel safety, and quality assurance goals that minimizes the probability that mishaps will occur due to excessive work hours being performed by personnel in critical positions.

(2) Overtime assignment will be made in accordance with the limitations set forth in the Maximum Work Time Policy. The Company may schedule an individual in excess of the Maximum Work Time Policy limitations whenever a critical or emergency condition exists. This action must be approved by the Program Manager

(3) Management will not schedule an employee to report on a pre-shift schedule which exceeds four (4) hours prior to the start of his/her normal shift, nor will management schedule an employee to work in excess of four (4) hours after the end of his/her normal shift (12 hours maximum per work day), except in situations necessary to prevent an unsafe condition which could cause damage to flight hardware or endanger the safety of employees, or continuity to critical processes/work procedures. Overtime will be scheduled so as to allow an employee to work his/her normal shift.

(4) Management will use sound judgment to avoid potential labor problems and every reasonable effort will be made, in fairness to all employees, to schedule that employee with the lowest amount of accumulated overtime first provided it is in compliance with the Maximum Work Time Policy.

(5) Employees will be allowed to work their normally scheduled shift and under no circumstances will be sent home prior to the end of their normally scheduled eight hour shift except as outlined in Article VII of the Collective Bargaining Agreement. For purpose of hours worked and overtime, the Collective Bargaining Agreement shall apply.

(6) Union officials and stewards will be released to attend Union meetings and meetings involved in the administration of the Collective Bargaining Agreement. While in the performance of their duties, Union Officials and Stewards will maintain their same number of hours on the overtime list within their work group.

(7) Work groups will continue to establish overtime rules and policies as in the past, however, such rules and policies shall not conflict with Maximum Work Time Policy and any of the above.

(8) Represented employees may continue to maintain the distribution of overtime list within the work groups, however, it shall be the responsibility of the supervisor or management to insure that the overtime list is maintained in a proper manner and records will be made available at all times to the employees involved.

(9) Should management violate this understanding this date between the parties, the Union shall have the opportunity to request a meeting with management in order to readdress any violations or areas of concern. The Company will schedule this meeting within ten (10) days of notification from the Union. The purpose of this meeting will be to resolve any issue/problem which may have arisen.

(10) When overtime is scheduled within a work group which would require employees to work on their first (1st) or second (2nd) scheduled days off, the employee with the lowest amount of accumulated hours will be given first preference as to whether he prefers to work their first (1st) or second (2nd) scheduled day off, or both if applicable, provided however, the employee does not exceed the Maximum Work Time Policy. This provision shall be at the option of the work group(s). However, should overtime become inequitable among employees within respective group(s) this provision shall become mandatory in order to equalize overtime among employees within the respective group(s).

P. Pyramiding of Premium Rate

No employee shall receive more than one (1) overtime or premium rate for the same hours worked; and if more than one rate is applicable to the same hours worked, the higher rate only shall be paid.

Section 3 - Travel Reimbursement Policy

A. Domestic Travel

1. Definitions:

(a) An employee shall be considered on Domestic Travel when sent by the Company on a temporary basis, to places within the continental limits of the United States other than a test base to which he is permanently assigned, when such temporary assignment is at such a distance that it requires the employee to obtain lodging at other than his established residence.

(b) The provisions of the Agreement for shift and overtime premiums shall apply in the same manner as the employee's regular workstation.

2. Reimbursement of Domestic Travel

Selection of employees for assignment to field duty shall be at the discretion of the Company.

(a) An employee on an authorized Company business trip within the United States will be reimbursed for actual and reasonable meal and incidental expenses in accordance with the current Federal Travel Regulations limits established therein, per the Company policy relating to reimbursement of travel for employees covered by this Agreement. "Incidentals" include valet, baggage handling and other tips, and transportation costs from lodging to obtain meals. Laundry and Dry Cleaning for trips lasting seven (7) days or less is not reimbursable except for extreme circumstances, and requires

justification on the traveler's expense report. With proper management approval, this may be reimbursed. Original receipts or an explanation that coin laundry was used is required. Telephone costs to obtain lodging are also reimbursable as a separate cost. Such reimbursement shall be made in accordance with the standard procedures of the Company and the guidelines contained herein. The Company reserves the right to establish lodging and related costs in advance of travel. Lodging shall be comfortable and sanitary and not less than the equivalent of U. S. family class accommodations (i.e., Holiday Inn, Howard Johnson, etc.) when available and consistent with US Government contractual requirements.

Except for the day of departure and the day of return, the allowable actual expenses incurred by the employee will be considered reasonable by Management as long as the average daily amount, for the full days listed on the Travel and Expense Management Tool, does not exceed the maximum. Within the maximum allowable, the Company will not establish separate limits for individual items such as meals, tips, etc.

Partial day meal and incidental expense reimbursement limits are prorated based on arrival and departure times, as set forth in the current Federal Travel Regulations (FTR) as updated from time to time.

Items of expense which are authorized but which will not be included in the daily maximum are:

(1) Transportation costs.

(2) All advances must be obtained by using the USA Corporate charge card.

(3) Tool handling - normally $2.00 per carry with prior management approval, documented on the form provided by the Company.

(4) Personal telephone calls are not reimbursed but personal calls can be made by using the Company provided calling card per the instructions provided by the Company. All business calls are reimbursable with documentation per the Company Travel Policy and management approval.

The actual cost of lodging will be reimbursed to the employee's company provided travel charge card (if not stationed on a US compound) and must be specifically justified and submitted with the Travel and Expense Management Tool.

(b) While an employee is traveling to and returning from a Domestic Travel assignment, he shall be paid at his working rate for a day of departure or a day of arrival, or at the applicable premium rate if these days fall on the sixth (6th) or seventh (7th) day of his work week, or at overtime rate with respect to hours actually worked outside his regular eight (8) hour shift as follows:

(1) If no work is performed on such day, for eight (8) hours for such day, or

(2) For hours worked on such day if worked prior to departure or immediately following arrival, in addition to travel time falling within the hours of his regularly assigned shift, but not less than a total of eight (8) hours pay for such day or,

(3) For hours worked on such day if worked prior to departure and immediately after arrival, in addition to travel time, but in no event less than a total of eight (8) hours pay for such day.

(c) With respect to days such employee is traveling, other than the day of departure or the day of arrival, he shall be paid at his working rate, or at his overtime rate if travel is on the sixth (6th) or seventh (7th) day of his work week, for such hours of travel time up to but not more than eight (8) hours in any one (1) day of twenty-four (24) hours.

3. Use of Personal Automobile

An employee required or permitted to use his own automobile for travel on field duty, or on occasional travel for authorized Company business, shall be reimbursed at the current per mile reflected in the Company's travel policy according to the Federal Travel Regulations for such necessary mileage. The Company will also provide such employee with personal liability insurance coverage in the amount of $50,000 maximum per person or $300,000 maximum per accident with respect to other employees who are passengers and also engaged in such authorized travel. Such insurance coverage shall apply only after such employee's own personal liability insurance has first been applied.

B. Foreign Travel

This provision is limited to foreign travel and therefore is intended for that purpose only. Other provisions of the Collective Bargaining Agreement (shift assignment, hours of work and overtime, etc.) apply on arrival at the assigned overseas work site.

1. Any hourly employee assigned to perform work in a foreign country will be paid for travel and work performed in accordance with the following policy.

Regular Work Day

Hourly represented employees assigned to travel on a regular workday will be:

(a) Paid a minimum of eight (8) hours at straight time rates.

(b) Travel time exceeding eight (8) hours will be paid at an overtime rate of 1 ½ times base rate. Any travel scheduled during the regular work week (excluding the 1st or 2nd day off) either to or from a foreign assignment with a scheduled stop over and/or overnight lodging of at least eight (8) hours will stop the application of overtime pay. Continuation of travel either to or from a travel assignment will require at least eight (8) hours of additional travel before the application of overtime.

If an employee is delayed en route for reasons beyond his control (acts of God, unforeseen flight delays) and the situation makes overnight lodging impossible, overtime calculation will not recycle. For determining the applicable rate under the foregoing waiting time in an airport will accumulate, although there shall be no payment for break time.

Employees assigned to duty outside the continental United States will be paid their working rate plus an overseas bonus of which the Company receives a quarterly report published by the Department of State, in consideration of the irregular requirements of such duty. Eligibility for differential payment will start on the day of departure from the United States and stop on the day of return.

(c) Employees on foreign travel status shall be reimbursed for subsistence amounts equal to the maximum travel per diem allowance for foreign areas, as specified in the Federal Travel Regulations (FTR) foreign area supplement. Departure and return days are reimbursed at seventy-five percent (75%) of the applicable per diem for the business location, as set forth in the current Federal Travel Regulations (FTR) as updated from time to time. The Company reserves the right to establish lodging and related costs in advance of travel consistent with U. S. Government contractual requirements. Lodging shall be comfortable and sanitary. When availability of suitable lodging is limited, every reasonable effort shall be made to ensure no employee is placed in substandard lodging. When a verified need to move to more suitable lodging arises and authorization is given, any additional costs within Federal Travel Regulations (FTR) limits shall be reimbursable.

Subsistence expenses include meals and incidentals. Meals include only payments for food and non-alcoholic beverages. Incidentals include valet, baggage handling and other tips, and transportation costs from lodging to obtain meals. Laundry and Dry Cleaning for trips lasting seven (7) days or less is not reimbursable except for extreme circumstances and requires justification on the traveler's expense report. With prior management approval, this may be reimbursed. Original receipts or an explanation that coin laundry was used as required. Telephone costs to obtain lodging are also reimbursable as a separate cost.

The actual cost of lodging will be reimbursed to the employee's company provided travel charge card (if not stationed on a U.S. compound) and must be specifically justified and submitted with the Travel and Expense Management Tool.

Overtime calculations will be based on the employee's working rate including any overseas bonus for any workweek, a portion of which is worked in the United States or its possessions. Differential payment will not apply to overtime in any workweek in which all work is performed outside the United States and its possessions.

NOTE: Per diem for travel is intended as reimbursement for actual living cost and is not included in determining overtime rates.

(d) No work will be assigned on the day of departure or the day of arrival without work time deviation approvals in accordance with maximum work time policy. Employees assigned to foreign travel are substituting travel for other duties and therefore the provision under Article VII concerning "Regular Shift" and consecutive hours exceeding twelve (12) will not apply during assigned travel.

On arrival at the work site shift assignment provisions of the collective Bargaining Agreement will apply. Employees assigned to either the second or third shift or odd work week will be given notice at least five (5) working days before arrival at the foreign assignment of any shift change. Failure to give written notice will result in employees assigned to the second or third shift continuing to receive shift and odd work week bonus for hours worked after arriving at the foreign assignment. Shift or odd workweek bonus is excluded during travel to or from a foreign assignment. Any pre or post shift assignment will be paid at the applicable overtime premium rate after arriving at the work site. Travel to or from a work site exceeding thirty (30) minutes will be recorded as time worked.

(e) Travel is defined as a passenger, driver, or operator on an airplane, train, boat, bus or automobile.

(f) On return from foreign assignment, employees who report to work for another shift of eight (8) hours without having been given at least eight (8) hours off after completion of his travel assignment, shall be paid at the applicable rate for all time worked during the succeeding work period. For purposes of determining the applicable rate under the foregoing, break time will accumulate, although there shall be no payment for such break time.

NOTE: However, an employee at his option may take a day of personal business or vacation without penalty, with prior management approval, based on a positive account balance. Management approval will not be unreasonably denied.

To determine eligibility for this provision, the United Space Alliance Leader (supervisor) will record time of arrival at the Orlando International Airport and allow one (1) additional hour for travel from the Airport to the employee's home of record.

Travel pay will include:

(1) One (1) hour travel allowance from home of record to the Orlando International Airport. One (1) hour will be allowed from the Orlando Airport to home of record on completion of foreign travel assignment.

(2) Actual flying time excluding any stopovers or waiting time at any airport.

(3) One (1) hour allowance to clear customs upon arrival at the foreign assignment.

(4) One (1) hour allowance to clear customs inspections on scheduled return from foreign assignment.

(5) One (1) hour allowance to clear customs for overnight stops in route where applicable.

NOTE: Actual flying time is allowed for air travel.

(6) Following job completion and with prior approval of the United Space Alliance Site Supervisor, an employee may proceed to the point of departure for the return flight up to one (1) day prior to the Company scheduled departure date. Option for early departure from the job site is solely to allow employees a full nights rest prior to early morning return flight departures. Employees exercising this option will not be eligible for overtime compensation in excess of that to which they would otherwise have been entitled and any additional expense resulting from early departure shall be borne by the employee. Cancellation charges, if any, caused by travel plan changes initiated by the employee, will be paid by the employee; approval will not unreasonably be denied.

(g) Travel pay will be paid for travel time only (defined in paragraph e). Waiting time at any airport, hotel or motel will not be included in determining calculation of the application of one and one-half (1 ½) time.

(h) The Company will provide a room (double occupancy) if airport waiting time exceeds six (6) hours to or from foreign work assignments. This does not apply to employees scheduled to remain overnight. Employees scheduled to remain overnight are approved for single room occupancy.

2. Pay for first or second day off - Foreign Travel

(a) Employees traveling to or from a foreign country will be paid one-and-one-half (1 ½) time for all travel scheduled on the employees first work day off. Double time will be paid for travel assignment scheduled on the employees' second workday off.

(b) The application of one-and-one-half (1 ½) time for the first day off or double time for the second day off will be determined based on Eastern Standard Time or, as applicable, Eastern Daylight Savings Time on assigned trips to foreign countries. Travel time (flying time only) will determine applicable one-and-one-half (1 ½) or double time calculation.

(c) An employee traveling to or from a foreign or remote location on a scheduled holiday will be paid double time in addition to holiday pay.

(d) Return trips will use the standard time of the foreign country where work was assigned in determining the application of overtime for return travel time.

NOTE: This is not intended to change the application of one-and-one-half (1 ½) time or double time for actual time worked on arrival at the foreign work site.

3. Company assigned work on day of departure or return from foreign assignment:

   (a) Any employee required and directed by the Company to work on the date of departure or return from a foreign assignment may do so only in emergency situations. This emergency will require approval of Senior Management in accordance with provisions of Maximum Work Time Policy overtime restriction.

   (b) Any employee directed to work on the day of departure or return from foreign assignment will receive pay at one-and-one-half (1 ½) time and/or double time in accordance with the applicable provisions of this Agreement for all work and travel exceeding eight (8) hours. Travel is defined in paragraph 1. (e) above.

4. Prior approved vacation at the conclusion of foreign assignment:

   (a) Upon approval prior to departure for a foreign assignment, an employee may take vacation leave at the expiration of the assignment.

   NOTE: To be eligible, employees must have earned vacation entitlement.

   (b) Immediately upon departing Company arranged living accommodations eligibility for expense reimbursement will cease and the employee shall be responsible for all expenses incurred from that point (except the return airfare as originally arranged by the Company). Compensation for the vacation period shall be at the employee's working rate. Overseas bonus shall cease at the end of the last duty day. The appropriate compensation, overseas bonus and eligibility for expense reimbursement will resume upon the employee returning to the itinerary he would have returned under if the vacation was not taken; but not to exceed his original itinerary compensation.

Items of expense which are authorized but which will not be included in the daily maximum are:

(1) Transportation costs.

(2) Tool handling – normally $2.00 per carry with prior management approval on the form documented by the Company.

(3) Personal telephone calls are not reimbursed but personal calls can be made by using the Company-provided calling card per the instructions provided by the Company. All business calls are reimbursable with documentation per the Company Travel Policy and management approval.

The actual cost of lodging will be reimbursed to the employee (if not stationed on a U.S. compound) and must be specifically justified and submitted with the Travel Authorization and Expense Report.

(4) The class/fare of air travel shall be "Business" or such other equivalent that provides a level of accommodations between "First" and "Coach" classes of travel if the elapsed travel time including stops and connections is fourteen (14) hours or more. A 24-hour early arrival rest period may not be authorized if this option is exercised.

(5) All work performed by employee(s) at foreign locations shall be in accordance with the terms and conditions of the Collective Bargaining Agreement.

(6) The provisions of the Collective Bargaining Agreement for shifts, overtime differentials and premiums shall apply in the same manner as at the employee's regular workstation.

(7) The Company is responsible for selection of employees for foreign field duty. Assignments include considerations of qualification, seniority, operational requirements, experience and training. Consistent with the foregoing requirements the Company will adhere to fair and systematic rotation of employee assignments in accordance with the desire of employees within work groups.

The actual cost of lodging will be reimbursed to the employee's Company-provided travel charge card (if not stationed on a US compound) and must be specifically justified and submitted with the Travel and Expense Management Tool.

C. Temporary Down Range Differential Pay

Employees who are temporarily assigned to a Down Range Station will be paid their base pay plus a differential payment of thirty percent (30%) of their base pay in consideration of the irregular requirements of such duty. Eligibility for differential payment will start on the day of departure from the continental United States and stop on the day of return.

D. Flight Pay

Employees who are assigned to fly on Government or contractor owned or operated aircraft as part of their operational duties will be paid their base pay plus a differential payment of twenty percent (20%) of their base pay in consideration of the irregular requirements of such duty. Eligibility for differential payment will be based on actual flying time as indicated in the pilot's flight log.

E. Sea Duty Pay

Employees who are assigned to temporary duty at sea on government or contractor owned or operated ships will be paid their base pay plus a differential payment of thirty (30%) of their base pay for all hours worked. For the purpose of this provision only, Section 3 C shall not apply. Days of departure for and arrival from sea duty will be treated as full days at sea.

Section 4 - Report Time

Report Pay

An employee reporting for work on his regularly assigned shift within his normal work week schedule without previous notice not to report shall be paid a minimum of four (4) hours at his working rate or at the appropriate premium rate if on the sixth (6th) or seventh (7th) day or on a recognized holiday.

An employee may be required to perform any work reasonably within his capacity.

Section 5 - Pay Period

Paychecks shall be issued to employees during the next weekly pay period following the pay period in which wages are earned. The pay period may be changed by mutual agreement.

Section 6 - Lost Time

Deductions for time off, whether due to tardiness or other causes, shall be at the rate of one tenth (1/10) of an hour's pay for each tenth of an hour or fraction thereof lost from work. The Company will not authorize the approval of personal business to cover tardiness.

Section 7 - Payroll Deductions-Company Reimbursement

Payroll deductions may be made to reimburse the Company as follows:

A. For cost of tools and equipment issued to an employee but not returned by him, such costs to be subject to wear of such tools and equipment (less normal wear). An employee so charged shall be reimbursed by the Company in the event of the subsequent return of such tools and equipment to the Company provided they may be properly identified and are in the same condition as when issued to the employee.

B. For money paid by the Company to a creditor or officer of the law for an indebtedness of an employee, provided demand is made upon the Company according to law.

C. For any indebtedness due to the Company covering purchases made by an employee through the Company.

D. For any loans or advances made to the employee by the Company.

E. For each employee or identification badge lost or destroyed, a sum of One Dollar ($1.00).

F. For a lost key, the sum of One Dollar ($1.00).

ARTICLE VIII - APPLICATION OF JOB DESCRIPTIONS AND GLOSSARY OF TERMS

Section 1 - Job Descriptions

The following basic principles govern the application of these descriptions; these same principles are to govern their use.

A. General

(1) The title selected for a classification is that which most clearly indicates the general nature and character of the work performed, and yet serves to set the classification apart from others described.

(2) The Summary developed for each classification is a brief description of the classification as a whole, the purpose of which is to set it forth in separation from other classifications.

(3) The job description describes typical and normal requirements. These requirements are characteristic of the job and illustrate a level of difficulty of work and are not intended to list or describe all work operations or tasks done within the classification. These requirements may not fit all specific individual work assignments as the description when written was stated so as to be broad enough to include all variations of work in the classification, as it existed throughout the Company.

B. Interpretation and Application of Job Descriptions

(1) The job description is written to define and illustrate the job standard to be established and, as such, shall be interpreted and applied in its entirety as a composite picture of the job requirements. This means that the Summary, Work Performed (Typical Materials, Tools and Equipment Used - when applicable) and Knowledge and Ability Required, all must be considered in arriving at the proper classification.

(2) In order to secure, or hold the classification, the employee must be assigned regularly and consistently to that work which distinguishes the classification from other classifications.

(3) An employee's classification shall be determined in the light of the highest requirements for knowledge, ability and skill necessary to perform his regularly assigned duties. In making this determination, duties that are performed infrequently or rarely shall not be considered or made the basis of granting the higher classification.

(4) The job descriptions are not intended for, and should not be confused with, operation sheets, work instructions, or work assignment sheets, etc.

(5) Job descriptions were prepared on the basis that:

a) As part of promotional procedure, an employee performs some of the work of higher-rated jobs under guidance and instructions in order to qualify for advancement.

b) An employee performs the work of lower-rated or lateral jobs when required.

c) The normal duties of any employee may include assistance to other workers on work operations.

d) Normal job relationships between employees include giving guidance and instruction to each other.

C. Establishment of New Jobs

(1) The Company shall develop an appropriate job description if, after the effective date of this Agreement, a new job is established as a result of any of the following:

a) Introduction of new work of a nature comparable to that covered by existing job descriptions for classifications referred to in Section 1 of this Article VIII.

b) The combination of work covered by such existing job descriptions.

c) A substantial change in the duties or requirements of an established job.

(2) The Company shall furnish the Union with the new job description and proposed rate range. If agreement on such rate range is not reached within seven (7) calendar days from the date of submission, the Company may place the new job description and rate into effect, subject to continued negotiation of such rate range. The Company will notify the Union on the date the new job description and rate are placed into effect.

(3) If agreement as to the proper rate range is not reached within fifteen (15) calendar days from the date the job is placed into effect, either party may refer the matter to arbitration in accordance with the applicable provisions of the Agreement. The arbitrator shall have the authority to determine the rate range the new or amended classification shall have on the sole basis of the relationship which the new job bears to the rate ranges of other classifications covered by this Agreement.

(4) Any change in the established rate resulting from these negotiations shall be retroactive to the date the Company placed such rate into effect.

D. Classification of an Employee

Each employee shall be placed in the classification proper for the work he performs, and job descriptions shall be applied in accordance with Sections 1 and 2 of this Article.

Section 2 - Glossary of Terms and Phrases

The glossary of Terms and Phrases which is placed into effect upon execution of the Agreement is incorporated herein.

A. Glossary of Terms and Phrases as used in Job Descriptions

In preparation of the job descriptions, the following terms and words are given definition and meaning to clearly indicate the common and consistent interpretation to be placed in them by all persons using the descriptions. The meaning of words and phrases not included in this glossary shall be defined in Webster’s Collegiate Dictionary.

ADAPTS: Means to utilize for other purposes than originally intended.

AUTHORIZED DOCUMENT: Means any type of document, which is used by the Company to transmit to the worker what is to be done, how it is to be done, and/or what specifications or requirements are applicable to the work.

BASE RATE: Straight time hourly rate applicable to employee's classification, exclusive of any differential, bonus or premium.

CHECK, FUNCTIONAL: Means to determine or ascertain whether a unit or a portion of a system performs the function for which it is intended and whether rework or alteration is required.

CHECKOUT, OPERATIONAL: Means making a complete check of an entire, completed, independent system to determine if rework or alteration is necessary.

HAND TOOLS: Includes those portable tools used by hand by the workman in the normal performance of duties and tasks of the occupation in which he works.

IMPROVISE: Means to contrive or make use of makeshift tooling and/or methods to meet immediate needs or requirements.

KNOWLEDGE, COMPLETE: Means full understanding of, and ability to apply, all facts that must normally be known by the worker in the occupation.

KNOWLEDGE, ELEMENTARY: Means that the employee is not expected to carry out the technical functions of his classification completely without guidance from supervision or more senior fellow workers.

KNOWLEDGE OF: Means knowledge of the inherent elements or details of a job that must be known by a worker to do his work satisfactorily.

LEAD: On the part of any classified employee to delegate as authorized, a portion of his allocated work to employees assigned to work with him and pass on sufficient information to enable those employees to accomplish their work in a manner that will result in economy, quality and efficiency. Employees classified on jobs which include lead responsibilities will:

(a) Make detailed work allocations as instructed by the supervisor. In conformance with the classifications of employees being led, but will not make basic work assignments, which affect the classification of employees.

(b) Be responsible for furnishing sufficient and accurate information to assigned employees.

(c) Interpret information, answer questions, review, check work and eliminate ordinary difficulties.

(d) Perform the other "Determining Duties and Responsibilities" specified in assigned classification.

Employees classified on jobs which include lead responsibilities are not to make, as a result of solicitation by the supervisor, recommendations concerning employment, release, transfer, upgrading or disciplinary action relative to other employees.

PRODUCTION ILLUSTRATIONS: Are blueprints or sketches which are used as an aid in visualizing parts and/or their assembly and are usually isometric, perspective, pictorial or third angle projection drawings or photographs.

SHOP MATHEMATICS: Is that form of mathematics normally used by shop workers in the performance of the occupation in which he works.

SHOP MATHEMATICS, INCLUDING TRIGONOMETRY: Means the use of trigonometry to solve any problem that may arise in the work to which assigned.

SHOP PRACTICE: Means the generally accepted method of performing a basic, common or usual operation under specified conditions. It covers the knowledge, which is common to the occupation itself. Besides knowledge and ability to use required hand tools and equipment, it includes knowledge of general safety practices, conduct, rules of cleanliness, neatness, good housekeeping and care of equipment. When used in the phrase "shop practices and procedures," practice need not imply other than practice or methods learned or acquired at the Company.

SHOP THEORY: Implies a knowledge of "why" as well as "how" a given task should be done. It implies a real understanding of the diversity of work in an occupation, of the capacities and limitations of machines used, and of the skills involved.

WHERE COMPLETE INFORMATION IS NOT READILY AVAILABLE:

(1) This phrase is not to be interpreted as requiring the worker to develop his own information, except for such information, which falls into the category of acceptable shop practice.

(2) Where this phrase is used in a job description, it is understood that all workers in the classification will work under these conditions as required.

WORKING RATE: Base rate of pay plus any shift differential and/or odd workweek premium.

WORKS WITH AUTHORIZED LIAISON PERSONNEL AS NECESSARY (OR WHEN REQUIRED): This phrase is intended to cover situations such as when trouble develops on a job, the worker goes to his lead or supervisor who, in turn, may call in a liaison person. Then the worker, being more familiar with the job, will cooperate with the liaison person to straighten out the trouble.

AS REQUIRED: Means performance of work operations, if and when such are necessary, as long as they are within the level of difficulty described.

HELPS/ASSISTS: Means to assist or aid an employee in the performance of his duties as set up in the particular job description where the phrase exists. The assisting worker is not expected to work wholly independently, but rather cooperatively; further, he is entitled to and should receive the guidance and instructions considered usual and normal under these circumstances.

MAY: Means that the function is performed by some of the personnel holding the classification, or that the function is occasionally performed but is not requisite for the classification.

WHEN SO ASSIGNED: Means that the work operation, function or job duty is usually and normally performed after or as a direct result of an order, work assignment or request from immediate supervisory personnel when an occasional or incidental job requirement exists.

It is understood that all statements used in specific job descriptions are to be interpreted on the basis of the level of difficulty contained in the respective descriptions.

ARTICLE IX

Section 1 - Effective Date of Agreement

This Agreement shall, except as otherwise specifically provided in this Agreement, become effective as of September 25, 2010.

This Agreement, which becomes effective September 25, 2010, is accepted and agreed to by the parties hereto as indicated by the signature of the parties duly authorized representatives which appear below:

Local Union No. 2088
International Brotherhood of
Electrical Workers

D. D. Raymond
Business Manager

J. C. Shockley
Chief Steward - LPS

R. J. Rathjen
Chief Steward – Quality/NAVAIDS

United Space Alliance, LLC

R. S. Claus, Manager
Labor Relations

J. W. Church
LPS Maintenance

M. D. Radulovich
Receiving Inspection

J. C. Reeves
NAVAIDS Engineering & Operations

SCHEDULE A - IBEW JOB CLASSIFICATIONS BY GRADE

JOB CODE	JOB TITLE	GRADE
6325	Field Systems Specialist, Senior	01
6365	Instrumentation Maintenance Laboratory Specialist	01
6324	Field Systems Specialist	02
6328	Instrument Tech. Specialist	02
6356	Technician - Lead	02
6362	Inspector - Lead	02
6363	Calibration Technician - Electrical/Electronic	02
6364	Calibration Technician - Physical/Mechanical	02
6353	In-Place Calibration Technician	02
6352	In-Place Calibration Technician – Lead	01
6334	Drafter - Senior	03
6355	Technician	03
6361	Inspector	03
6351	Calibration Support Tech.	05
6345	Computer Control Specialist, Sr.	05
6347	Magnetic Media Specialist	06
6346	I/O Control Specialist	06

SCHEDULE B - SENIORITY GROUPS

SENIORITY GROUP 1 - TECHNICIAN SENIORITY GROUP

Work Section	1.5	LPS
Work Group:	1.5.1	ILMF
	1.5.2	LPS
Work Section	1.6	Navaids
Work Group:	1.6.1	Navaids O & M
Work Section	1.7	RPS
Work Group:	1.7.1	RPD O & M

SENIORITY GROUP 2 - INSTRUMENTATION/MEASUREMENTS SENIORITY GROUP

Work Section	2.1	Instrumentation/Measurements
Work Group:	2.1.1	LCC, Pad and MLP OPS, Maintenance and

SENIORITY GROUP 3 - ENGINEERING SENIORITY GROUP

Work Section	3.5	Navaids Engineer
Work Group:	3.5.1	Navaids Engineer
Work Section	3.6	Planning & Requirements
Work Group:	3.6.1	Planning & Requirements
Work Section	3.9	Computer Ops
Work Group:	3.9.1	Computer Ops
Work Section	3.10	I/O Control
Work Group:	3.10.	I/O Control

SENIORITY GROUP 4 - CALIBRATION SENIORITY GROUP

Work Section	4.1	Calibration
Work Group:	4.1.1	Calibration Support
	4.1.2	Calibration Lab
	4.1.3	KSC - In Place Calibration
	4.1.4	NSLD - In Place Calibration

SENIORITY GROUP 5 - R & QA SENIORITY GROUP

Work Section	5.1	R&QA
Work Group:	5.1.1	Support Quality Inspection
	5.1.2	Receiving/Inspection
	5.1.3	CMT & Facilities
	5.1.4	Logistics Support
	5.1.5	Process Sampling

The “Seniority Groups,” “Work Sections,” and “Work Groups” listed above are established by the Company for the purpose stated below and are recognized by the Union for such purposes. The Company may make changes to this schedule based on operating requirements, but will give the Union seven (7) calendar days written notice prior to effective date of such change(s).

Seniority Group - Seniority Groups are to be used only for purposes of administering layoff and recall as specified in Article V, Section 1 and 3, respectively.

Work Section - Employees may be completely cross-utilized within a Seniority Group without regard to shift assignment on straight time. For cross-utilization on overtime an employee will not be used in a Work Group other than his own unless all employees in the Work Group in which he is being cross-utilized are working or not available to work.

Work Group - Work groups shall be used for applying:

(a) Shift preference - under Article V, Section 4.

(b) Time Away Days selection - under Article VI, Section 3.

(c) Overtime distribution - under Article VII, Section 2.

(d) Promotional consideration - under Article V, Section 7.

ADMINISTRATIVE LETTER NO. 1
Full-time Paid Union Official

September 25, 2010

Mr. Daniel Raymond
Business Manager
International Brotherhood of Electrical Workers
Local Union 2088
2425 N. Courtenay Parkway, Suite 3B
Merritt Island, FL. 32953

Dear Mr. Raymond:

It is the policy of United Space Alliance to grant indefinite leaves of absence to United Space Alliance employees who become full-time paid officials of unions (including the International), which have, and continue to have, representation at United Space Alliance. In the event this facility ceases operation, the leave is to be terminated not later than the date the last represented employee in the applicable bargaining unit is laid off. Such leaves of absence are for the purpose of recognizing fully accumulated seniority, establishing terms of continued or renewed benefit participation, and determining the appropriate rate of pay in the event such an official returns to United Space Alliance as an active employee within 60 days following severance as a Union employee.

While on leave of absence, it is United Space Alliance policy to permit full-time union officials to participate at no cost to the Company in the group medical, dental plan, and life insurance plans in effect for represented employees in the area from which the official is on leave. Full premiums at group rates for the coverage selected by the union official are to be paid directly to United Space Alliance or the selected carrier as applicable. United Space Alliance will make whatever arrangements are necessary with the carrier to ensure that the coverage when requested is provided. Claims under the selected coverage will be administered by United Space Alliance, as required.

At the termination of an employee's tenure of full time Union employment such employee shall be reinstated to the active payroll in the same job classification, consistent with accumulated seniority, at the base hourly pay rate which would have been attained had the employee been on the active payroll during the leave of absence.

This Administrative Letter is effective for the term of the current Collective Bargaining Agreement only. Further effectivity will require mutual agreement of the parties.

For the Union:

Daniel Raymond
Business Manager

For the Company:

Roger Claus
Labor Relations

ADMINISTRATIVE LETTER NO. 2

Physical Standards and Certifications

September 25, 2010

Mr. Daniel Raymond
Business Manager
International Brotherhood of Electrical Workers
Local Union 2088
2425 N. Courtenay Parkway, Suite 3B
Merritt Island, FL. 32953

Dear Mr. Raymond:

1. The Company will, during the life of this Agreement, require all employees to meet the physical standards necessary to perform their job.
2. Those employees who require certification or licensing under the Company policy and NASA regulations, for such items as Government Drivers License, Visual Acuity and Soldering abilities will be expected to meet such certification requirements.
3. Employees who fail to attain or retain the required certification(s) or license(s) shall be provided a remedial training opportunity in order to attain/retain the required certification(s) or license(s).
4. Employees who are unable to meet the physical standards needed to perform their job will be afforded the full benefits of ADA which, may include alternative placement (including such basic (not extensive) training needed to perform the alternative job) and other forms of accommodation, provided the employee is able to perform the essential functions of the job.

This Administrative Letter is effective for the term of the current Collective Bargaining Agreement only. Further effectivity will require mutual agreement of the parties.

For the Union:	*For the Company:*
Daniel Raymond Business Manager	Roger Claus Labor Relations

ADMINISTRATIVE LETTER NO. 3

Record of Disciplinary Action

September 25, 2010

Mr. Daniel Raymond
Business Manager
International Brotherhood of Electrical Workers
Local Union 2088
2425 N. Courtenay Parkway, Suite 3B
Merritt Island, FL. 32953

Dear Mr. Raymond:

In accordance with our discussion during negotiations, this will set forth our understanding as to Record of Disciplinary Action.

The Company will consider reprimands or disciplinary actions against an employee as cleared from his record after a twenty-four (24) month period for major infraction of Company rules and twelve (12) months for minor infractions from the date of issuance, provided that there have been no further infractions during that period. The employee's record may be cleared earlier when, in the judgment of the Company, his past service record warrants such action.

This Administrative Letter is effective for the term of the current Collective Bargaining Agreement only. Further effectivity will require mutual agreement of the parties.

For the Union:

Daniel Raymond
Business Manager

For the Company:

Roger Claus
Labor Relations

ADMINISTRATIVE LETTER NO. 4

Wages and Benefits

September 25, 2010

Mr. Daniel Raymond
Business Manager
International Brotherhood of Electrical Workers
Local Union 2088
2425 N. Courtenay Parkway, Suite 3B
Merritt Island, FL. 32953

Dear Mr. Raymond:

This will confirm our agreement reached during negotiations concerning employee wages and benefits.

1. 2010 General Wage Increase

There shall be no general wage increase in the first year of the agreement.

2. 2011 General Wage Increase

Effective June 18, 2011, each employee covered by this Agreement who is on the active payroll of the Company on June 18, 2011, or upon return to the active payroll from an approved leave of absence, shall receive an increase in base rate of pay of two and one-half percent (2.5%). In no event shall the resulting base pay rate exceed the established pay rate maximum.

3. 2012 General Wage Increase

Effective June 16, 2012, each employee covered by this Agreement who is on the active payroll of the Company on June 16, 2012 or upon return to the active payroll from an approved leave of absence, shall receive an increase in base rate of pay of three percent (3%). In no event shall the resulting base pay rate exceed the established pay rate maximum.

4. Wage Structure

	Effective September 25, 2010		Effective June 18, 2011		Effective June 16, 2012	
Labor Grade	Min	Max	Min	Max	Min	Max
01	$23.63	$34.60	$24.22	$35.46	$24.95	$36.52
02	$22.48	$32.95	$23.04	$33.77	$23.73	$34.78
03	$22.18	$31.63	$22.73	$32.42	$23.41	$33.39
04	$20.65	$30.17	$21.17	$30.92	$21.81	$31.85
05	$19.08	$27.25	$19.56	$27.93	$20.15	$28.77
06	$17.90	$25.60	$18.35	$26.24	$18.90	$27.03
07	$16.78	$23.94	$17.20	$24.54	$17.72	$25.28
08	$15.63	$22.30	$16.02	$22.86	$16.50	$23.55
09	$14.50	$20.70	$14.86	$21.22	$15.31	$21.86
10	$13.34	$19.04	$13.67	$19.52	$14.08	$20.11

5. Automatic Rate Progression (ARP)

a. Effective on the following dates, the base rate of each employee shall be increased nineteen cents ($0.19) per hour or such lesser amount as necessary to bring the base pay rate to the maximum rate for his classification:

December 11, 2010		.19/hr.
March 12, 2011		.19/hr.
June 11, 2011		.19/hr.
September 10, 2011		.19/hr.
December 10, 2011		.19/hr.
March 10, 2012		.19/hr.
June 9, 2012		.19/hr.
September 8, 2012		.19/hr.
December 8, 2012		.19/hr.
March 9, 2013		.19/hr.
June 8, 2013		.19/hr.

b. A newly hired employee shall receive his first ARP increase on a prorated basis.

c. If an employee is on an approved medical leave of absence on an ARP effective date(s), he shall receive one (but no more than one) ARP increase on the effective date of return to the active payroll. In no event will an employee receive an increase exceeding the maximum of his labor grade.

d. An employee returning to the active payroll of the Company from layoff, approved educational leave of absence, approved personal leave of absence, or a rehire shall be eligible for the next scheduled ARP increase.

6. Retirement Plan

For employees hired on or before June 15, 2007, the Company contribution to the USA Money Purchase Plan (MPP) will be $40.00 per week for each week worked effective July 21, 2007, (vacation and sick leave count as time worked), which is invested by the Plan trustees among available options, as designated by each employee. Employees hired on or after June 16, 2007 shall not be eligible to participate in the Money Purchase Plan.

Effective with paychecks dated on or after January 1, 2011, the Company will cease contributions to the MPP for those employees who had been eligible to participate in the MPP, and the MPP will be frozen. Eligible employees will still be participants in the MPP and eligible for benefits under the MPP until they retire or terminate their employment.

7. Savings (401k) Plan

a. This subsection 7(a) is effective for paychecks dated through December 31, 2010. Employees covered by this Agreement will be able to participate in the Retirement Savings Plan (401k) with a Company match of sixty percent (60%) for the first six percent (6%) of the employee's salary contributed to the plan.

b. This subsection 7(b) is effective for paychecks dated on and after January 1, 2011. The Company match for the USA Retirement Savings (401k) plan shall be 100% of the first 1% of the employee's wages contributed by the employee to the Plan and 50% of the next 5% of the employee's wages contributed by the employee to the Plan.

c. Employees may contribute 1% to 50% of base earnings on a before tax or after tax basis, and the employees who are age fifty or older shall be allowed to defer additional amounts on a pre-tax basis to the extent allowed by "catch up" provisions contained in IRS regulations. Employees will be subject to all remaining terms and conditions of said plan.

8. Health Care

a. The current health care provisions, regarding medical, dental and vision insurance coverage shall remain in effect through December 31, 2010.

b. Effective January 1, 2011 The Company shall provide health care insurance coverage, as follows:

i. Medical coverage shall be as reflected in the Open Access Plus Plan – Benefit Summary, USASO, LLC, Effective 1-1-11 ("Benefit Summary"), prepared by Cigna HealthCare and provided to the Union during negotiations,

1. References in the Benefit Summary to "USASO" shall be deemed to be references to "USA"

2. To the extent that federal law requires more generous benefits to be provided, the Plan/SPD will be amended to reflect those additional benefits and such benefits will be provided by the Plan

ii. Dental – Cigna PPO or DMO, as elected by the employee, as is currently being offered by USA and as is described in the United Space Alliance Dental Plan Summary Plan Description, effective January 1, 2002 and amended January 1, 2008, except that the annual plan maximum per person under the Dental PPO plan shall be $1500 and not $2000.

iii. Vision Coverage, as provided during 2010.

iv. Employee contributions shall be 30% of the cost to the Company to provide the coverage the employee selects. As has been the practice, the first paycheck dated in 2011 will reflect the change in contributions.

c If prior to August 2, 2013, USA should extend to its non-union Florida employees the opportunity to opt out of the health care plan and receive a payment for doing so, or to participate in another medical insurance plan, then USA shall offer the Union an opportunity to add such option(s) to this Agreement, under the same terms and conditions (including the right of the Company to change and terminate such plans and options and change the pricing/payment for such plans and options), applicable to its non-union Florida employees.

9. Life Insurance

a. Basic Life: 1.5X basic annual earnings through December 31, 2010. Effective January 1, 2011, the amount becomes 1.0 times basic annual earnings.

b. Met Life Optional Life: Employee purchased Term Life coverage of 1, 2, 3, 4, or 5 times basic annual earnings

10. AD&D

Employee may elect coverages in amounts of $25,000, $50,000, $100,000, $250,000 or $500,000.

11. Short Term Disability

a. **Basic Care Plan**: The Company provides a basic benefit of $105.00 per week through December 31, 2010. This benefit terminates effective January 1, 2011.

b. **Buy-Up Plan**: Optional employee purchased coverage to increase 60% of basic weekly earnings.

c. Effective January 1, 2011, the current 5 work day waiting period will be reduced to 3 work days. If the employee is determined to be disabled for more than 3 work days the benefits will commence as of the first work day of the disability.

12. Long Term Disability

Optional employee coverage to provide monthly benefits of 60% of basic monthly earnings.

13. Flexible Spending Account

Employees may elect to have pre-tax deductions for Dependent Day Care and Health Care expenses not covered by insurance.

14. Retiree Medical Insurance

a. The provisions of the USA Retiree Medical Plan for Certain Former Lockheed Martin Space Operations LMSO & Certain Florida Ops Represented Employees ("Plan"), applicable to members of the bargaining unit, remain unchanged, except as noted herein. The premium for the early retiree medical coverage to be paid by the retiree will continue to be based on the formula established in 1992 and the retiree's actual number of years of continuous service with United Space Alliance, including recognized service with predecessor contractor(s). Participation in and coverage under the USA Retiree Medical Plan for Certain Former Lockheed Martin Space Operations LMSO & Certain Florida Ops Represented Employees will only be available to employees hired prior to June 16, 2007.

b. To receive benefits:

i. By December 31, 2010 the employee must have achieved the required years of service and attained the required retirement age (60), as specified in the Plan in order to be entitled to receive benefits, and

ii. By not later than the earlier of the last day of the month following the month in which the last Shuttle flight lands or September 30, 2011 the employee must have terminated employment with USA and elected to receive benefits under the Plan

c. Except as may be required by law, USA shall have no obligation to make any funding or pre-funding payments to the Plan.

d. When in accordance with sound benefit practices a termination date for the Plan and the Trust is determined appropriate due to lack of funds in the Trust, USA shall proceed in accordance with applicable law to effect such termination of the Trust and the retiree medical Plan.

15. Long Term Care

Optional employee coverage to provide long-term care facility/professional home care benefits.

16. USA Adoption Policy

Benefits available to bargaining unit employees on the same basis as other USA employees.

17. Miscellaneous Met Life Optional Coverage

Other optional coverages available through payroll deduction.

18. Employee Incentive Plan

If this offer is ratified prior to midnight Friday, September 24, 2010 and subject to execution of the Agreement, all IBEW-represented employees on the active payroll as of September 24, 2010 shall be eligible to fully participate in the Employee Incentive Plan (EIP) for the performance periods of October 1, 2009 through September 30, 2010, October 1, 2010 through September 30, 2011 and October 1, 2011 through September 30, 2012, subject to the terms and conditions contained in the official EIP plan documents, as they may be changed from time to time. Such documents and any changes thereto shall be controlling in all instances.

19. Any benefit plans included in this offer are subject to the provisions contained in official Plan Documents, which shall be controlling.

For the Union:	*For the Company:*
Daniel Raymond Business Manager	Roger Claus Labor Relations

LETTER OF UNDERSTANDING 1

Six-Month Meetings

September 25, 2010

The Company and Union agree to continue the following Understandings reached during the 1998 Contract Negotiations:

Six-Month Meetings

Meetings between the Company and the Union may be held every six months to discuss matters of mutual concern but will not address grievances. The Company and Union negotiating committee will be members of this committee plus invited quests as mutually agreed.

Minutes of the meetings will be published within ten (10) working days of the meeting.

Department Director and Chief Stewards Meetings

The Department Director and the Chief Steward shall meet no less than every other month at a mutually convenient time and place for the purpose of discussing matters relating to employees represented by the Chief Steward.

Job Posting

Job posting will be continued for the duration of the Agreement in accordance with Company Policy.

This Letter of Understanding is effective for the term of the current Collective Bargaining Agreement only. Further effectivity will require mutual agreement of the parties.

For the Union:	*For the Company:*
Daniel Raymond Business Manager	Roger Claus Labor Relations

LETTER OF UNDERSTANDING 2

Buddy System

September 25, 2010

This Letter of Understanding is to set forth the basic guidelines to be followed by management when assigning jobs and giving consideration for the need to utilize the "Buddy System."

By definition a "Buddy" is another person who can respond to unexpected circumstances and summon help or render assistance when someone is injured, disabled or trapped.

The "Buddy" question for the most part only arises when work tasks are assigned to a single individual.

Occasions do occur where teamed (2 people) crews, because of the geography, are given jobs, which would normally require one man. This practice will continue when practical, but should not be considered precedent setting.

The "Buddy" system will be in effect for the following:

(a) When working on energized circuits with hazardous shock potential.

(b) When working in hazardous locations.

(c) Entering remote areas where reliable communications by phone or radio net does not exist.

(d) When badge exchange (not badge drop-off) is required.

(e) Other areas as require identified under OG-20a Safety briefing (site-specific training).

Employees working alone in remote locations or on off-shift, but not working on energized circuits or in predetermined hazardous locations will be checked on a periodic basis.

For remote, non-hazardous locations, an employee will have the option of requesting a "Buddy" to accompany him to that location. Such requests will not be unreasonably denied.

This Letter of Understanding is effective for the term of the current Collective Bargaining Agreement only. Further effectivity will require mutual agreement of the parties.

For the Union:	*For the Company:*
Daniel Raymond Business Manager	Roger Claus Labor Relations

LETTER OF UNDERSTANDING 3

Family Medical Leave Act

September 25, 2010

The Company and Union have fully discussed the Federal Family and Medical Leave Act of 1993 (FMLA) and certain practices left to employer discretion under that Act. In order to ensure clear and equitable leave policies consistent with the FMLA, the parties hereby agree as follows:

All current provisions of the Agreement between the Company and Union and mutually acknowledged practices thereunder pertaining to employee leaves of absence will remain in full force and effect, except as modified by effect of law and the specific agreed-to exceptions enumerated below:

1. In determining the 12-month period during which an employee shall be entitled to 12 weeks of leave for FMLA covered purposes, the calculation method used will be a "rolling 12-month period" measured backward from the date an employee uses any FMLA leave.
2. Intermittent leaves as defined under FMLA regulations will not be permitted except as medically necessary for the care of the serious health condition of the employee or employee's son, daughter, spouse, or parent.
3. In the event an employee fails to return to work for at least 30 calendar days following expiration of approved FMLA leave, the employee shall reimburse the Company for the cost of maintaining health care benefits during any unpaid portion of the leave. The employee shall not be obligated for reimbursement if the failure to return to work is due to recurrence or continuation of a qualifying serious health condition or is otherwise beyond the employee's control.
4. Employee(s) may use any available sick / personal business or vacation time while on family medical leave.

This Letter of Understanding is effective for the term of the current Collective Bargaining Agreement only. Further effectivity will require mutual agreement of the parties.

For the Union:	*For the Company:*
Daniel Raymond Business Manager	Roger Claus Labor Relations

LETTER OF UNDERSTANDING 4

Process Enhancement Initiatives

September 25, 2010

The Company and Union agree that improvement in work processes represents an opportunity to create a more efficient, responsive and productive operation. It is also agreed that employee knowledge and involvement are crucial elements in making such improvements.

In this regard, the parties agree that a joint Company/Union Committee consisting of the Business Manager of the Local Union or designee and two members appointed by the Business Manager and a like number of Company representatives shall be established to create a model for employee involvement. The purpose of this Committee is to review and evaluate methods and processes designed to improve business operations through bargaining unit employee involvement, such as through the "Lean 6 Sigma" process.

This Letter of Understanding shall not be interpreted to supersede, replace, or interfere with any rights or obligations of either party contained in the Collective Bargaining Agreement. In the event of a conflict arising out of this Letter of Understanding and the Collective Bargaining Agreement that is not mutually resolved between the parties, the terms and conditions of the Collective Bargaining Agreement shall control.

Both parties agree that certain matters are subject to mandatory bargaining within the meaning of the Labor Management Relations Act, and that those matters are not to be pursued through the employee involvement process.

This Letter of Understanding is effective for the term of the current Collective Bargaining Agreement only. Further effectivity will require mutual agreement of the parties.

For the Union:	*For the Company:*
Daniel Raymond Business Manager	Roger Claus Labor Relations

LETTER OF UNDERSTANDING 5

Time Away Days/STD Coordination

September 25, 2010

Mr. Daniel Raymond
Business Manager
International Brotherhood of Electrical Workers, Local 2088
2425 N. Courtenay Parkway, Suite 3B
Merritt Island, FL. 32953

Dear Mr. Raymond:

This will confirm the parties' agreement during 2004 contract negotiations regarding coordination of time away hours with short-term disability benefit.
Employees on medical leave of absence may coordinate time away hours and short-term disability on the same basis as formerly done under the annual vacation grant plan (as described in J.A. Williams' letter dated June 19, 2004) after sick leave has been exhausted.

For the Union:	*For the Company:*
Daniel Raymond Business Manager	Roger Claus Labor Relations

LETTER OF UNDERSTANDING 6

Foreign Travel

September 25, 2010

Mr. Daniel Raymond
Business Manager
International Brotherhood of Electrical Workers
Local Union 2088
2425 N. Courtenay Parkway, Suite 3B
Merritt Island, FL. 32953

Dear Mr. Raymond:

This is to confirm the parties' discussions during the 2001 contract negotiations with respect to certain business travel issues:

Employees on foreign travel for TAL site deployment will be provided an AT&T phone card to facilitate expense accounting and reimbursement for business and allowable personal calls.

The team leader for each group deployed will maintain a cell phone, which will be available to the employees to facilitate their making of necessary phone calls.

Effective in August, 2001, for administrative convenience the Company will calculate overtime for all weeks involving foreign travel using the foreign travel differential in accordance with methods specified in the Fair Labor Standards Act Regulations (except where double time requirements in the CBA exceed FLSA requirements). The method of calculation exceeds what is stated in Subsection B 1. (c) of the "Foreign travel" section of Article VII of the parties' agreement.

For the Union:	*For the Company:*
Daniel Raymond Business Manager	Roger Claus Labor Relations

LETTER OF UNDERSTANDING 7

Employee Stock Purchase Plan

September 25, 2010

This will confirm the parties' Agreement in 1998 contract negotiation that bargaining unit employees will be included in United Space Alliance's Employee Stock Purchase Plan.

Employees may purchase Boeing, Lockheed Martin and/or Rockwell stock through payroll deductions. Commissions are paid by the Company when buying stock; employee pays commissions when selling stock.

It is understood that this plan is subject to modification on a Company wide basis, including possible termination. Bargaining unit employees will be subject to such modifications as may occur, whether more or less favorable, without requirement for further negotiation.

For the Union:	*For the Company:*
Daniel Raymond Business Manager	Roger Claus Labor Relations

LETTER OF UNDERSTANDING 8

Drug-Free Workplace

September 25, 2010

The Union recognizes the Company's policy (reference FPP-C-07-01, Rev. 8, Drug-Free Workplace) as presented to the Union during negotiations to maintain a drug and alcohol free workplace, and to comply with laws and regulations addressing that subject. If there are any subsequent revisions to the policy, the Company agrees to provide the Union a copy within a reasonable time. The Union shall have a reasonable time within which to disagree. Absent disagreement, the revision shall apply.

For the Union:	*For the Company:*
Daniel Raymond Business Manager	Roger Claus Labor Relations

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H = HOLIDAY FOR EMPLOYEES ON REGULAR WORK WEEK
W = GENERAL WAGE INCREASE
A = AUTOMATIC RATE PROGRESSION
■ = END OF CONTRACT

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H = HOLIDAY FOR EMPLOYEES ON REGULAR WORK WEEK
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H = HOLIDAY FOR EMPLOYEES ON REGULAR WORK WEEK
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