

AGREEMENT

BETWEEN

ALLIED AVIATION FUELING COMPANY OF SAN ANTONIO, INC.

AND

**INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS, DISTRICT 142 AFL – CIO**

JANUARY 6, 2014 – JANUARY 6, 2017

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SAN ANTONIO FUELING
San Antonio, Texas

AGREEMENT entered into ____ Day of _____, 2015 by and between Allied Aviation Fueling Company of San Antonio, Inc., (hereinafter referred to as the "Company") and the International Association of Machinists and Aerospace Workers, AFL-CIO, District 142 (hereinafter referred to as the "Union") as representative of the employees in the classification listed herein.

ARTICLE 1
RECOGNITION AND SCOPE

- (a) In accordance with the provisions of the National Labor Relations Act, the Union is recognized by the Company as the sole Collective Bargaining agent for the employees of the Company in the classifications listed herein and for such other classifications as the Company may employ in the future as may hereinafter be mutually agreed upon.
- (b) This Agreement shall cover only those employees engaged in the operation and maintenance of the fueling facilities of San Antonio International Airport, San Antonio, Texas.
- (c) The Company recognizes that it is in the mutual interest of the employees and of the Company to maintain stable labor relations through Collective Bargaining between the parties and through Union security for the employees, individually and collectively.
- (d) The scope does not include the right to manage, direct and/or dispatch functions which will be handled by management or administrative personnel. It is

understood and agreed that all employees in the classifications under Article 5(b) hereof, including part-time employees will perform such bargaining unit employee jobs with exception of supervisory personnel, which may conduct such bargaining unit employee jobs only on a limited basis.

ARTICLE 2

PROMOTIONS

- (a) A promotional vacancy in any classification listed herein shall be filled by the bidding procedures. The Company shall post the bid for such vacancies for a period of seven (7) calendar days, and shall award the job to the senior qualified bidder and the Company shall post the name of the successful bidder and notify the local Union.
- (b) An employee filling a vacancy shall be given ninety (90) calendar days to demonstrate that he can satisfactorily perform the work assignment involved.
- (c)
 - 1. In filling all posted positions, assignment will be made to the senior qualified employee who bids for the position.
 - 2. In the event that there are no qualified bidders, for a qualified vacancy, the Company shall fill such vacancy in the following order:
 - a. Assign any qualified employee within the classification desiring such vacancy,
 - b. Promote the most senior qualified employee from a lower classification desiring such upgrade,
 - c. Hire an employee from outside the Company.

- (d) Employees shall be given at least five (5) calendar days notice of all shift changes except in extreme emergencies when one (1) calendar day notice shall be required.

ARTICLE 3

HOURS OF WORK

- (a) The work day shall consist of a twenty-four (24) hour period and a regular day's work shall consist of eight (8) consecutive hours, inclusive of a thirty minute meal period. The work day shall begin at the beginning of the employee's shift starting time.
- (b) The work week (and pay week) shall consist of seven (7) consecutive days, beginning at 12:01 a.m. on Monday and the regular weekly work schedule shall consist of five (5) work days of eight (8) hours per day, or four (4) work days of ten (10) hours per day.
- (c) Each employee shall be scheduled two consecutive (2) days off during each week.
- (d) Employees hereunder may exchange day or days off with other employees within their classification and within the same Pay Period; provided notice is given to the Company at least three (3) days prior to such exchange. Days exchanged will not incur overtime. In addition, Vacation, Sick days, and holidays not worked are considered inactive hours and shall not count towards overtime hours. Any exchanges are limited to regular hours for regular hours in the same week.
- (e) Effective January 6, 2014 and semiannually thereafter employees covered by this Agreement will rebid shifts and days off within their respective classification. Preference of shifts and days off will be awarded on the basis of seniority by

work classification. The number of shift starting times and the starting time of each shift shall be in the sole discretion of the Company.

1. At least three (3) weeks prior to the effective date of the semiannual rebid, the Company will prepare a list of all shifts and days off available in each job classification which will be posted on the bulletin board for a period of ten (10) days.
2. Within the ten (10) days following posting, each employee will indicate his preference of shifts and/or days off. Employees failing to submit changes in preference of shifts and/or days off will be assigned a shift by the Company.
3. Shifts and days off in a classification shall be assigned in accordance with seniority.
4. In the case of a substantial number of airline schedule changes, it may become necessary for an interim change requiring the reassignment of shifts.
5. In the event an employee is absent from duty because of vacation, the sick leave, leave of absence, etc.; during the rebidding of shifts, the steward, or a member of management if the steward is unavailable, will contact him to get his choice of shifts and days off.

ARTICLE 4

PART-TIME EMPLOYEES

As defined by the Affordable Health Care Act (ACA), Part Time employment is defined as less than 30 hours per week.

As outlined below, the employment of Part-Time Employees will not be at the detriment of the Full Time Employees, meaning the Company cannot replace the current Full Time Employees with Part-Time Employees unless the Full-Time Employee resigns, retires, passes away or is dismissed with cause.

- (a) The rates to be paid to part-time employees shall be set forth in Article 5 and such employees shall not be entitled to other benefits other than those defined in this Collective Bargaining Agreement.
- (b) Part-time employees shall be used in the classification of fueler, mechanic, or utility.
- (c) A part-time employee is one who is scheduled to work no more than thirty (30) hours per work week.
- (d) Any part-time employee scheduled to work shall be guaranteed a minimum of four (4) hours of work per day.
- (e) At the Company's discretion a part time employee may be schedule for up to eight (8) consecutive hours in a work day, inclusive of a meal period, and up to a maximum of three (3) days in a work week. Such employee may be scheduled to work up to a maximum of three (3) consecutive days, which includes Friday, Saturday, Sunday, or Monday.
- (f) Part-time employees shall be offered overtime only after all full time employees have refused overtime (See Article 6-Overtime Compensation).
- (g) Part-timers will work off their own seniority roster.
- (h) Part-timers' Workmen's Compensation provisions shall only be those as stated in the in laws of the State of Texas.
- (i) In the event of a reduction of the work force, no full-time employees within all classification will be laid off before any part-time employee.

The following represents the benefits to be applicable to part-time employees:

- (j) Holidays: Part-time employees shall receive compensation for the following five (5) holidays annually and shall be paid the rate of time and one-half (1½) when worked. The holidays will be recognized on the day celebrated by the nation.

New Year's Day

Thanksgiving Day

Independence Day

Christmas Day

Labor Day

- (k) At the Company's discretion a part-time employees may be credited additionally for being exempt from health insurance. The weekly amount to be paid will not exceed \$25.00 per week. In addition at the Company's discretion may pay the equivalent of other employee benefits on a pro-rata hourly basis.
- (l) At the Company's discretion Part Time employees may be paid a thirty (30) minute lunch period.

ARTICLE 5

WAGES

- (a) Hourly Rates.

Classification

Fuelers / Utility Workers

Start	\$9.75
90 Days	\$9.85
1 Yr	\$10.00
2 Yrs	\$10.25
3 Yrs	\$10.50
4 Yrs	\$10.75
5 Yrs	\$11.00

6 Yrs	\$11.25
7 Yrs	\$11.50
8 Yrs	\$11.75
9 Yrs	\$12.00

For Overscale Employees see Article 30

Tank Farm Operator

Start	\$10.00
90 Days	\$10.10
1 Yr	\$10.25
2 Yrs	\$10.50
3 Yrs	\$10.75
4 Yrs	\$11.00
5 Yrs	\$11.25
6 Yrs	\$11.50
7 Yrs	\$11.75
8 Yrs	\$12.00

For Overscale Employees see Article 30

Mechanics

Start	\$12.25
90 Days	\$12.35
1 Yr	\$12.50
2 Yrs	\$12.75
3 Yrs	\$13.00
4 Yrs	\$13.30
5 Yrs	\$13.65
6 Yrs	\$13.85
7 Yrs	\$14.20
8 Yrs	\$14.50

The Company will continue to pay Lead pay of \$1.00 per hour to all current leads at the signing of this contract for all hours working in the capacity as a Lead.

An additional \$0.25 per hour shift differential will be paid to those who work the 10:30pm to 6:30am shift.

(b) **Classifications:**

Fueler: Responsible for servicing all types of aircraft with fuel; additionally, automotive and ground support equipment, lavatory and water service(s) are serviced. All fuelers are qualified to fuel the various aircraft types of each airline and can work at any terminal or airline. These individuals are trained to handle non-routine situations, such as defueling and fueling aircraft with inoperative fuel quantity indicators. In addition, they are responsible for normal job housekeeping duties (i.e. break room and mobile equipment utilized), and all of the normal paperwork required for the job in accordance with Allied Aviation and the various airline customer's policies and procedures.

Lead Fueler: The duties of a Lead Fueler will be the same as Fueler and in addition, as a working member of the group, he will be responsible to a Supervisor and shall assign work to and lead other employees in the fueler classification.

Mechanic: The duties of a Mechanic shall be the repair, maintenance, and operation of all the Company's equipment, facilities and premises in the Company's fueling operation and the housekeeping of records pertinent hereto. The duties of a mechanic shall also include normal shop housekeeping duties and work with utility personnel regarding the tank farm operation.

Lead Mechanic: The duties of a Lead Mechanic will be the same as Mechanic and in addition, as a working member of the group, he will be responsible to Management and shall assign work to and lead other employees in the mechanic and utility classification.

Tank Farm Operator: The duties of the Tank Farm Operator will consist of the operation and inspection of all components in the facility, and other related duties such as the appearance and upkeep of the facility. All set up and preparation required to receive all fuel products into the facility, the dissemination, the collection, and the computerization required for the receipt and disposal of all fuel products into and out of the facility. As well as all clerical duties related to the operation and inspection of all components, the receipt and disposal of all fuel products, and the related duties such as the appearance and upkeep. The Tank Farm Operator(s) will work under the guidance of the Lead Mechanic, and the supervision of the Maintenance Supervisor(s) and Maintenance Manager.

Utility Worker: These individuals are under the direction of the Mechanics and their responsibilities are to keep the overall facility looking like new. Their duties include but are not limited to operations of the fuel farm, janitorial services, general repair and maintenance of the facility and premises, spill clean-up services, sumping of fueling equipment, and to check and top-off fuels and other fluids when required of the equipment prior to fueling and prior to shifts. They are also responsible for the receiving and dispatching of jet fuel via pipeline and/or tanker truck, take samples and perform tests on product for quality control and perform inspections, and log entries of fuel transactions. In addition, they may be asked to perform various other tasks that management may see fit.

Lead Utility Worker: The duties of a Lead Utility will be the same as a Utility Worker and in addition, as a working member of the group, will fall under the direction of a Lead Mechanic and shall assign work to and lead other employees in the utility classification.

Lead Classifications:

1. The Company will continue to pay Lead pay of \$1.00 per hour to all current leads at the signing of this contract for all hours working in the capacity as a Lead. As these employees resign or their employment becomes severed from the Company, those positions will not be replaced.
2. The Lead shall be qualified in the duties of his classification and will be capable of performing such duties. He will assist his group in the performance of their duties provided such assistance does not interfere with the performing of his primary responsibilities.
3. The Company will have the right to demote a Lead for poor or inadequate work performance. In the event a current lead is demoted, he will be restricted from bidding a lead position for one (1) year.

ARTICLE 6

OVERTIME COMPENSATION

(a) PAYMENT OF OVERTIME

(I) All overtime worked will be paid. Overtime will be paid for all overtime hours worked regardless of the employee having obtaining prior approval for working such overtime;

(II) Employees are required to obtain prior approval from the Company before actually working any overtime. If prior approval is not obtained the employee will be subject to progressive discipline;

- (III) Prior approval is required for all overtime and for punching in at the start of work or punching out after work and/or leaving work outside of the 7 minute rule;
- (IV) Any employee who works overtime or punches in/out, starts and/or leaves work outside of the 7 minute rule and/or fails to obtain prior approval before “actually” performing any overtime work may be subject to the Company’s disciplinary procedures, up to and including termination, as may be permitted by the collective bargaining agreement in effect for the location where the work is performed.
- (b) Overtime rate of time and one-half ($1\frac{1}{2}$) computed on an actual minute basis adjusted to the nearest one-tenth ($1/10^{\text{th}}$) of an hour, with a minimum of one-tenth ($1/10^{\text{th}}$) hour overtime, shall be paid for all work performed in excess of forty (40) hours in a week. The Company will follow the Fair Labor Standards Act, Federal Wage and Hour Laws.
- (c) In the event all Full Time employees refuse the overtime offered, employees may be required by the Company to work overtime; known as **“Required Overtime”**
- (d) If the all full time employees elects not to accept overtime, and the Company has to move to “Required Overtime”, **the Company will offer the none-accepted overtime to the Part-Time employees before requiring full time employees.**
- (e) In the event all employees refuse the overtime offered, the full employee on duty with the **least amount of seniority to his credit will be required** by the Company to work **“Required Overtime”**. Employees refusing to work

"Required Overtime" or who leave work while on "Required Overtime" will **face Disciplinary Action up to and including Termination.**

- (f) An employee can be held on **"Required Overtime"** no more than **one (1) time in the same Workweek/ Pay Period.**
- (g) Employees required to work sixteen (16) hours or more within their regular work day will be given a rest period of at least six (6) hours before being required to report to work again.
- (h) If maintenance is called back after hours meaning called back to return to work, the maintenance employee is to be paid for a minimum of four (4) hours overtime except by mutual agreement between the Company and the employee to waive the requirement for the minimum of four hours, and may do so with approval, and in such cases will be paid the actual time worked to the nearest (1/10th) of an hour of overtime rate.

ARTICLE 7

HEALTH INSURANCE

Effective the 1ST day of the month following the completion of 60 days of full time service the Company shall provide the employee, Employee Only (EO) medical insurance, subject to the employee's monthly contribution of 20% of the EO premium rate for San Antonio, Texas.

The employee shall have the option to Opt-Out out of the medical health insurance program. Should the employee decide to Opt-Out a \$25.00 per week payment (payable weekly) will be provided to the employee. To be eligible for the Opt-Out payment the employee must complete an Allied Aviation Opt-Out form.

Effective the 1ST day of the month following the completion of 60 days of full time service the Company will provide the eligible employee who elects EO coverage to purchase Employee + 1 (Emp + 1) or Family (Fam) coverage at the employee's own expense.

The company will offer the employee the ability to purchase dental and/or vision insurance coverage at the employee's own expense.

(a) Life insurance in the amount of \$10,000.00 will be provided by the company, with the company offering the employee the ability to purchase additional life insurance coverage at the employee's own expense.

ARTICLE 8

HOLIDAYS

(a) The following paid holidays are recognized:

New Year's Day	Independence Day
Martin Luther King Day	Labor Day
Personal Day()	Thanksgiving Day
Memorial Day	Christmas Day

* A Personal Day can be requested and taken with management's approval. Approval shall not be withheld unreasonably, noting that the Company must maintain operations and must meet the schedules of the airlines. If the day is not used it can be sold back as of 11/30 of the calendar year, and if reasonably possible will be paid in December for the same year.

(b) An employee who elects to work during the seven national holidays. If all the employee do not want to work and the part-time employees do not want to work, then if an employee is required to work on any of the above seven national holidays shall receive double time and one-half (2 ½) for all hours worked on the holiday. The Personal Day will be paid at straight time.

- (c) In order to be eligible for holiday pay, under this Agreement, an employee must work the scheduled work day before and the day following the holiday.
Excluding Jury Duty, Bereavement, or approved ~~floating holiday~~ personal day.
- (d) Payment for a holiday, as such, will not be made to an employee:
1. Who is on a requested approved leave of absence without pay.
 2. Who has been furloughed.
 3. Who is scheduled to work the holiday and does not do so.

ARTICLE 9
VACATIONS

- (a) For Employee hired prior to 10/1/14:

On and after January 1st of each year, employees who have completed one (1) full year of service shall be entitled to a paid vacation on the following basis:

<u>Years of Service</u>	<u>Weeks of Vacation</u>
One (1) – Five (5) years	One (1) week
Six (6) – Ten (10) years	Two (2) weeks
Eleven (11) years and over	Four (4) weeks

- (b) For Employee hired after 10/1/14:

<u>Years of Service</u>	<u>Weeks of Vacation</u>
One (1)	One (1) week
Two (2) – Nine (9) years	Two (2) weeks
Ten (10) years and over	Three (3) weeks

Vacation time will be accrued monthly.

On and after January 1st of each year, employees who have not yet completed one (1) full year of service shall be entitled to a paid vacation on the following basis:

<u>Months of Service</u>	<u>Paid Vacation Time</u>
1 - 3 Full Months	0 Vacation Days
4 – 5 Full Months	1 Vacation Days
6 – 7 Full Months	2 Vacation Days
8 – 9 Full Months	3 Vacation Days
10 – 11 Full Months	4 Vacation Days

The above vacation pay shall be based on an employee's regular straight-time rate multiplied by employees scheduled hours for each day.

(b) Vacations will be scheduled to fit the needs of the operation.

(c) Employees days off will not be changed as a result of taking vacation.

On December 1st of each year, the Company will post for bidding a list of available vacation weeks for the coming year. Vacation preference will be awarded in accordance with seniority by shift and classification and the vacation schedule for the year will be posted no later than December 15th.

(d) A Holiday that occurs during an employee's vacation periods will be paid at 8 hours straight time with no additional time off.

The employee may elect to sell back all accrued vacation in full weeks on a scheduled six months basis being July and January each year and the following year.

ARTICLE 10

SENIORITY

- (a) Employees shall be considered on probation for the first ninety (90) days of employment. Seniority under this Agreement shall be defined as length of continuous service performed (worked) by employee starting from the first (1st) day the employee was hired.
- (b) Seniority shall be exercised for the selection of shifts, days off and vacations.
- (c) If a reduction in force is necessary, employees shall be reassigned, demoted or laid off on a seniority basis to the extent that they are qualified to fill the new assignment.
- (d) If a reduction on force is necessary employees shall have the right to accept a layoff instead of being demoted.
- (e) Seniority rights of employees who have been laid off shall terminate if they are not rehired within six (6) months after layoff.
- (f) Reemployment after layoff shall be on a seniority basis.
- (g) A seniority list giving name, date of employment and job classification shall be furnished to the Union and forwarded to District Lodge 142, Kansas City, MO one (1) month after the signing of the Agreement and semi annually thereafter.
- (h) An employee who is discharged for cause or who resigns from the service of the Company, shall lose all seniority rights and employee benefits.

- (i) For two (2) or more employees hired on the same day, seniority will be given to the employee with the lowest Social Security Number (last four (4) digits only).

In the event of a reduction in the workforce, employees affected by such reduction may be offered consideration to fill a vacancy elsewhere in the system if such a vacancy is his classification exists.

ARTICLE 11

LEAVE OF ABSENCE

- (a) Upon approval of the Company, an unpaid leave of absence of up to sixty (60) days may be granted an employee. During such leave, the employee's seniority shall accumulate.
- (b) An employee accepting gainful employment while on leave of absence automatically terminates employment with the Company.
- (c) Allied Aviation will comply with all provision of the Federal Family Medical Leave Act (FMLA). FMLA days will be unpaid days and will not be offset by other vacation, personal day, or sick days.

ARTICLE 12

MILITARY LEAVE RETENTION OF SENIORITY

- (a) The reemployment and seniority status of any employee hereunder who while in the active service of the Company entered the Armed Services or the Merchant Marines of the United States shall be governed by the provisions of the Selective Service and Training Act of 1948, as amended, or other applicable law.

- (b) Employees on leave of absence or on a National Guard annual three (3) week training period shall accrue seniority and length of service credit for pay purposes for time spent on such leave.

ARTICLE 13

TERMINATION OF EMPLOYMENT

Employees shall give the Company two (2) weeks' notice of resignation in writing.

ARTICLE 14

OCCUPATIONAL INJURY

Employees will receive only those benefits provided by the Texas State Worker's Compensation Act.

ARTICLE 15

WORK CLOTHES AND TOOLS

- (a) The employee will be required to wear only Company issued uniforms while on duty. The Company will furnish each employee with seven (7) pairs of pants and seven (7) shirts, and Company caps. Company pants must be worn correctly on the waist. Company caps must be worn with the bill straight and forward, not to either side or backwards. Caps must be Company issued, no other caps will be worn while on duty. Employees are required to wear approved work shoes or boots while on duty. The boots will be purchased from an approved vendor or vendors as specified by the Company for a cost up to \$ \$80.00 including tax which will be covered by the Company. Boots can be purchased on a yearly basis. The maintenance and laundry of uniforms shall be the responsibility of

- employee. Replacement of uniforms will be on a condition basis. Upon termination from the Company, the employee shall return all uniforms in the employee possession.
- (b) Employees covered by this Agreement are required to keep their uniforms neat and as clean as possible at all times.
 - (c) The Company will provide foul weather gear (rain gear), which will consist of pants, jacket and hat. This gear will be replaced by the Company on a condition basis. The employee has the option to purchase rain gear which the Company will reimburse up to \$40.00 including tax with a valid receipt on an annual basis.
 - (d) The Company will provide safety equipment for the protection of the employee and all replacement parts will be furnished by the Company on as needed condition basis.
 - (e) The Company will furnish flashlights, batteries and bulbs for employees required to use such flashlights.
 - (f) Employees are responsible for the maintenance and safe-keeping of all Company issued safety items, work articles, and tools. Employees will reimburse the Company through a payroll deduction for items not returned for replacement on a condition basis.
 - (g) An employee that has a lost or stolen badge must report the lost or stolen badge to the Company immediately. The employee must immediately complete a replacement badge application and report to the Airport Badging Office on the first available appointment. The employee will reimburse the Company for all replacement badge costs through payroll deduction.

- (h) Employees will not be permitted to work unless they are in possession of and utilizing all necessary and required Company issued equipment, and OSHA required personal protective equipment.
- (i) Company will provide OSHA approved gloves recommended by the Safety Committee on as needed condition basis.
- (j) Full Time Mechanics will be reimbursed up to \$375.00 and Part Time Mechanics will be reimbursed up to \$175.00 annually for the purchase of tools required to perform their job. In order to be reimbursed the mechanic must have the purchase approved by the Maintenance Manager and must submit a valid receipt for the purchase.

ARTICLE 16

BULLETIN BOARDS

The Company shall provide bulletin boards for the use of the Union. All notices placed on such boards shall relate solely to official Union business and shall have the official signature of the Union. Keys to the bulletin board will be provided to the Chief Union Steward and the Operation Manager.

ARTICLE 17

EQUAL TREATMENT

The Company and the Union agree that there shall be no discrimination against any present or future employee by reason of race, creed, color, age, disability, national origin, sex, union membership or any other characteristic protected by law, including, but not limited to, Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, 42 U.S.C. § 1981, the Family and Medical Leave Act, the Human Rights Law, or any other similar federal, state or municipal statutes, laws, rules or regulations. All claims alleging illegal discrimination under any of the above or similar authorities shall be subject to

the Agreement's grievance and arbitration procedure as the final, binding, sole and exclusive remedy for such violations under the terms of the Collective Bargaining Agreement. The Company and the Union further agree that there shall be no discrimination against any present or future employment applicant in hiring or by any referral system or hiring hall because of the applicant's union membership, or lack thereof and that there shall be no discrimination against any employee as a result of engaging in any activity in support of the Union that is not unlawful or in violation of this Agreement. The Company and the Union further agree that all claims shall be arbitrated on an individual basis. Consequently, neither the Company, the Union or the employees covered by this Agreement may submit any discrimination claim as a class action, collective action or other representative action for resolution under this Agreement or otherwise. This provision shall apply to allegations arising out of events occurring before and/or after the effective date of this Agreement. Arbitrators shall apply applicable law as it would be applied by the appropriate court in rendering decisions on discrimination claims.

ARTICLE 18

PAY DAYS

All wages payable to employees hereunder shall be paid weekly by check during working hours or by direct deposit.

ARTICLE 19

NO STRIKE – NO LOCKOUT

- (a) During the life of this Agreement, the Union, its officers, employees and members, shall not cause, authorize, or condone, nor shall any member of the bargaining unit cause, authorize, condone or take part in, any illegal picketing or demonstration on any of the Company's premises or on any property adjacent thereto, or on any property on which a Company facility is located or where the Company performs or delivers its services or in any strike (including a sympathy

strike on the airport or surrounding grounds), work stoppage, interruption, sick-out, sit-down, stay-in, slowdown, or any other restriction of work or interference with the operation of the Company or its client(s).

- (b) In the event of any conduct prohibited in paragraph (a) above, the Company shall not be required to negotiate on the merits of the dispute which gave rise to the action until such has ceased.
- (c) In the event an individual employee or group of employees engage in any of the prohibited activities set forth in paragraph (a) above, the Company shall have the right, at its discretion, to discipline, up and to including discharge of such employee or groups of employees. If a grievance is filed concerning such discipline or discharge, it shall be filed at the last step of the Grievance Procedure within five (5) calendar days after such discipline or discharge. The Grievance and Arbitration Procedure set forth herein provides the sole and exclusive remedy for the settlement of employee(s) grievances.
- (d) The Company agrees that it will not lockout any employee during the term of this Agreement. However, if any employee is unable to work because of equipment, facilities, labor or other resource are not available due to a strike, work stoppage, slowdown or other interference by the Company's employees or if the actions of employees of another employer, the airport shut down, the client ceases operation; such inability to work shall not be declared a lockout.

ARTICLE 20

MANAGEMENT CLAUSE

The Union recognizes and agrees that the Company retains the sole right and responsibility to manage and operate the business in all respects and as to all matters

in connection with the exercise of such rights, subject only to the employee's right to grieve, in accordance with the procedures later provided in this Agreement.

Such rights include but are not limited to the establishment of working conditions, work shifts and shift times, the hiring, promoting, demoting, and rehiring of employees, the suspending, the discharging or otherwise disciplining of employees to the extent that any of such matters are not otherwise covered or provided for in this Agreement; and provided that in the exercise of such functions, management shall not discriminate against any employee because of his membership in, or lawful activity on behalf of the Union.

Except where specifically and expressly abridged or modified by this Agreement and any supplementary agreements that may hereafter be made, all rights, powers and authority of the Company are retained by the Company.

ARTICLE 21

GENERAL

- (a) Any employee hereunder who is assigned by the Company to perform the duties and accept the responsibility of a higher classification of work shall be paid the higher rate of pay for said higher classification work for all work performed on that day including overtime in the higher rated classifications.
- (b) The Company agrees to furnish each employee covered by this Agreement with a copy of this Agreement. It will be on 8 ½ X 11 paper and unbound.
- (c) Supervisors shall perform work normally assigned to members of the bargaining unit when required by the needs of the operations.

ARTICLE 22
BEREAVEMENT

In the event of a death in the employee's immediate family which includes father, mother, sister, brother, son, daughter, stepchildren, husband, spouse, current mother-in-law or current father-in-law, it is recognized by the parties that the employee needs time off to attend the funeral service from the day of the death to the day of the funeral. If any of these days off are the employee's scheduled working days, the employee shall suffer no loss in pay, exclusive of overtime, but not to exceed a maximum of three (3) days.

In the event of a death of the employee's grandparent or grandchild, the employee shall be allowed the day off with pay, exclusive of overtime, on the day of the funeral and may request an additional day off without pay at the discretion and approval of Management.

Such paid leave will not be granted in instances where the employee, otherwise eligible, does not attend the funeral. An employee absent on bereavement leave shall not be eligible for, or be notified of any overtime bid process for that particular day which is scheduled during the period of such employee's leave unless it is at the request of management.

Such pay will only be honored, provided such employee has provided proof of services.

ARTICLE 23

COMPLIANCE AND ENFORCEMENT

- (a) A grievance is a dispute or difference of opinion raised by one or more employees against the Company, involving the meaning, interpretation or application of the express provisions of this Agreement.
- (b) No grievance shall be entertained or processed unless it is submitted to the Company within ten (10) business days after the event giving rise to the grievance.
- (c) Written extensions by either party may be granted at any step(s) in the procedure by mutual agreement. If either party fails to observe a stated time limit within Step 1 through Step 4 of the Grievance Procedure as set forth below (without an agreed to extension of time), the grievance shall be considered settled according to the last position of the other party.
- (d) The parties shall make a sincere and determined effort to settle meritorious grievances in the voluntary steps of the grievance procedure. Any employee or group of employees having a grievance may take the matter up with their supervisor and may request the presence of their steward. The supervisor shall use his best efforts to make a satisfactory settlement. If not settled, the grievance shall be reduced to writing.
- (e) In the event of a grievance involving interpretation or application of the terms of this Agreement, the parties shall attempt to resolve the dispute in the following manner:

STEP 1: A written grievance stating the nature of the grievance, the contract provision involved, the act(s) complained of, when it occurred, and the remedy sought, shall be presented to grieved employee's supervisor (or his designee) by the grieving employee's Steward within ten (10) business days of

the supervisor's verbal answer. Upon delivery of the grievance it shall be initialed and dated by the grieving employees' supervisor and Steward.

The grievred employee's supervisor will return on the grievred employee's written request a response of either denied or accepted with a remedy to the grievred employee's Steward within ten (10) business days of the written grievance.

STEP 2: The Step 1 answer shall settle the grievance unless it is appealed in writing within ten (10) business days after the receipt of the Step 1 answer. If the grievance is appealed to the second step, Steward or their designee will meet with the Operation/General Manager and the grievred employees Supervisor in an effort to resolve the grievance. The Operation/General Manager will provide a written answer to the Steward or their designee within ten (10) business days after the second step meeting unless a request is made to extend this period.

STEP 3: The Step 2 answer shall settle the grievance unless the Union appeals it in writing to the HR Manager in New York or a designee within ten (10) business days of the second step answer. If the grievance is appealed to the third step, a designee of the Union with authority to resolve such issue and the HR Manager or a designee shall meet in person or by telephone within ten (10) business days of receiving such written appeal, and shall deliver a written answer to the Union designee within ten (10) business days of such meeting.

STEP 4: In the event that the grievance is still not satisfactorily resolved, the grievance may be referred to Arbitration within fourteen (14) business days of the receipt of the third (3rd) step answer.

- (f) The IAM President and Directing General Chairperson shall have the right to determine whether or not the grievance complaint is qualified to be submitted for arbitration by the Union.
- (g) The time limits in Steps 1 through 4 may be extended by mutual consent.
- (h) In the case of suspension or discharge of any employee, Step 1 and Step 2 of the above procedure may be bypassed and the appeal may be submitted directly to Step 3. The time limits in Step 3 for appeals for both parties shall be ten (10) business calendar days. If a satisfactory answer is not received it may be processed to Arbitration as per Step 4 above.
- (i) Referral to Arbitration is made by the grieving party by requesting the Director of the Federal Mediation and Conciliation Service to furnish the parties with list of Local Arbitrators for the parties to select an Arbitrator. The Arbitration is to be held at a local hotel within a five mile radius of the San Antonio, Texas facility. While the grievance is being handled pending the adjustment, there shall be no strike or lockout and the decision of the Arbitrator shall be final and binding on both parties. The Arbitrator shall render his decision within thirty (30) business days after the hearing or as soon as possible thereafter.
- (j) The impartial arbitrator shall base the decision and the award rendered on the express language of this Agreement and without amending, subtracting from or changing the express language of this Agreement or any supplements to this Agreement. The Arbitrator may only act on a grievance that is based upon the event which occurred (or failed to occur, as the case may be) during the term of the Agreement. Past practice shall not impose an obligation on the Company that is has not expressly agreed upon this Agreement. Nor shall he have the authority to set rates of pay or performance standards. In reference to performance standards, the Arbitrator's only authority will be to rule whether a

standard is reasonable and discipline is for appropriate. Failure of the grievant or Union to meet time limitations is not waived by the Company because of discussion(s) of the grievance or alleged grievance in prior steps. No liability shall accrue against the Company for a date prior to the date of the grievance presented, or in disciplinary cases, to the date of the discipline. Except by written agreement between the Company and the Union, no more than one (1) grievance shall be submitted to the same Arbitrator as one (1) hearing or series of hearings.

- (k) Each party shall pay one-half (1/2) of the fee and expense of the Arbitrator as well as the hotel room and any other necessary reasonable expenses of the Arbitrator.
- (l) The Union may be represented by a steward or his designee who may sit in on all grievance meetings.
- (m) No employee selected as a steward, or officer of the Union, will be discriminated against for lawful activity on behalf of the Union.
- (n) The Company will be represented by an authorized person at the facility in San Antonio, Texas, who will be empowered to settle all local grievances not having changes in the intent and purpose of this Agreement. The Union and the Company will at all times, keep the other party advised through written notice of any change in authorized representatives. Both the Union and the Company may submit a memorandum of law directly to the arbitrator with a copy to the other party.
- (o) The arbitration article shall expire upon the termination of this Agreement, and no dispute or alleged grievance which arises after the expiration of this Agreement shall be taken to arbitration.

- (p) It is expressly agreed that any question concerning any liability or obligation of the Company which requires the construction or interpretation of any statute or law for example, but not by way of limitation, the Fair Labor Standards Act, Workers Compensation and Social Security laws while subject to the grievance procedure shall not be subject to Arbitration under this Agreement.
- (q) The Company and the Union are the only parties to this collective bargaining agreement, and they and only they have the right of representation and/or counsel with respect to any and all matters, direct or indirect, having to do with the grievance and arbitration provision of this Agreement. No grievant will be represented by anyone who is not an official representative and/or counsel of the Union or is certified by the Union to the Company to represent them prior to the occurrence giving rise to the grievance. In the event that this Section is violated in any way, directly or indirectly, the grievance will be forfeited and barred absolutely and evidence of such forfeiture can be used by the Company in a civil action to stay arbitration on such grievance.

ARTICLE 24

CHECK-OFF AND UNION DUES

The Company shall deduct Union dues and initiation fees from the employees on proper authorization provided by the employee and shall forward such monies to the local Union. This form which is hereinafter included in this Agreement, is to be known as "Authorization for Check-Off of Union Dues," which shall be prepared and furnished by the Union.

ARTICLE 25

SAFETY

The Company agrees to provide a safe working environment for its employees. A joint safety committee shall be established, composed of one member from each classification, and one representative of the Company. It shall be the duty of this committee to investigate all of the unsafe working conditions submitted by employees. The committee shall keep a record of its meetings, the claims submitted and actions taken.

The steward may appeal any Company decision in writing to the General Manager. If the steward is unsatisfied at this step, the General Chairman may appeal the Company's decision in writing to the S.V.P. of Labor Relations and Insurance Allied Aviation Services.

Reasonable time off will be allowed to safety committee members to attend safety committee meetings, provided such time off does not interfere with the Employer's operation.

The Company is required to maintain a safe workplace. In the case of a work related injury or a non-work related injury the employee will be required at the employee's cost to obtain a doctors Certificate of Fit for Duty. For reasonable cause the Company may question the Certificate, and at the Company's expenses obtain a second opinion. If the opinions conflict the parties will get a third opinion which will be jointly paid for by the parties and this decision will be final.

In addition, to protect the Safety and Well Being of the Employee the Company reserves the right to conduct at the Company's cost a physical capacity evaluation (PCE) test on an employee who has lost time from a work related injury or a non-work related injury.

ARTICLE 26
DRUG & ALCOHOL TESTING

Allied Aviation recognizes the health risks employees assume for themselves, and actions which may jeopardize the safety of others, when substance abuse and/or alcohol abuse interferes with the employee's performance of their job duties. Therefore, Allied Aviation will conduct such testing on pre-employment, post accident, and reasonable suspicion. Employees responsible for cause excluding random basis will be suspended, without pay, until the results of the drug testing are received by the Company.

- (a) Employees must refer to the Allied Aviation Services Hourly Employee Handbook, Code of Conduct – Drugs in the Work Place for Policies

ARTICLE 27
SICK LEAVE

1. **Short Term Leave** – Payment for Sick Time Off shall be based upon the employee's regular straight time rate for hours worked.
2. Each January 1st, employees with three (3) years of service will have five (5) sick days accrued to their account. Employees with at least one (1) year of service as defined above in the vacation article of this contract will be accrued with three (3) sick days to their account. Any employee who has less than one (1) year of service shall be accrued with 1 day sick for every 4 months of service (max of 2 days). Employees with less than one (1) year of service who have completed their probationary period will accrue sick Days on pro-rata basis. Probationary Employees do not receive sick time.

3. **Selling of Credited Sick Days - Sick Day Bank:** The employees will have a 21 day Sick Day Bank for unused sick days. All unused sick days over 21 days can be sold back to the company in January of the following year at regular time.

The employee who is eligible to sell back unused sick days will receive the current regular rate of pay. Payment of these days will be made to the employee during the first month of each calendar year. To be eligible to receive such pay, the individual must be an active employee at the time of payout.

4. If an employee is scheduled to work the day before the Holiday or the day after the Holiday, he shall not be entitled to any sick leave allowance for time lost as a result of the illness unless allowed by Federal or State law under these conditions.
5. Should an employee desire to use his Sick day he must call into his Supervisor or the General Manager 2 hours in advance of their scheduled shift except when the employee is hospitalized and physically unable to contact a Company official. At that time, he will be expected to give the following information: name, shift, nature of illness, place where he may be reached and expected duration of absence.
6. An employee who retires, resigns with a minimum of two weeks notice, is laid off or is terminated for cause shall be paid for unused sick days at a rate of one (1) day's pay for each three (3) days unused sick at the employee's regular base rate.
7. Upon death, an employee estate will be compensated for unused sick leave at the employees' straight time base rate.

Transitional Work Program

The Company may introduce a Transitional Work Program ("Light Duty" return to work).

Such as program will be managed jointly by the safety committee with equal participation of the Company and the Union.

The Company will pay the employee 85% of the workers compensation rate and the light duty payroll payment will be taxable.

Employees may remain in the Transitional Work Program (on "Light Duty") for a maximum of ninety (90) calendar days.

ARTICLE 28
ATTENDANCE/TARDINESS/DISCIPLINE POLICY

The discipline process shall be as follows:

<u>Violation</u>	<u>Discipline</u>	<u>Comments</u>
1st	Coaching & Counseling (NOT DISCIPLINE)	Written documentaion placed in file
2nd	Advsory Letter	Placed in file
3rd	2nd Advisory Letter	Placed in file
4th	Career Decision	
	<u>Options</u>	
A.	"Comittment Letter" with 1 day off	Day off in Unpaid
B	Accept Termination w/Grievance	
C	Voluntary Resignation	
Letters:	All Ltrs are 2-year Letters	
Just Cause	Discipline subject to CBA Just Cause	
Coaching & Counseling	Mgmt reserves the right to Coach & Counsel any time warranted without restarting the progression	
<u>NB: The Company may skip steps depending upon the seriousness of the offense. The company may also revert to coaching & counseling at any step</u>		

The company will post a copy of the Corrective Progressive Polity on the bulletin boards.

ARTICLE 29
SIGNING BONUS

The Company agrees to pay a one-time signing bonus to all union members of two hundred (\$200.00) dollars.

There will be no retro-adjustment for payroll and/or increase or changes in health insurance and the costs of other benefits.

ARTICLE 30
QUARTERLY CAPPED-OUT BONUS

For full time Fuelers/Utility Workers/and Tank Farm Workers who have reached the \$12.00 capped rate as of 2/28/15, a quarterly lump sum bonus of \$0.25 will be paid on regular hours worked. The lump sum will be paid in the first pay check at the end of each quarter following one complete work week. The lump sum bonus will be accrued and if the employee retires or leaves the Company for any reason the accrued pro-rata amount will be paid.

ARTICLE 31
401K Plan

The company will provide access to a 401K savings plan.

ARTICLE 32
DURATION OF AGREEMENT

Except as otherwise specifically provided herein, this Agreement shall become effective January 6, 2014 and shall remain in full force and effective until January 6, 2017 and it shall renew itself without change from year to year thereafter unless written notice of intended change is serviced by either party hereto at least sixty (60) days prior to such date.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

ALLIED AVIATION FUELING COMPANY OF SAN ANTONIO INC.

By: Harold W. Loy Date: 5-3-2015
Harold W. Loy, A.V.P-Central Region

By: Josh Wiseman Date: 5-3-2015
Josh Wiseman, General Manager-SAT

By: Robert L. Rose Date: 5/3/15
Robert L Rose, Allied Aviation

**INTERNATIONAL ASSOCIATION OF MACHINISTS &
AEROSPACE WORKERS AIR TRANSPORT DISTRICT LODGE 142**

By: David Supplee Date: March 24, 2015
David Supplee, President-Directing General Chair

By: Debbie Aven Date: March 24, 2015
Debbie Aven, General Chair IAMAW, District 142

By: M. J. [Signature] Date: 3/24/15