

AGREEMENT

Between

MERCK & CO., INC.

Plant at Elkton

and

Local 94C

International Chemical Workers

Union Council

of the

United Food and Commercial

Workers Union

May 1, 2018

ATTACHMENT A

BARGAINING AGREEMENT

This Agreement is made and entered into as of the 26th day of April 2018, by and between Merck Sharp & Dohme Corp., a wholly owned subsidiary of Merck & Co., Inc., hereinafter referred to as the "Company," and International Chemical Workers Union Council of the United Food and Commercial Workers Union, and its Local 94C, hereinafter referred to as the "Union." The above specified Local Union, and the employees in its certified and/or recognized bargaining unit, individually and collectively, are parties to and bound by the provisions of this Agreement.

WITNESSETH:

The parties mutually agree as follows:

ARTICLE I RECOGNITION/DEFINITIONS/INCLUSION

(A) The Company recognizes the Union as hereinabove described as the sole and exclusive bargaining agency for all Employees of the Company in the bargaining unit (as defined in this Article I, Paragraph (B)), for the purpose of collective bargaining, as provided in the Labor Management Relations Act, 1947 with regard to all matters pertaining to wages, hours of work, working conditions, and other conditions of employment as same are covered by the items included in this Agreement.

(B) "Employees" as used in this Agreement shall mean all production and maintenance employees of the Company in its plant unit, known as the Elkton Plant, located on United States Highway, Route 340, approximately three (3) miles south of the town of Elkton, in the county of Rockingham and State of Virginia, but excluding the following: managerial, supervisory, clerical, time-keeping, technical (including laboratory assistant), professional, efficiency, personnel, and plant protection employees. "Employee" shall mean any one of such employees not specifically excluded in this Paragraph B.

(C) The Company will not discriminate in any way, manner or form against any employee because of the employee's membership in the Union.

(D) Except where the Company has established an alternative work schedule, for example a 12 hour or a 10 hour shift, "regular work week" shall mean forty hours worked in any payroll week on the basis of a maximum of eight hours per day.

(E) All Employees are responsible to provide their supervisor with a phone number where the Employee receives voice messages ("Employee Phone") for the purpose of notifying the Employee of work place issues.

(F) Persons excluded from the bargaining unit, as defined in this Article I, Paragraph B, shall not perform work normally done by employees included in the bargaining unit for the purpose of depriving them of work. Nothing contained in this paragraph shall prevent excluded persons from performing such work (1) in true emergencies (an incident resulting in personal injury, environmental impact, loss of Company assets, potential market impact resulting in a patient not receiving product or other similar impacts as declared by the Plant Manager), (2) in the instruction or training of employees, (3) for developmental, experimental or test purposes (which includes manufacturing prior to a pre-approval inspection), (4) in production or maintenance difficulties, and (5) during an employee's lunch or rest period when attention time (which may involve adjustments in equipment controls) is required to continue the process operation until a safe and logical stopping point is reached, or until an employee becomes available.

(G) Joint Statement on Diversity and Inclusion:

Diversity

The Company and the Union recognize and agree to promote a culture of Diversity in the workplace. Such a culture will enrich the work experience of all employees and have a positive impact on the communities in which we are located. It is also recognized by the Company and the Union that Diversity in the workplace encompasses a wide range of elements, which cannot be fully articulated in this Joint Statement. Nevertheless, the intent of this effort is to further develop and support the establishment of a diverse and inclusive culture within the jurisdiction of the Union, in its many forms and expressions.

The Company and the Union agree to work together in efforts to:

1. Support and provide communication activities that will promote Diversity and Inclusion training and education, etiquette and understanding;
2. Encourage represented employees with disabilities to self-identify;
3. Develop external relationships with sourcing partnerships to identify potential candidates from varying diverse backgrounds.

Inclusion

We, at Elkton, Union and Company alike, pursue the achievement of an Inclusion Mindset. Inclusion is a sense of belonging; feeling respected, valued, and seen for who we are as individuals. There is a level of supportive energy and commitment from leaders, colleagues, and others so that we – individually and collectively – can do our best work.

The 12 Inclusive Behaviors provide the foundation on which to build the desired Inclusion Mindset and, as such, constitute the minimum expectation of conduct for both, Union and Company, as we jointly "manufacture success" at Elkton. The 12 Inclusive Behaviors are:

1. Greet people authentically – say "hello."
2. Create a sense of "safety" for yourself and your team members.

3. Work for the common good and shared success.
4. Listen as an ally – listen, listen, listen and engage.
5. Be BIG: Lean into discomfort – be willing to challenge self and others.
6. Put your stake in the ground and be willing, eager and able to move it.
7. Link to others' ideas, thoughts, and feelings – give energy back.
8. Create 360° vision: Ask others to share their thoughts and experiences, and accept their frame of reference as true for them.
9. Address misunderstandings and resolve disagreements.
10. Speak up when people are being made "small" or excluded.
11. Ask who else needs to be involved to understand the whole situation, to ensure right people, right work, right time.
12. Build trust: Do what you say you will do and honor confidentiality.

Furthermore, Union and Company recognize that in order to achieve an Inclusion Mindset we should also stay true to the values that define our work together at Elkton. These are: (1) Employees first, (2) Cultivate trust, (3) Be bold, (4) Extend our privileges, (5) Safety as a core value, (6) Understand what is right, do what is right, internalize our costs, (7) Servant leadership, and (8) Be different with purpose and challenge the status quo.

ARTICLE II DUES DEDUCTION

(A) The Company shall deduct during the term of this Agreement from the pay of each Employee who is a member of the Union, or who may hereafter become a member of the Union, the regular Union dues payable by the Employee which shall hereafter accrue while he or she remains an employee as defined in this Agreement, provided that the Company shall be furnished with a written notice properly signed by the Employee, authorizing the Company to make such deductions. The wording of the dues deduction notice shall be as follows: I hereby authorize the Company to deduct from any wages earned or to be earned by me as employee (in my present or in any future employment by the Company) such sums as the Financial Officer of Local Union No. 94C, International Chemical Workers Union Council of the United Food and Commercial Workers Union, may certify as due and owing from me as membership dues including an initiation fee, reinstatement fee, and periodic dues in such sum as may be established from time to time by said local Union in accordance with the Constitution of the International Chemical Workers Union Council of the United Food and Commercial Workers Union and this local Union. I authorize and direct the Company to deduct such amounts from my pay and to remit same to the Union at such times and in such manner as may be agreed upon between the Company and the Union at any time while this authorization is in effect.

(B) This authorization shall be irrevocable for the period of one (1) year from the date of delivery to the Company set forth below, or until the termination of the collective agreement between the Company and the Union which is in force at the time of delivery of this authorization, whichever occurs sooner. I agree and direct that this authorization shall be automatically renewed, and shall be irrevocable for successive periods of one (1) year each or for the period of each succeeding applicable collective agreement between the Company and the Union, whichever shall be shorter, unless written notice is given by me by registered mail to the Company and the Union not less than fifteen (15) days prior to the expiration of each period of

one (1) year, or of each applicable collective agreement between the Company and the Union, whichever occurs sooner.

(C) The Company will make dues deductions from the Employee's pay weekly and will remit the deductions to the duly elected treasurer of the Union by the 15th of the month following that in which the deduction is made, provided events beyond the control of the Company do not make this requirement impractical.

(D) Copies of this clause shall be posted on the Company's bulletin boards immediately after the signing of this Agreement and at the close of each subsequent annual period in the event this Agreement or this clause is renewed or renews itself.

ARTICLE III HEALTH AND WELFARE BENEFITS

(A) Health and Welfare Benefits

1. Participation in Flexible Benefits Plan:

Employees will be covered by the same health and welfare benefits plans, and on the same terms and conditions, as those provided to salaried employees of the Company under the Company's Flexible Benefits Program ("Flexible Benefits Plan"), as such plans and programs may be modified from time to time in the sole discretion of the Company. Any changes or modifications to the Flexible Benefits Plan will apply equally to union and salaried participants.

2. Adoption Assistance:

Employees will continue to be covered by an adoption assistance program on the same terms and conditions as those applied to salaried employees of the Company, as such term and conditions may be modified from time to time in the sole discretion of the Company.

3. Long Term Disability:

Employees who recover from long term disability but who are unable to return to their former position as a result of the disability as determined by a health care professional designated by the Company and are placed into a lower-rated job classification for medical reasons shall retain the hourly base rate of the job classification held by the employee when long term disability benefits commenced. For clarity, if the Company requires an Employee to be seen by a specific health care provider for this purpose, the Company will make reasonable efforts to minimize the distance that the Employee will need to travel.

(B) Employees are entitled to the following benefits notwithstanding anything to the contrary in paragraph A above:

1. Life Insurance:

(I) In the event of an absence due to a labor dispute, the Company will keep in force the employee's life insurance for a period of ninety (90) days. The insurance will thereafter be cancelled unless kept in force by timely contributions by the employee. The Employee shall repay the Company for contributions advanced during the ninety-day (90) period through payroll deduction over a like period of time upon the Employee's return to active employment. (II) The Company shall continue in force the life insurance of an employee granted a leave of absence for Union business provided that the Employee continues to make timely contributions for such insurance.

2. Health and Dental Insurance:

Employees on layoff may continue their health insurance coverage and/or their dental insurance coverage for the duration of the layoff provided they pay the monthly premiums.

ARTICLE IV RETIREMENT AND PENSION BENEFITS

(A) The Retirement Plan for the Hourly Employees of the Company is hereinafter in this Article referred to as the "Plan"; Part I of the Plan (providing for retirement benefits pursuant to a Group Annuity Contract between the Company and Prudential Life Insurance Company of America) is hereinafter referred to in this Article as the "Insured Plan"; Part II of the Plan (providing for retirement benefits funded by a trust fund) is hereinafter referred to in this Article as the "Trust Plan."

Although the Plan by its terms is subject to amendment or discontinuance by the Company in whole or in part, the Company agrees that it will not at any time during the term of this Agreement discontinue the Plan as to bargaining unit employees and that it will not amend the Plan in any way which would adversely affect them except as may be required to maintain the Plan's status as a qualified Plan under the provisions of the Internal Revenue Code or as a Plan in compliance with the provisions of the Employee Retirement Income Security Act.

If any amendment required to maintain the Plan status as a qualified Plan under the Internal Revenue Code or a plan in compliance with the Employee Retirement Income Security Act as aforesaid should adversely affect the benefits, contributions from participants, or qualifications for retirement with respect to such employees, the Company will immediately notify the Union in writing to that effect and will, upon the Union's written request, promptly meet with the Union and negotiate in good faith with respect to the problems thereby created. If no agreement is reached within ninety (90) days after the Union has given said notice, the Union may by written notice to the Company terminate this Agreement in its entirety.

A resume of the Plan presently in effect is set forth below:

1. Eligibility.

Employees shall be eligible to participate on the January 1st or July 1st coincident with or next following the date of hire. No particular period of service with the Company is required.

2. Contributions and Retirement Income.

All contributions to the Trust Plan shall be made by the Company.

With respect to participation subsequent to July 1, 1970 the straight life annuity payable upon normal retirement is payable at the rate of one and one-quarter (1.25) percent of the first \$4,800 of the total remuneration paid in each calendar year subsequent to July 1, 1970; and one and one-half (1.50) percent of such remuneration in excess of \$4,800.

Effective July 1, 2000, the Plan shall be amended to provide that the definition of remuneration for every calendar year prior to 2000 shall mean the 18-year average of remuneration as otherwise defined in the Plan for the highest separate 18 years (whether or not consecutive) between calendar years 1980 and 1999, inclusive. The definition of remuneration after 1999 shall not be amended.

3. Minimum Retirement Allowance.

In the event of normal retirement at age 65, or early, disability or postponed retirement, the monthly retirement benefit received from all pension plans of the Company prior to any reduction for early retirement and prior to any actuarial reduction shall not be less than \$60 per month multiplied by the participant's credited service.

For this purpose, credited service includes each year of service from the January 1 following the date of hire, but excluding any year during any part of which the employee, although eligible, elected not to participate in a pension plan to which the Company contributed. Commencing January 1, 1976, credited service shall include each full month of service from the earlier of (1) the January 1 following the date of original hire, or (2) the date the employee first became a Plan participant, to retirement or termination date, but excluding any month during any part of which the employee, although eligible, elected not to participate in a pension plan to which the Company contributed. Notwithstanding the foregoing provisions, and except as provided in the parties' Memorandum of Agreement dated April 20, 2006, credited service or participation in the Plan will not include time on layoff past thirty-six (36) months, unless the employee is recalled from layoff or is transferred to another site covered by Article X hereof, prior to losing seniority at the site where the employee was laid off.

4. Retirement Date.

- a. Normal Retirement date is the first of the month following the attainment of age 65.
- b. Provision is made for early retirement at any time after age 55 with the consent of the Hourly Pension Committee, but if the participant has had at least 15 years of continuous participation in the Plan or other Company Pension Plans, the Committee's consent is not required. If the participant has had at least ten years of credited service with the Company, the Committee's consent is not required for early retirement after age 55, and employees with fewer than ten years of credited service will not be eligible for early retirement. Retirement income in the event of early retirement is based on participation to the date of such retirement and if payable, prior to the normal retirement date is reduced at a rate of 3% per annum for each year benefits begin before age 62. However, an employee eligible for early retirement may retire with full, unreduced benefits on or after age 55 if the employee's age and years of credited service total at least 85.
- c. A participant who becomes mentally or physically incapacitated, as established by satisfactory proof, may retire at any time prior to normal retirement date. In the event of such disability the employee shall be entitled to the employee's full accrued benefit without reduction.

5. Rights on Termination of Employment.

- a. In the event of the termination of a participant's employment, or death prior to retirement, the participant, or the participant's designated beneficiary, or, if none, the estate, as the case may be, is entitled to a return of the participant's own contributions, if any, held in the trust fund created by the Trust Plan with interest compounded annually. Commencing January 1, 1976, the interest rate shall be 5% per annum.
- b. A participant who completes or has completed immediately prior to the participant's termination of employment, other than by death, at least five (5) years of service with the Company, with any fraction of a year calculated as a full year, shall be eligible to receive retirement income commencing on the participant's normal retirement date or an actuarially reduced benefit commencing on the first of any month following attainment of age 55 (subject to the provisions of Sections 4 (a), (b) and (c) above).

6. Retirement Income Options.

- a. Unless a participant elects otherwise: (i) the normal retirement income for a participant who is married at the time such participant retires shall be a joint and fifty percent (50%) survivor annuity; and (ii) the normal retirement income for a participant who is unmarried at the time such participant retires shall be a straight

life annuity. However, a participant may elect, subject to such uniform rules as the Hourly Pension Committee may prescribe, any optional form of retirement income payment provided for by the Plan. Such election should be made at least five (5) days before the participant becomes a retired participant. At least twelve (12) months prior to retirement, the Company shall provide the participant with a summary of the benefits available under the Plan. The Trust Plan provides the following retirement income options:

- b. Standard Social Security equalization option for employees who retire prior to their being entitled to the immediate payment of benefits under Social Security which so far as possible will provide the same amount each year before and after such Social Security benefit commences;
- c. A retirement option which provides that a participant who retires on a normal or early retirement benefit may elect to receive a reduced pension payable for life with the provision that if the participant dies before the participant has received in payments of the reduced benefit an aggregate amount equal to five (5) times the accrued benefit which would otherwise have been payable at normal retirement age (after adjustment for the minimum benefit of the Plan), the excess of such amount over the payments the participant has received will be paid in a lump sum to the participant's designated beneficiary or to the estate. The amount of the reduced benefit under such election is determined on the basis of actuarial equivalents;
- d. A retirement option which provides a retirement income payable to a participant during life and after death an annuity for the life of the participant's spouse which is equal to 100% of the amount payable during their joint lives;
- e. A contingent annuitant option which provides for a reduced retirement income payable to the participant during life, and after death a retirement income payable during the life of a surviving contingent annuitant designated by the participant;
- f. A single cash payment equal to the entire cash value of a participant's benefit; and
- g. A retirement option in any other form of retirement income as the Plan may permit.

7. Funding Medium.

The Funding Medium of the Trust Plan is a Trust Fund consisting of all the contributions of the participants and the Company administered by an independent trustee. The administration expenses of the Trust Fund are paid by the Company and are not deducted from such contributions.

8. Contributions.

If a participant has elected to leave his or her contributions in the Plan and, if at retirement, it is determined that the participant's career average benefit exceeds the highest minimum in effect at that time, then at the participant's option, the contributions, plus interest, may be refunded in a lump sum.

9. Leave of Absence.

All participants upon return from approved leave of absence receive credit towards retirement benefits to the same extent as if they had been working for the Company during the period of the approved leave of absence. Participants on an approved leave of absence for union business shall be entitled to receive credit towards retirement benefits in accordance with this provision. Participants on an approved leave of absence for union business shall not be required to return to work in order to receive retirement benefits where the expiration of their leave of absence coincides with the effective date of their retirement.

10. Pre-Retirement Spouse's Benefit.

In the event of the death of a vested participant prior to actual retirement and while in the employ of the Company, the participant's surviving spouse shall receive an annuity equal to fifty (50) percent of the annuity which would have been received during the joint lives of the participant and spouse had the participant elected a fifty (50) percent joint and survivor annuity and retired the day before the participant died. Effective January 1, 1989, the surviving spouse will be permitted to elect a lump sum in lieu of the foregoing amount. The lump sum will be the actuarial equivalent to the fifty (50) percent surviving spouse benefit.

11. Unmarried Participant's Death Benefit.

In the event an unmarried vested participant dies prior to actual retirement and while in the employ of the Company, a lump sum shall be payable to the participant's estate. This lump sum shall be the actuarial equivalent of the surviving spouse 50% joint and survivor annuity set forth in the Plan, calculated as if the participant had been married at the time of his or her death to a spouse of the same age as the participant, had retired the day before his or her death, and had elected a 50% joint and survivor annuity.

12. Adjustment for Retirees.

In no event will a retiree receive less than \$7.50 per month per year of credited service.

13. Miscellaneous.

- a. A former employee other than a retired participant who re-enters the service of the Company as an employee shall upon again becoming a participant in the Plan,

be entitled to the credited service acquired during his or her former period of employment as well as that acquired during the period after his or her re-employment.

- b. All refunds of contributions will be returned with interest in the manner provided in Paragraph 5 hereof.
- c. During such period of time as a participant may be absent by reason of a labor dispute to which his or her collective bargaining representative is a party, contributions to the Trust Plan are not payable by or with respect to such participant.
- d. The Company agrees to amend the Trust Plan, effective no later than January 1, 2007 to include the modification described in Paragraph A (12). It is understood and agreed that the effecting of the amendments referred to above is subject to obtaining:
 - i. Approval of the necessary amendments of the Plan by the District Director of Internal Revenue under paragraph 401 of the Internal Revenue Code, and
 - ii. Approval by the Board of Directors of the Company or its designee.
- e. If both of the above approvals shall not have been obtained by January 1, 2007, either party by written notice to the other may indicate its desire to meet and negotiate with respect to the problems thereby created. Promptly after delivery of such notice, the parties shall meet and negotiate in good faith with respect to such problems. If no agreement is reached within ninety (90) days following delivery of such notice, either party may, by written notice to the other, terminate this Agreement in its entirety. This Agreement shall continue in effect during the negotiation of such problems and until any notice of termination is given pursuant to the preceding sentence.

14. Medical Benefits for Retirees.

Active Employees who retire with 10 or more years of credited service under the Pension Plan at or over age 55, and their eligible dependents, will immediately be eligible to be covered by Retiree Choice or its successor program(s) applicable to salaried retirees, as the terms and conditions of such medical and dental benefits programs may be modified by the Company from time to time at its sole discretion. For purposes of the preceding sentence only, "credited service" for any Employee under the age of 50 on January 1, 2003 or who is hired or rehired on or after January 1, 2003 will not include any service earned before the employee attains age 40. Notwithstanding the foregoing, Employees who qualify for disability retirements during the term of this contract may be younger than 55 so long as they have at least 10 years of credited service (including credited service while the employee was under 40 years of age) under the Pension Plan at the time of their disability retirements; provided, however, that such coverage may be provided

under plans different from Retiree Choice but on the same terms and conditions applicable to salaried retirees who qualify for disability retirements, as the terms and conditions of such medical and dental benefits programs may be modified by the Company from time to time at its sole discretion.

ARTICLE V SEPARATION BENEFIT ALLOWANCE PLAN

(A) The Company will grant Separation Benefit Allowance to Employees (excluding temporary employees) who are laid off from the Company for a period in excess of thirty (30) consecutive calendar days due to lack of work. Such Employees shall have their Net Separation Benefit Allowance advanced to them at the time of layoff. The Employee's Separation Benefit Allowance shall be computed in accordance with the following schedule:

<u>Length of Continuous Service as of Date of Layoff</u>	<u>Amount of Separation Benefit Allowance</u>
6 mos. & less than 1 yr.	1 week - 40 hrs.
1 yr. & less than 3 yrs.	2 weeks - 80 hrs.
3 yrs. & less than 5 yrs.	4 weeks - 160 hrs.
5 yrs. & less than 7 yrs.	6 weeks - 240 hrs.
7 yrs. & less than 10 yrs.	8 weeks - 320 hrs.
10 yrs. & less than 15 yrs.	10 weeks - 400 hrs.
15 yrs. & less than 20 yrs.	12 weeks - 480 hrs.
20 yrs. & less than 25 yrs.	15 weeks - 600 hrs.
25 yrs. & over	20 weeks - 800 hrs.

(B) Net Separation Benefit Allowance shall be the accrued Separation Benefit Allowance set forth in the schedule above, computed on the basis of the Employee's hourly rate of pay (excluding shift premium, incentive), less any previous Separation Benefit Allowance paid by and not repaid to the Company. Where an Employee has worked for 26 weeks or more in the twelve-month period immediately preceding the date of layoff in a Job Classification at a higher rate than the Job Classification held at the time of layoff, Separation Benefit Allowance will be computed on the basis of the higher hourly rate.

(C) If an Employee is recalled in less than thirty (30) consecutive calendar days from the date of being laid off, the Employee must, as a condition of reinstatement, return any Separation Benefit Allowance received. Such repayment shall be in amounts of 10% of weekly earnings after recall, unless otherwise agreed between the Company and the Employee.

ARTICLE VI 401(k) SAVINGS PLAN

(A) Employees will participate in the Merck U.S. Savings Plan (the "US Savings Plan") as it may be amended or modified from time to time in the sole discretion of the Company. The terms and conditions of the US Savings Plan will not distinguish between Employee participants and salaried employee participants and any changes or modifications to the US Savings Plan will

be applied equally to Employees and to salaried employees. If the Company were to terminate the US Savings Plan during the term of the Agreement, the Company agrees to reopen the contract for the sole purpose of negotiating about the savings plan.

(B) Any Employee participating in the US Savings Plan who is laid off shall be entitled to contribute to the US Savings Plan and receive all associated Company contributions for wages paid up to the date of layoff.

ARTICLE VII HOLIDAYS

(A)(1) Until December 31, 2018, the Company will observe the following paid holidays:

- New Year's Day
- Martin Luther King, Jr. Day
- Presidents' Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Friday after Thanksgiving
- Day before Christmas
- Christmas Day

The Company will also observe two floating holidays each year. A determination as to when the two floating holidays in each year will be observed will be made during the fourth quarter and before December 1 of the prior calendar year by mutual agreement between the Company and the Union. They will be observed on a Monday or a Friday either preceding or following one of the other paid holidays.

(2) On and after January 1, 2019, the holiday schedule applicable to the Employees will be as follows:

- New Year's Day
- Martin Luther King, Jr. Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Friday after Thanksgiving
- Day before Christmas
- Christmas Day

The Company will also observe four additional holidays each year, which will be observed during the Company's annual year-end shutdown. The Company will inform the Union of the actual dates that will be observed. It is understood that Employees with a work schedule that would otherwise have them scheduled to work a weekend that falls between the

Christmas holiday and the annual shutdown may not be scheduled to work and, if not scheduled to work, will not be paid beyond the holiday pay. Employees who are required to report to work and/or who may be required to work overtime will be paid accordingly.

(B) In the event any of the above holidays falls on Sunday, the following Monday shall be observed as such holiday and if the holiday falls on Saturday, it will be celebrated either on the preceding Friday or following Monday in accordance with local area practice so long as production requirements permit. The Company will give the Union two (2) weeks' notice of the day to be observed.

(C) All Employees, except those on leave of absence or on non-temporary layoff, shall receive eight (8) hours' pay for each of the holidays not worked.

(D) Employees may not use a single day vacation day or a personal day on a holiday that the Employee is scheduled to work as part of the Employee's regularly scheduled shift rotation.

(E) If a holiday occurs during a waiting period prior to qualifying for disability under the Disability Benefits Plan (sick pay plan), the Employee shall receive holiday pay, but the holiday shall be excluded in computing the waiting period. If a holiday occurs on a day for which an Employee is eligible for sick pay under the Disability Benefits Plan, the Employee will receive holiday pay and the number of days for which the Employee is eligible for disability will be extended by one day for each such holiday. No Employee shall be eligible for holiday pay and sick pay for the same day. The Company will pay for holidays which occur during the six (6) month period following the onset of disability providing the Employee remains on the payroll during that time.

(F) Any Employee when required to work on a paid holiday, shall be paid two times (2x) the Employee's hourly rate (plus shift differential, if applicable) for work performed on the Employee's regularly scheduled shift (e.g., eight hours, ten hours or twelve hours) and three times (3x) for the hours worked in excess of the Employee's regularly scheduled shift, in addition to pay for the holiday, if applicable, as described in Paragraph (C) above.

(G) If any of the paid holidays falls within an Employee's vacation, such Employee shall arrange with the Company in advance of vacation whether to:

1. add another day to such vacation;
2. take a day off with pay at a time to be designated by the Company; or
3. at the Company's discretion, if the employee is required to work, the employee shall receive two times the Employee's hourly rate (plus shift differential, if applicable) for one day's work in lieu of a day off.

ARTICLE VIII VACATIONS

(A) Definition.

An Employee's eligibility for vacation is measured by all periods of service with the Company as of December 31 of each year (hereinafter referred to as the qualifying year) and will be scheduled to be taken during the following calendar year (hereinafter referred to as the vacation year). An Employee shall not be eligible for a paid vacation during the calendar year in which employment begins, nor before completing six (6) months of continuous service with the Company.

(B) Eligibility.

1. An Employee who on December 31 of a qualifying year has not passed the Employee's fifth December 31 shall be granted during the vacation year eight hours of vacation for each month of service completed on December 31 of the Employee's qualifying year unless previously paid for such service under Paragraph (C) of this Article; however, the vacation period shall not exceed eighty hours in any vacation year.
2. An Employee who on December 31 of a qualifying year has passed the Employee's fifth December 31, but not the Employee's twelfth December 31, shall be granted, during each following vacation year, twelve hours of vacation for each month of service completed on December 31 of such qualifying year unless previously paid for such service under Paragraph (C) of this Article; however, the vacation period shall not exceed one hundred twenty hours in any vacation year.
3. An Employee who on December 31 of a qualifying year has passed the Employee's twelfth December 31 but not the Employee's twentieth December 31 shall be granted during each following vacation year sixteen hours of vacation for each month of service completed on December 31 of such qualifying year unless previously paid for such service under Paragraph (C) of this Article; however, the vacation period shall not exceed one hundred sixty hours in any vacation year.
4. An Employee who on December 31 of a qualifying year has passed the Employee's twentieth December 31 but not the Employee's twenty-seventh December 31 shall be granted during each following vacation year twenty hours of vacation for each month of service completed on December 31 of such qualifying year unless previously paid for such service under Paragraph (C) of this Article; however, the vacation period shall not exceed two hundred hours in any vacation year.
5. An Employee who on December 31 of a qualifying year has passed the Employee's twenty-seventh December 31 shall be granted during each following

vacation year twenty four hours of vacation for each month of service completed on December 31 of such qualifying year unless previously paid for such service under Paragraph (C) of this Article; however, the vacation period shall not exceed two hundred forty hours in any vacation year.

(C) Vacation Pay on Layoff or Termination

An Employee with six (6) or more months of service with the Company who thereafter by reason of a non-temporary layoff due to lack of work or termination for any reason does not work the full qualifying year, shall receive vacation pay for each full month worked in the qualifying year, in accordance with Paragraph (B) of this Article. At the time of layoff, the Employee may elect to receive the Employee's pro rata vacation pay in full or leave it with the Company to be applied in the event the Employee is re-employed and is required to take a vacation in the following vacation year because of the Plant shutdown. In the event the Employee takes this option and the pro rata pay is not applied to a vacation by December 31 of the following vacation year, a full cash payment will be made to the Employee at that time.

(D) Rate of Vacation Pay

A day of vacation pay shall be computed as the number of hours in the employee's regular work day (i.e., eight for an eight-hour worker, ten for a ten-hour worker and twelve for a twelve-hour worker) times the Employee's standard hourly rate for the Employee's regular job (including shift differential, if applicable) at the time the Employee's vacation is scheduled to begin. However, where an Employee has worked for twenty-six (26) weeks or more in the qualifying year in another job classification at a higher rate, the Employee's vacation pay will be computed on the basis of the Employee's rate or earnings in that job classification. When an Employee is entitled to receive vacation pay, it shall be considered as eight (8) hours worked for the purpose of computing weekly overtime

(E) Time of Vacation

1. Vacation leave, in units of not less than a full scheduled work week (40 hours for an eight-hour employee; 36 or 48 hours (as scheduled) for a twelve-hour employee) ("Week-At-A-Time Vacation"), will be scheduled by the Company during the vacation year, at times desired by the Employee whenever feasible, but the final scheduling of vacation is reserved to the Company in order to insure the orderly and efficient operation of all departments. All Week-At-A-Time Vacations will be paid and charged at forty hours regardless of schedule. Insofar as practicable, employees are expected to submit their vacation schedule prior to September 1 of the vacation year and to schedule in one-week blocks and if they do, then seniority shall govern in the choice of vacations where two or more employees are applying for the same vacation time; an employee seeking a Week-At-A-Time Vacation will have priority over an employee seeking less than Week-At-A-Time Vacation irrespective of seniority. Vacation requests that come after the September 1 deadline will be granted on a first-come-first-served basis, subject to business requirement. After October 1, the Company may assign vacation days to employees who

have not yet scheduled their vacation time. The Company shall, except in emergencies, give a minimum of four (4) weeks' notice to any Employee whose scheduled vacation time is changed for the convenience of the Company.

2. Employees may request all of their vacation to be scheduled in units of hours equal to (1) or more full days based on the length of their normal work day, and up to four (4) half shifts (e.g., 4 hours for an eight hour worker; 6 hours for a twelve hour worker) of vacation per year. Requests for vacation hours under this Paragraph must be made at least forty-eight (48) hours prior to the proposed vacation hour(s). The standards and practices established pursuant to vacation scheduling, under this Section E, shall govern the scheduling of vacation hours under this Paragraph. Notwithstanding any contrary provisions in this Agreement, forty-eight (48) hours' notice shall be deemed sufficient notice to the Union and Employees affected by any schedule changes resulting from a vacation requested under this Paragraph.

(F) Recall from Vacation

Any Employee who has commenced a Week-At-A-Time Vacation and is recalled to work before the Employee's scheduled vacation leave is completed shall receive vacation pay in lieu of the remaining part of the Employee's vacation leave and shall in addition be paid for work performed during the balance of the Employee's vacation leave at one and one-half (1-1/2) times the Employee's regular rate, or at such higher rate as may be applicable. The Company will reschedule an employee's vacation time lost due to recall in the same vacation year; if the Company cannot reschedule the time in the same vacation year, then the Employee may choose, by written request to the Employee's supervisor, (i) be paid for the lost vacation time at a rate of time and one-half the standard base rate; or (ii) reschedule the lost vacation time in the first quarter of the next calendar year. If the Employee fails to make an election prior to December 31 of the vacation year, the lost vacation will be paid.

(G) Hospitalization or Illness, or Death in Family, During Vacation

An Employee on paid vacation, who by reason of injury or illness requires at least 72 hours of non-elective hospitalization and who as a result of such hospitalization may be disabled for any period of the Employee's scheduled vacation, is required to call and report the absence to their site's Disability Management representative and/or other agent as designated by the Company and upon return to work with evidence of such hospitalization and period of disability, receive a sick pay adjustment and have this period of the Employee's vacation lost under this Section rescheduled. In the event that such hospitalization or resulting disability occurs during an Employee's previously scheduled vacation in the fourth quarter of a calendar year, the Employee shall have the option of either scheduling the Employee's lost vacation time in the first quarter of the following calendar year or receiving vacation pay in lieu thereof. In the event that an injury or illness not requiring at least 72 hours of non-elective hospitalization disables an Employee for any part of a vacation previously scheduled during the fourth quarter of any calendar year, the Company shall have the option either to pay the employee for the lost vacation time or to reschedule the lost vacation time in the first quarter of the following calendar year. If someone in an Employee's immediate family dies

either immediately prior to the employee commencing a vacation or while the employee is on vacation, then the Employee may re-designate vacation days not yet taken as death in family leave subject to the limitations of Article IX(B)(9) and reschedule the vacation days subject to supervisory approval.

(H) Vacations Not Accumulative

All vacations must be taken in the vacation year. Unused vacation will not be paid at the end of the calendar year and will be considered abandoned. When any Employee has all or any part of the Employee's scheduled vacation canceled for the convenience of the Company, prior to the commencement of the vacation, it will be rescheduled during the current vacation year. However, if it cannot be rescheduled in the current vacation year, in lieu of such vacation, the employee shall receive pay at one and one-half times the standard base rate.

(I) Computation of Vacation Credits

Each month of service as used in this Article shall mean fifteen (15) working days, which days shall include days actually worked, time spent on internal Union business, or internal Union activities, not to exceed two (2) weeks at any one time, holidays, vacation, days of absence to perform jury duty and while on annual military encampment or cruise, and days of absence due to death in family, as provided by this Agreement for the first twenty-six (26) weeks of a substantiated worker's compensation leave of absence. For clarity, employees on leave for greater than twenty-six (26) weeks for any reason, including Worker's Compensation, are not eligible to accrue vacation credit. Such working days shall be cumulated on an annual basis for the purpose of computing the vacation pay provided herein; however, no vacation credit shall be granted for any fractions resulting from such computations.

(J) Vacation Credit for Employee Returning from Long-Term Disability.

An employee returning from a leave longer than twenty-six weeks for long-term disability (including Worker's Compensation) will be provided with vacation credits (a) in the year of return -- no less than a pro-rated portion (based on number of full months remaining in the year) of the employee's full vacation allotment (based on seniority); and (b) in the following year -- the employee's full vacation allotment (based on seniority).

(K) Vacation Credit Upon Reemployment

A former Employee who reenters the service of the Company as an Employee shall be entitled to vacation credit for all former periods of employment as well as that acquired during the period after the Employee's reemployment.

(L) Time of Vacation

An employee's Week-At-A-Time Vacation begins immediately after the Employee's last regularly scheduled shift of work on the day prior to vacation and ends on the Employee's first regularly scheduled shift on the day after vacation.

ARTICLE IX LEAVES OF ABSENCE

(A) WITHOUT PAY

1. Personal Reasons

Any non-probationary Employee who desires a leave of absence not in excess of thirty (30) calendar days will be granted such leave upon written request, provided it is for good reason and does not interfere with plant operations. The Company's consent to such requests may not be unreasonably withheld. Such leaves in any event shall not be used for the purpose of working for another employer, trying out new work or venturing into business for himself/herself. The Union will be notified of all personal leaves granted which are in excess of thirty (30) days. Leaves may be extended by the Company.

2. Union Convention Attendance

Leaves of absence without pay to specified Union representatives for the purpose of attending Union conventions shall be granted by the Company upon the written request of the Union in a number agreed upon by the Company and the Union.

3. Other Union Business

Any Employee who is appointed or elected to office in the Union which necessitates a leave of absence from the Employee's job shall be granted such a leave without pay for a period not to exceed two (2) years. Unless the Employee signifies the Employee's intention to return to work, such leaves may be extended from year to year with the consent of the Company. Seniority shall accrue during such leaves of absence. Initial requests for leaves of this nature must be in writing and approved by the Union. The number of employees on such leaves shall be subject to agreement between the Company and the Union.

4. Child Care Leave

When requested, a leave of absence for Child Care Leave for a period not to exceed eighteen (18) months shall be granted.

Such leaves requested for less than eighteen (18) months will be extended upon request provided the maximum leave of eighteen (18) months has not already been taken. The Child Care Leave eligibility period begins on the date of the birth of the child or the

date of legal adoption of the child (or children). In either case, once the Child Care Leave period of eligibility period begins, it shall end eighteen (18) months thereafter. For clarity, any period of Child Care Leave shall run concurrently with FMLA, and any and all medical disability leaves of absence, related to the birth, adoption or care of such child. Failure to report at the expiration of the Child Care Leave or any of its extensions is equivalent to resignation and is subject to conditions governing resignations. Any Employee returning at the expiration of eighteen (18) months shall do so without loss of seniority. Any Employee absent for more than eighteen (18) months for Child Care reasons shall be terminated from the Company with loss of seniority.

5. Return from Leave of Absence

Those persons returning from a leave of absence will return to the same job held prior to the leave of absence. In the event the job formerly held by such Employee no longer exists, such employee shall exercise seniority rights in accordance with this Agreement. However, returning Employees must then have the physical and mental qualifications for the job to which they are entitled under this Paragraph.

(B) WITH PAY

6. Jury Duty

Employees who present official court certificates to the Company showing dates when called for jury duty and remuneration received, shall be paid the difference between the amount received for such jury duty and their standard base rate of pay, only for each regularly scheduled day lost from work.

7. Court Appearance

Employees may receive a court appearance benefit for a maximum of one day for each court case in which they are subpoenaed. This benefit is applicable to court cases in which they are not a party and to which the Company or the Union is not a party. Employees shall be paid the difference between the amount received for such appearance and their standard base rate of pay, plus shift differential, if applicable, only for one regularly scheduled day lost from work for each case. Employees requesting court appearance benefits must present to the Company official documentation of their court appearance, including the subpoena, indicating the remuneration received from any source for their appearance.

8. Annual Military Encampment or Cruise

The Company shall pay to an Employee serving in the National Guard of the States, the Naval Militia, or the United States Armed Forces Reserve, for each day of absence from employment during the annual one or two weeks' encampment or cruise, or in the case of National Guardsmen, when performing duty in emergencies such as floods,

fires, prison breaks, public disorders, etc., for not more than thirty (30) days of absence from employment in any one calendar year, the difference between the Employee's standard base rate of pay plus shift differential, if applicable (on the basis of an eight (8) hour day, forty (40) hour week), and the amount of compensation per day received for such military or naval duty.

9. Death in Family

An employee shall be paid the Employee's standard base rate (plus shift differential, if applicable) for absence from scheduled work, not to exceed four (4) days where such absence is necessitated by death in the immediate family (i.e., husband, wife, child, mother, father, brother, sister, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandmother, grandfather, grandchildren, or any other person who in the opinion of the Company is in a similarly close personal relationship to the employee), or not to exceed one (1) day where such absence is necessitated by attendance at a funeral, memorial or other similar service occasioned by the death of close relatives other than those mentioned above; provided that such absence is authorized by the immediate supervisor.

10. In the Event of Layoff

Leaves of Absence, regardless of reason, will not be granted to an Employee who is laid off, and will not be extended if the Employee would have been laid off had the Employee been working during the Employee's leave. In the latter case, the Employee shall be considered as having been laid off on the date on which the Employee would have been laid off if working.

ARTICLE X INTER-PLANT TRANSFER OF EMPLOYEES

For up to 54 months of a layoff, an involuntarily laid off employee will be offered employment in vacant non-temporary jobs in the bargaining units represented by USW, Local 4-575 (Rahway), USW, Local 10-00086 (West Point), USW, Local 10-580 (Danville) or UNITE HERE!, Local 1398 (Elkton) ("Other Merck Sites"), which management decides to fill and for which the Employee is qualified, on the basis of Company seniority, before an offer for such job has been made to external applicant(s); provided that the covered Employee indicates interest in such Other Merck Sites at the time of layoff, on a form provided by the Company and completed at the time of involuntary layoff by the Employee, and further provided that the right of transfer under this provision will exist only as long as the covered employee retains seniority rights in the local bargaining unit from which the Employee is laid off.

An employee so transferred will be treated as a new hire for seniority purposes at the Other Merck Site, but will be entitled to have the Employee's benefits continued as if the Employee's service had not been interrupted except as such may be inconsistent with the collective-bargaining agreement at the Other Merck Site. The terms and conditions of a transferred employee's employment including, without limitation, the Employee's pay rate,

will be governed by the collective-bargaining agreement applicable to the bargaining-unit at the Other Merck Site.

An employee who rejects an offer of employment to a specific Other Merck Site under the terms of this provision shall thereafter be ineligible for an inter-plant transfer to that Other Merck Site for the period of that layoff.

The employee will be notified by phone, email and/or registered letter addressed to the employee's last address appearing on the Company's records of any such transfer, within two working days of the date written notice is received but in no case longer than seven calendar days from the date of the notice. Failure on the part of the employee to report to work as directed by the Company, will result in the forfeiture of all rights under this provision for the duration of the layoff.

Notwithstanding the transfer rights as set forth above, the Company shall have no monetary liability in the case of an employee who had a transfer right under this provision but who was not transferred in the appropriate seniority order regardless of the reason. In the event such an error is made, provided that the Union presents the Company with clear evidence that the employee met the criteria listed above and was the senior candidate for transfer, within 366 day of the alleged error, the Company will offer the employee a job in the position to which the employee should have been transferred. The Union understands that this remedy may result in the return to layoff or termination of another union represented employee in the event that such other employee was inadvertently transferred out of order. In all cases, the seniority rights of a transferred employee will be governed by the collective-bargaining agreement applicable to the Other Merck Site.

Transferred employees who are recalled in accordance with this Agreement must return to the site in the manner and within the time frame provided by this Agreement; a transferred employee who fails to respond to a notice of recall in a timely manner or who rejects recall in accordance with this Agreement shall lose his/her seniority in the bargaining unit.

ARTICLE XI SUBCONTRACTING AND SITING

(A) The Company may in its sole and exclusive discretion (a) subcontract, outsource or toll to any third party, and/or (b) transfer, assign or re-assign to any Company site, facility, plant, factory, department and/or operation, in whole or in part, the following:

1. any manufacturing operation, process, production (including but not limited to raw materials, intermediates, active pharmaceutical ingredients, formulated or finished product(s), and/or other chemical or biological compounds or substances),
2. work, where the Company intends to close or sell a site, facility, plant, factory, department and/or operation, that is necessary to facilitate, permit, effectuate or implement such closure or sale,

3. non-core work, which is work other than work performed (a) in the manufacturing of product or by-product, testing of product, where applicable, or on the equipment used for such purposes; (b) on internal material handling; (c) in the power plant; or (d) in the provisions of waste water treatment to the plant site
4. high-skill work that does not need to be regularly or frequently performed, and/or
5. peak work (i.e., work that would increase the normal workload of available, qualified bargaining unit employees so that the performance of such work would have to be done on overtime by bargaining unit employees or require a temporary or short-term increase in the complement of bargaining unit employees),

whether or not bargaining unit employees ever performed, do perform or could perform the affected work, and even if the Company's exercise of such discretion causes, directly or indirectly, (i) closure of a site, facility, plant, factory, department and/or operation and/or (ii) layoffs of bargaining unit employees.

(B) In addition to the work described in Paragraph (A) above, the Company may contract out work to individuals or to other companies which is normally performed by bargaining unit(s) employees where the necessary equipment is not at hand, qualified employees are not available, project completion dates cannot be met or the results would otherwise not be consistent with efficient and economic operations.

ARTICLE XII NO STRIKE NO LOCKOUT

The Union agrees that while this Agreement is in effect, it will not call or in any manner sanction, and that the Employees covered by this Agreement will not engage in, any strike, slowdown, or other concerted activity resulting in interference with or impediment to production, nor will the Union ignore or disregard any such strike or activity by Employees. Union liability, however, shall exist in case, but only in case, the Union calls, sanctions, ignores or disregards such strike or activity. The Company agrees that there shall be no lockouts.

ARTICLE XIII NONDISCRIMINATION

The Company and the Union agree that no discrimination shall be practiced against any Employee because of race, creed, religion, color, national origin, ancestry, genetics, sex, sexual orientation, gender identity, marital status, veteran status, age or the presence of a handicap except in those instances where age, sex or the absence of a handicap may constitute a bona fide occupational qualification or except as age is a factor in the Merck Pension Plan and/or in an Apprentice Training Program if applicable.

ARTICLE XIV STRUCTURE, STAFFING AND WAGES

(A) **Definitions.** As used in this Agreement, the following terms have the meanings as set forth below:

1. A **"Classification"** or **"Job Classification"** means a job or group of jobs performing the same or similar tasks as determined by the Company and as may be described in a job description.
2. A **"Division"** means a Classification or group of Classifications that require similar entry requirements and/or training requirements as determined by the Company. At the effective date of this Agreement the bargaining unit consists of three Divisions: The Operator Division, the Mechanical Division and the Utility Division.
3. A **"Work Area"** means a division of the workforce within the Company's operation which includes one or more Work Groups assigned to support one or more products or operations. A Work Area may be comprised of employees in different Classifications.
4. A **"Work Group"** means a group of employees in the same Division, Classification and Work Area who share a task or group of tasks and who share hours of work, Training Plan, vacations and overtime.

(B) Current Divisions and Classifications and the rates of pay during the term of this Agreement are set forth in "Appendix A" annexed hereto and made a part of this Agreement. The Company has the right to set and modify staffing levels, including the right to determine when and whether to add, reduce and/or replace positions. The Company maintains the right to establish, alter or eliminate Divisions, Classifications, Work Areas, Work Groups or other such divisions of labor subject only to the limitations set forth in this Agreement. In the event that the Company establishes a new Classification it will determine the appropriate wage rate by comparing the new Classification to those that exist. The Union may present its views, but the Company has the discretion to set the wage rate, subject to the Unions' right to grieve that selection.

(C) The Company may decide that Employees in any Job Classification covered by this Agreement may be hired at a wage progression that is higher than the start rate for the job classification as reflected in Appendix A hereto; *provided however* that in such case any incumbent Employee in such job classification who is, at the time of any such hire, in a wage progression level below that which is applied to the new hire shall have his/her wage rate progression adjusted to a progression level no lower than the level at which the new Employee was hired. The Company shall notify the Union of any such hiring rate adjustments in the month preceding the adjustment.

ARTICLE XV HOURS OF WORK

(A) This Article is intended only to provide a basis for calculating overtime and is not a guarantee of hours to be worked per day or per week.

(B) The basic work week and payroll week for shift workers begins at 10:30 p.m. Sunday and ends at 10:30 p.m. the following Sunday. The basic work week and payroll week for

daylight workers begins at 12:01 a.m. Monday and ends at 12 Midnight the following Sunday.

(C) The basic work day for shift workers begins at 10:30 p.m. and ends at 10:30 p.m. The basic work day for daylight workers begins at 12:01 a.m. and ends at 12 Midnight.

(D) Except where the Company has established an alternative work schedule, for example, a 12 hour or a 10 hour shift, the term "regular work week" shall mean forty hours worked in any payroll week on the basis of a maximum of eight hours per day.

(E) The Company will continue, so far as consistent with business needs, to provide a regular schedule of work for those Employees not on rotating or special shift work, which schedule shall be fixed from Monday to Friday, inclusive. It is understood, however, that the Company may need to establish new jobs, change present jobs or otherwise change operations in a way that would require special or new shift schedules, a change in work hours, an extension of an existing shift schedule to another operation or other similar change. When such changes are necessary, the Company will provide the Union notice of the change and any opportunity to present its views and will make reasonable effort to establish such changes on a no loss-no gain basis with respect to overtime, shift premiums, shift coverage and the like. In any such case, the Union will have ten business days from Company notice to present its views; the Company will consider the Union's views, but maintains the right to make the proposed change and may do so at any time after the Union presents its views or its time to do so has expired. In the event that the Union does not agree that a Company initiated shift schedule is reasonably required to advance a legitimate business need, it may challenge the schedule through the grievance and arbitration process, unless the proposed schedule is consistent with one of the following:

Shift	Scheduled Hrs/Day	Days Per Week	Paid Lunch? Yes or No
4S/7D (8h)	8.5	7	Yes
4S/7D (12h)	12.5	7	Yes
4S/5D (12h) daylight	12.5	5	Yes
5S/7D (12h) (1 wk training per rotation)	12.5	7	Yes
2S/7D (12h) daylight	12.5	7	Yes
3S/5D	8.5	5	Yes
2S/5D	8.5	5	Yes
Daylight	8.5	5	No
Daylight 10 hours – Split or straight schedule	10.5	Straight - 4	No
		Split - 5	
Straight 2 nd	8.5	5	Yes
Straight 3 rd	8.5	5	Yes

The Company agrees that it will provide no less than ninety-days notice of a shift change and, absent a significant business-related reason, will not change the shift schedules of a Work Area more than once in a twenty-four month period as approved by the Plant Manager.

(F) Payments for straight time, overtime and time deducted for tardiness shall be calculated in accordance with the rounding rule established by the Company and communicated to the Union (currently, one-tenth of an hour)

(G) Normal shift hours to be worked will be (i) for eight hour shifts: 6:15 a.m. to 2:45 p.m., 2:15 p.m. to 10:45 p.m., and 10:15 p.m. to 6:45 a.m.; and (ii) for 12 hour shifts: 6:15 a.m. to 6:45 p.m.; and 6:15 p.m. to 6:45 a.m. Normal start time for shifts not requiring relief is 6:00 a.m. and the end time is 2:30 p.m. for eight-hour shifts, 4:30 p.m. for ten-hour shifts, and 6:30 p.m. for twelve-hour shifts.

(H) It is understood that Employees assigned to alternating, rotating, or stagger shift when reporting for regular scheduled work or overtime, will relieve the person doing the same job, on the Work Group floor, in uniform and within twenty (20) minutes prior to the end of the shift as defined in Article XV, Paragraph G. The operator may leave the floor when properly relieved, which should be no more than ten (10) minutes prior to the end of their shift unless they have been given permission by their supervisor. These parties' agree that the overlap of shift times outlined above is sufficient to facilitate proper shift relief and allow for the wash up and uniform change time (including travel) within the established start and end times. These Employees will be given a thirty (30) minute paid lunch during the middle two (2) hours of their shift with the time to be determined by their supervisor. Employees working shifts where relief is not required shall work the hours specified in (G) above and will be given a thirty minute unpaid lunch unless otherwise specified in this contract.

(I) The Company shall grant two ten-minute rest periods during a regular eight-hour shift at such times authorized by the immediate supervisor.

(J) All employees are required to record their time at the beginning and end of the work day using badge readers designated by the Company. The Company will install and maintain such badge readers in proximity to those areas where Employees are required to change in and out of Company-issued clothes (for example, locker rooms). Employees are expected to badge in no earlier than the established rounding rules before their designated start time and must badge out no later than the established rounding rules after their designated end time. Employees who deviate from this expectation must report such deviation to their supervisor. Failure to badge in and out as required is grounds for disciplinary action, including suspension or termination of employment. New or updated technologies and/or systems for keeping time may be implemented at the sole discretion of the Company.

(K) (1) Employees working in positions that do not require shift relief and who are required to change out of street clothes and into Company-issued clothes while on the plant site will be expected to report ready to work at their work location no later than ten minutes after their start time, which period of time the parties agree is sufficient for uniform change and travel; and (2) Employees working in positions that do not require shift relief and who are required to change out of Company-issued clothes and back into street clothes prior to leaving the plant site will be released from their work site ten minutes prior to the end of their shift which period of time the parties agree is sufficient for wash up, uniform change and travel.

ARTICLE XVI OVERTIME AND PREMIUM PAY

The Company will continue to manage overtime for each Work Group in accordance with the rules that existed in the collective-bargaining agreement that expired on April 30, 2018 until the earlier of (i) the time on which the Work Group is turned over to the Union to manage or (ii) January 1, 2019. The Company and Union agree that each will work diligently in an effort to turn the management of overtime over to the Union as quickly as possible and will do so on a Work-Group-by-Work-Group basis as soon as a Work Group is ready and in no case later than January 1, 2019. Sections (B), (C), (E) and (I) apply to a Work Group at the earlier of (i) the date on which the overtime management of that Work Group is turned over to the Union or (ii) January 1, 2019.

(A) An employee who works more than forty (40) hours in a work week will be paid at time and one-half the Employee's base rate for each hour worked over forty (40) hours. For avoidance of doubt hours worked mean those hours that comprise the employee's normal work week whether that work week consists of five eight hour days, four ten hour days, a twelve hour shift arrangement or any other such schedule. For purposes of this provision, hours worked includes hours actually worked and hours not worked but paid on account of approved vacation, holidays falling on a regularly scheduled work day, approved internal union business, military encampment, bereavement leave, jury duty, court appearance, temporary layoff, authorized personal time off, but excludes all other time away from work (whether authorized or not), including, without limitation, sick time, short-term disability, FMLA (e.g. intermittent or consecutive days off), long term disability, and workers compensation. Employees who receive more than forty (40) hours of pay in a given pay period but do not perform any work during that pay period shall be compensated at straight time for all hours paid.

(B) The Company will determine the need to work overtime based upon its assessment of business needs and will inform the Union of any such need. The Union will be responsible for the administrative functions associated with the assignment and distribution of overtime, the maintenance of the respective Work Area overtime database, all aspects of polling for interest in working overtime and the notification of employees selected to work overtime and is responsible to ensure that Employees trained to perform the tasks in question are assigned to cover all overtime shifts as designated by the Company, even if that requires forcing Employees to work, in accordance with the provisions of this Article. When it becomes necessary to force an Employee to work overtime, the Union will inform the appropriate supervisor so that the Employee can make the actual call to notify the Employee to be forced as soon as it knows of the need to force and in no event later than thirty minutes prior to the shift in question and the Union representative notifying the supervisor remain available to provide the next name in the case of an inability to reach the first Employee.

(C) The Company will make reasonable efforts to provide the Union with notice of overtime needs two-weeks in advance if known and as soon as known if known less than two-weeks in advance so that the Union can attempt to assign Employees to overtime work. The Union will inform the Company the names of Employee(s) scheduled to work a designated overtime shift as soon as practicable and, in all cases, prior to the start of the overtime shift. Once an overtime assignment is awarded to an Employee, that assignment becomes the Employee's responsibility to work and failure to work the assignment will be

considered an absence in accordance with the absence policy. In the event that the Company is unable to provide notice of the overtime need prior to the commencement of the shift or the Union has failed to fill the required overtime requirement, then the Company may hold Employees over to complete the requisite overtime. The Company will inform the Union of any such hold over work so that it may adjust its overtime equalization records accordingly. The Union agrees that employees working on jobs performed on a multiple shift basis shall not leave the job at the close of their shift until their replacement on the following shift reports for work unless given permission to leave by the supervisor.

(D) Employees will not be eligible to work in excess of sixteen and one-half (16 ½) hours in a twenty-four (24) hour period or more than seventy-five (75) hours in a work week (10:30 pm Sunday – 10:30 pm Sunday); employees are not eligible to work more than six days in a work week (10:30 pm Sunday – 10:30 pm Sunday). There may be other circumstances where the Employees may work more than the hours stated above. Examples of when this may be necessary are (but not limited to): a flood or other natural disaster that prevents shift relief for a length of time, a one-time lengthy clearing of a snow event, and emergencies (as defined in Article I).

(E) The Company will have no obligation to equalize overtime or to distribute overtime to Employees in any manner whatsoever and will have no liability to any Employee on a complaint about unequal overtime distribution.

(F) Employees are not eligible for overtime and may not be forced to work overtime on the day of a full-day-single-day vacation or a full-shift personal day, but are eligible for overtime (and subject to being charged a refusal or forced to work) the day before and after a single day vacation or personal day. Employees will not be forced for overtime from their last scheduled day of work prior to a Week-At-A-Time Vacation until their next scheduled day of work following a Week-At-A-Time Vacation.

(G) On a holiday where the entire Work Group is not scheduled to work as part of its regularly scheduled shift rotation, but the Company needs some number of employees to work overtime, the Company will establish the number of Employees and the number of hours required and provide such information to the Union. The Union will, through a designee, be responsible to fill the available needs (i) by polling by seniority up to the total number needed, (ii) if a need remains, by polling the off shifts by seniority up to the total number needed; and (iii) if a need remains, by determining the least senior Employees eligible to be forced to fulfill the total number needed and; (iv) by informing the manager of the names of the Employees to be so forced so that the manager will contact the Employee(s). The Union has the responsibility to track and distribute all overtime offered on holidays as part of its responsibility to manage overtime generally.

(H) The Company, in its sole determination of the business need, may declare a day not within a Work Group's regularly scheduled shift rotation to be a work day for that Work Group. In such a case, all Employees in the Work Group are expected to report to work as if the day is part of the regularly scheduled shift rotation.

(I) In the event that the Union is unable to fill 95% or more of the scheduled overtime shifts by assigning Employees to those shifts (forced hold overs will count as unfilled shifts unless the holdover occurred because the Company could not provide prior notice of the overtime need) over any ninety day period, the Company has the right, upon two-week's

notice, to take back the management of overtime. If the Company takes back the management of overtime, it will make reasonable efforts to distribute overtime equitably among Employees in the same Classification within a Work Group in accordance with rules that it establishes.

(J) Overtime Break Periods. An Employee required to work overtime shall be allowed break periods as follows:

1. A fifteen minute rest period for an Employee scheduled for overtime work for a minimum of two (2) hours during the shift break provided that the operation may not be delayed more than twenty minutes due to this break.
2. An additional rest period, of ten minutes, and a one-half (1/2) hour paid lunch if the actual overtime work extends for a minimum of six (6) hours. Such break and/or lunch periods ordinarily will follow the schedule of the shift the Employee is working on, subject, as always, to supervisory discretion as business needs dictate.

ARTICLE XVII PREMIUM PAY FOR SHIFTWORK

The following provisions will remain in effect through the last full pay period that starts prior to December 31, 2018 and will then be void:

The Company will pay premium for shift work as follows:

(A) For rotating, alternating, or other regularly scheduled shift work performed on a 24 hour rotating schedule, a premium of sixty-five (65) cent per hour over the employee's standard base rate of pay for all hours worked. This applies to all shift rotations working a 24 hour rotation including 4 shift/7 day and 3 shift/5 day.

(B) For rotating, alternating, or other regularly scheduled shift work performed on a 2 shift rotating schedule, a premium of forty-six (46) cents per hour over the employee's standard based rate of pay for all hours worked.

(C) For scheduled single shift work regularly performed between 2:30 PM and 10:30 PM, a premium of eighty-two (82) cents per hour over the employee's standard base rate of pay.

(D) For scheduled single shift work regularly performed between 10:30 PM and 6:30 AM, a premium of one dollar and two (1.02) cents per hour over the employee's standard base rate of pay.

(E) Employees on a shift with a premium carry that premium for all hours worked regardless of when they are worked.

The following provisions will become effective with the first full pay period that starts on or after January 1, 2019.

The Company will pay premium for shift work as follows:

(A) For a rotating alternating, or other non-fixed shift:

1. with a shift working the hours between 7 pm and 10 pm or a shift working the hours between 12 am and 3 am, a premium of forty-six (46) cents per hour over the employee's standard base rate of pay for all hours worked;
2. with a shift working the hours between 7 pm and 10 pm and a shift working the hours between 12 am and 3 am, a premium of seventy (70) cents per hour over the employee's standard base rate of pay for all hours worked.

(B) For any work schedule that contains Saturday or Sunday as a regularly scheduled day of work, a premium of fifty (50) cents per hour over the employee's standard based rate of pay for all hours worked, which premium will be added to any premium applicable in accordance with Section (A) or Section (C) of this Article.

(C) For scheduled single shift work regularly performed:

1. between 2:30 PM and 10:30 PM, a premium of eighty-two (82) cents per hour over the employee's standard base rate of pay.
2. between 10:30 PM and 6:30 AM, a premium of one dollar and two (1.02) cents per hour over the employee's standard base rate of pay.

(D) Employees on a shift with a premium carry that premium for all hours worked regardless of when they are worked.

ARTICLE XVIII EXTRA PAY FOR EMERGENCY WORK

Employees who are required to work in a temporary emergency outside their regular working hours, shall be paid at time and one-half (1-1/2) the standard base rate for such time worked or for four (4) hours, whichever is the greater.

ARTICLE XIX PAYMENT ON REPORTING FOR WORK

(A) An Employee reporting for work in accordance with the order of the Company shall be entitled to at least four (4) hours of work at the Employee's regular work if available. If for any reason such work is not available, such Employee shall be assigned for at least four (4) hours to other work for which the employee shall be paid not less per hour than such employee's standard base rate of pay for Employee's regular work.

(B) A reasonable effort by the Company to notify the Employee not to report for work shall be deemed due and timely notification.

(C) Lists in writing made by foremen of the Employees required to report for work shall be deemed final and conclusive.

(D) The provisions of this Paragraph are not to be in effect if any emergency or accident, or any happening beyond the control of the Company prevents the Company from providing work to an Employee reporting as required above.

ARTICLE XX CONTINUOUS SERVICE

For all purposes of this Agreement, "continuous service" wherever used in this Agreement shall mean and shall be determined as follows:

(A) An Employee shall not have continuous service until the Employee shall have completed one hundred and eighty (180) calendar days of continuous employment with the Company, after which period continuous service shall be dated from the beginning of the one hundred and eighty (180) calendar day period; provided, however, that in the event the probationary period is interrupted by layoff due to lack of work and the affected Employee is recalled within the period set forth in Section B of this Article, time previously spent on probation shall be counted toward completion of the probationary period and the Employee's employment date adjusted accordingly.

If an Employee shall be transferred to another plant of the Company, irrespective of the work the Employee shall do therein, or if an Employee shall be transferred to such work at the Elkton Plant which takes the employee out of the status of Employee as defined in this Agreement, the Employee upon subsequently returning to the status of Employee as defined in this Agreement, will not receive credit for any prior service acquired in the bargaining unit and will be treated, for seniority purposes, as a new Employee.

(B) An Employee having continuous service who had been laid off for not exceeding fifty-four (54) continuous months, on being reemployed, shall be reinstated with the status which the Employee had on the date when the Employee was laid off.

(C) Continuous service shall cease and be ended:

1. If the Employee shall voluntarily leave the service of the Company,
2. If the Employee shall be discharged from employment, and discharge not reversed through grievance procedure,
3. If the Employee after being laid off, refuses recall or shall fail to notify the Company within five (5) days from date of notice mailed to the Employee's last known address whether or not the Employee intends to return. It is understood that the Company shall give the Employee up to two (2) weeks if necessary to report for work after receipt of notice that the Employee intends to return;
4. If, in any other event or for any other reason, more than thirty (30) months shall have elapsed since the Employee last worked for the Company, except as provided by the Selective Service and Training Act with regard to reemployment rights of returning veterans; or
5. If the Employee is Disqualified with no right under this Agreement to be placed into an alternate position.

(D) Continuous service shall accumulate for not exceeding thirty (30) months during absence from work by reason of non-occupational injury or illness. In the event an Employee is absent from work due to non-occupational injury or illness for more than thirty (30) months, the Employee's employment date shall be adjusted so that there shall be no accumulation of continuous service for such absence in excess of thirty (30) months. In such cases, the Company may grant leaves of absence based on the merits of the individual case.

An Employee absent from work due to occupational injury or illness shall accumulate continuous service during the period of such injury or illness. Seniority credit, for absence from work by reason of non-occupational injury or illness, shall accumulate for up to thirty (30) months.

(E) An Employee as defined in this Agreement who is transferred from said status shall not return to status of Employee ahead of Employees who have been laid off and who retain greater seniority with the bargaining unit.

ARTICLE XXI DISABILITY BENEFITS

(A) Employees will, after completing the probationary period of service with the Company, be eligible to receive sick benefit payments in case of absence due to a bona fide illness or other disability (as defined below) in accordance with the following eligibility schedule:

<i>Length of Service</i>	<i>Eligibility</i>
Probationary Period	0 Hours
End of Probationary	
Period to 1 year	40 hours in any one year
1 year	80 hours in any one year
2 years	120 hours in any one year
3 years	160 hours in any one year
4 years	200 hours in any one year
5 years	240 hours in any one year
6 years	280 hours in any one year
7 years	320 hours in any one year
8 years	360 hours in any one year
9 years	400 hours in any one year
10 years	440 hours in any one year
11 years	480 hours in any one year
12 years	520 hours in any one year
13 years	560 hours in any one year
14 years	600 hours in any one year
15 years	640 hours in any one year
16 years	680 hours in any one year
17 years	720 hours in any one year
18 years	760 hours in any one year
19 years	800 hours in any one year
20 years	840 hours in any one year
21 years	880 hours in any one year
22 years	920 hours in any one year
23 years	960 hours in any one year
24 years	1000 hours in any one year
25 years and over	1040 hours in any one year

(B) Eligible hours for absences due to a bona fide illness or other disability, will be paid at ninety percent (90%) of the Employee's standard base rate through the time the Employee

exhausts the schedule of eligible hours in Paragraph A and thereafter at the minimum benefit level provided under New Jersey State Temporary Disability Law for a period up to the time at which the Employee is eligible to qualify for Long Term Disability Benefits. Payments under this provision for any period of bona fide illness or other disability will not exceed twenty six weeks in the aggregate for any Disability Period. A Disability Period begins on the first day of an absence due to a bona fide illness or other disability and extends until the employee returns to work, except that subsequent absences of an employee who returns to work for less than thirty consecutive calendar days before going back out for a bona fide illness or other disability determined by the Company (either directly or through its agent) to be related to the initial bona fide illness or other disability will be considered part of the same Disability Period.

(C)(1) Until December 31, 2018, the beginning of any new disability wage eligibility period will be the hire date anniversary if the Employee is working on the Employee's anniversary. An Employee who is absent, due to disability, on the Employee's anniversary date will:

- a. Continue to draw disability benefits in accordance with previous year's eligibility, and
- b. Receive the additional hours eligibility, if any, in accordance with the schedule in Section A.
- c. Upon returning to work for a normal fourteen (14) calendar day period, such Employee will be entitled to the full eligible hours reduced by the hours paid since anniversary date.
- d. Continue to receive the Employee's disability pay, according to items (1.) and (2.) above until they expire or the Employee returns to work.

(2) Effective January 1, 2019, the schedule of benefits will run on a calendar year basis and will renew each January 1. Notwithstanding the renewal, no employee may aggregate benefits across two calendar years for the same Disability Period. An employee in a Disability Period that crosses a calendar year who has not yet moved to state rate will be eligible for benefits in that second calendar year for the hours listed under the schedule minus the hours used for that Disability Period in the prior year.

(D) An Employee who is absent from work resulting from an occupational illness or injury as defined by the Virginia Worker's Compensation Act ("the Act"), and has been adjudicated as eligible for benefits under the Act will be paid in accordance with the Act, unless the provisions of Sections (A) through (C) as applicable to such Employee would result in a greater benefit, in which case such greater benefit will apply.

(E) Bona fide cases of illness or other disability only will be paid for. A "bona fide case of illness or other disability" is defined as an absence from work due to the employee's inability to perform the functions of the Employee's job because of an illness or disability. The Company (directly or through its designee) will determine whether an absence is "bona fide" and may establish procedures and processes to verify an absence as "bona fide," including, without limitation, a requirement that the employee produce a doctor's note or other documentation to support the validity of the absence.

(F) Reporting Requirements.

1. An employee who is absent for three (3) or more scheduled work days, is responsible to call and report the absence to the Company's Disability Management or health services representative or to such other agent designated by the Company for such purpose no later than the third day of absence. The Company will be responsible for informing the Union and the membership of the contact information of the contact designated by the Company to receive such notification.
2. In the case of an absence of three (3) or more scheduled work days, the Company (either directly or through its agent) will send to the employee (either by mail to the Employee's record address, by email, if authorized by the employee or the employee's delegate, or by hand) absence related paperwork seeking information necessary to establish whether the employee was indeed absent from work due to an illness/disability that rendered the employee unable to perform the Employee's job throughout the period of absence. An employee is responsible to have this paperwork completed and returned as directed (either to the Company's health service department or a designated agent) within fifteen (15) calendar days (unless the employee is incapacitated and therefore unable to meet the deadline) following the employee's receipt of the paperwork in order for the bona fides of the absence to be considered. If the employee fails to return the paperwork in the time periods set forth above, then the Company may consider the absence as due to reasons other than a bona fide illness/disability, stop any further payments, seek repayment for monies paid (as described below) and pursue discipline as a result of the absence. Paperwork will be considered timely even if deemed incomplete (in need of more information) by the Company's Health Care Professional, as long as it was originally completed and signed by the employee's physician and returned within the time limits (15 calendar days). If the employee submits the paperwork within the timelines set forth above, then the Company (either directly or through its designated agent) will evaluate the submission and determine whether the absence meets the bona fide standard. Such an evaluation may include requests for additional information. In such case, the employee is responsible for cooperating with any such additional requests and if the employee fails to so cooperate, then the Company may consider the absence as due to reasons other than a bona fide illness/disability, stop any further payments, seek repayment for monies paid (as described below) and pursue discipline as a result of the absence.
3. The Company will have no obligation to pay for and may stop making any further payments for periods of absence that it (or its designated agent) has determined have not been established as due to a bona fide illness/disability and to seek reimbursement from the employee from any monies already paid as a result of that absence. An employee who has received monies on account of an absence that has not been established as due to a bona fide illness/disability either as a result of the employee's failure to cooperate as required or as a result of the Company (or its designated agent's) evaluation is responsible to repay such monies. The Company will have just cause to terminate the employment of an

employee who refuses to make such repayment or who refuses to agree to a reasonable schedule for such repayment. The parties agree that a schedule requiring an employee to repay the Company in an amount of 10% the Employee's net earnings each week until the monies are repaid is a reasonable schedule of repayment.

4. The Company will designate as FMLA leave any absence that is eligible for such designation for an employee who meets the requisite FMLA eligibility standards.

(G) Scheduled working time lost by employee veterans due to interviews required by the U.S. Veterans Administration as a result of a service-connected disability shall be considered as absence due to illness under the disability benefits plan, and shall be paid at 100% of the employee's standard base rate, *provided* that the Employee provide documentation to support the claim that the U.S. Veterans Administration required the interview at a time that conflicted with scheduled work time..

(H) Employees who recover from disability but who are unable to return to their former position as a result of the disability as determined by a health care provider designated by the Company and are placed into a lower-rated job classification for medical reasons shall retain the hourly base rate of the job classification held by the Employee when long-term disability benefits commenced.

(I) The Company reserves the right to establish processes and procedures for the administration of disability benefits, to verify eligibility for benefits, to ensure the safety of its workforce and to take such appropriate disciplinary action for employees found abusing any aspect of the sick pay policy; *provided however*, an employee who has been denied eligibility and is disputing such denial will not be disciplined prior to resolution of the Company's internal escalation process. Employees are expected to cooperate in such processes and procedures. Among such processes and procedures, include the Company's right to require employees absent for three (3) or more scheduled work days or for fewer than three (3) scheduled work days due to intermittent FMLA to report to health services to be cleared to return to work by a Company designated health care professional prior to returning to work. Such employees are expected to return to work with a doctor's note or other similar certificate clearing the employee to return to work based on their current job responsibilities. An employee who fails to present such a note or certificate upon request may be refused return to work and will be permitted to return only upon presentation of such note or certification. In such case, any work missed as a result of the employee's failure to provide such clearance will not be paid and will count as an unauthorized absence. An employee presenting such a note or certificate may nevertheless be refused a return to work if in the medical judgment of the Company designated health care professional the employee is incapacitated from performing the Employee's job due to illness/disability or is otherwise unable to return safely to work. In such instance, the employee is expected to cooperate with the Company or its designated agent in providing information necessary to satisfy the Company that the employee is able to safely return to work and provided that the employee does so cooperate, the additional missed time will be deemed as an absence for a bona fide illness or disability.

ARTICLE XXII TRANSFERS

(A) When an Employee is permanently transferred to a job with a higher rate of pay the Employee shall receive such higher rate as soon as the Employee is Qualified for the position.

(B) When an Employee is permanently transferred to a job with a lower rate of pay because of lack of work, elimination of the job or failure to Qualify or become Proficient, the Employee will immediately receive the rate for the new job, provided, however, that when such transfers are necessitated by lack of work or elimination of the job, or are made at the Company's request, the Company shall make every effort to transfer the employee to a job carrying the same rate of pay as the Employee formerly received, and provided the Employee is Qualified for the job, the Employee shall receive the rate for the job.

(C) A Temporary Transfer is defined as a transfer that exceeds five (5) continuous days, but is less than one hundred and eighty (180) consecutive days. The Company may assign an employee who is temporarily transferred to any task that the employee has the skills, ability and/or training to perform safely and will ensure that such employee is provided all training necessary to perform tasks as assigned. When an Employee is temporarily transferred to a job with a lower rate of pay, and was doing acceptable work on the Employee's former job, the Employee shall continue to receive the same rate of pay on the Employee's new job as the Employee did on the Employee's former job. Employees who have been deemed surplus will retain their rate of pay until their seniority allows the Employee to successfully bid to another position.

(D) The continuous duration of the temporary transfer shall not exceed one hundred and eighty (180) calendar days. During such transfer an employee shall retain the Employee's seniority in the Work Area from which the Employee was temporarily transferred. At the end of the temporary transfer if the Company determines a need still exists, it shall be posted for bid in accordance with posting procedure. It is the intent of the Company to provide a steady and continuous work schedule within classification for its employees in their normal places of employment. It is not the intent of the Company to transfer Employees from their regular job, except in situations where emergencies (as defined in Article I) or proper manpower utilization warrant (for example, to provide work for employees in a Work Group during a shutdown longer than the normal operational requirements).

When making temporary assignments from one Work Area or Work Group to another Work Area or Work Group the Company shall take into consideration a comprehensive set of relevant factors including seniority, ability, skill, experience, fitness, employee availability and Employee requests. If, after taking the above situational factors into account, there is more than one qualified Employee available, or there are no qualified Employees available, seniority will be the prevailing factor.

(E) The Company and the Union agree that upon recommendation by a health care professional designated by the Company after a thorough review of all available medical data and appropriate medical consultation, an Employee who becomes incapacitated for the Employee's normal work will be transferred regardless of hours of work in accordance with the sequence set forth below, provided such transfer is permitted within the limitations of the Employee's restrictions and complies with the relative ability provisions of Article XXIII.

The Employee shall be transferred to the job held by the least senior employee in the same Job Classification plant wide. The displaced Employee will in turn be transferred to the job of the incapacitated Employee.

If the incapacitated Employee cannot perform the job held by the least senior Employee in the same Job Classification plant wide, the Employee will be transferred to any open position which has been posted and for which there are no successful bidders.

If no available open positions exist, the incapacitated Employee will be transferred to the job held by the least senior Employee on the plant site in their Classification. If the incapacitated Employee cannot perform that job within the limitations of the Employee's restrictions, the Employee shall progressively move up the plant wide seniority list and will be transferred to the first job the Employee can perform provided their seniority permits, excluding craft. In either circumstance, the displaced Employee will be transferred to the job of the incapacitated Employee.

If the above steps have been exhausted, the incapacitated Employee shall lastly be transferred to the job held by the least senior incapacitated Employee on the plant site, excluding craft, and the displaced Employee will be transferred to the job being vacated.

(F) When an Employee moves into a job to replace an Employee on sick leave, the Employee will not superimpose the Employee's seniority upon the existing seniority of people already in the Work Area or Work Group. When an Employee on leave returns and is approved for unrestricted work by the plant physician, the illness replacement or least senior Employee in the Work Area or Work Group (if the job has previously been posted) will be declared surplus and will leave within seven (7) days provided there is no further need for sick leave coverage in the Work Area or Work Group. If new jobs open in the Work Area or Work Group, the replacement must bid successfully in order to get permanent seniority status in the Work Area or Work Group. In times of contraction, the replacement will be the first person to leave the Work Area or Work Group. If the person on sick leave does not return to work after a six (6) month period, and the Company elects to fill the vacancy it will post the position in accordance with Article XXIII, Posting Procedures.

ARTICLE XXIII PROMOTIONS, LAYOFFS AND VACANCIES

(A) Layoffs and Recalls

1. Operator Division

- a. In selecting Employees to be laid off when forces are decreased and in reemploying former Employees following a general layoff, the following factors shall apply:
 - i. Length of service in the bargaining unit
 - ii. Ability, skill, experience and fitness.
- b. In the event of a reduction in any of these divisions, the Employee shall be returned to the Employee's former classification on the basis of bargaining unit seniority, provided that ability, skill, experience and fitness are relatively equal.

- c. Employees shall retain bargaining unit seniority in their most recent former Classification.
- d. An employee who is unable to return to his/her former Classification because of a lack of bargaining unit seniority or, if there is no such Classification, may bump the least senior Employee on the site not otherwise protected in this Article on the basis of bargaining unit seniority.

2. Mechanical Division

- a. Job Classification seniority shall apply in the Mechanical Division.
- b. In the event of a reduction within a Classification of the Mechanical Division, the Employee shall be reduced to his/her former Classification on the basis of total Classification seniority, provided that ability, skill, experience and fitness are relatively equal.
- c. In the event of a reduction from a Classification to a non-craft Classification outside the Mechanical Division, the Employee affected by the reduction shall be reduced to his/her former Classification worked by displacing the least senior Employee on the basis of bargaining unit seniority or the least senior Employee on site not otherwise protected by this Article on the basis of bargaining unit seniority, provided that ability, skill, experience and fitness are relatively equal. Employees shall retain bargaining unit seniority in their most recent former Classification.
- d. Positions in the Mechanical Division may only be bumped in a reduction in force or layoff by a fully qualified Employee who meets the job requirements to successfully bid into the position.

3. Utility Division.

- a. In the event of a reduction within the Utility Division, the Employee shall be returned to his/her former Classification worked by displacing the least senior Employee on the basis of bargaining unit seniority or the least senior Employee on site not otherwise protected by this Article on the basis of bargaining unit seniority, provided that ability, skill, experience and fitness are relatively equal.
- b. Positions in Utility Division may only be bumped in a reduction in force or layoff by a fully qualified Employee who holds a current certification(s) of the same or higher level than the Employee being bumped.

(B) Promotions, Transfers, Vacancies

- 1. In selecting Employees in making transfers or promotions from one classification to another within the bargaining unit, or transfers within a classification, the following factors shall apply:
 - a. Length of service in the bargaining unit
 - b. Ability, skill, experience, and fitness

2. The Company will administer written pre-placement competency assessments as a basis to evaluate an Employee's abilities and qualifications for placement into craft positions (e.g., Maintenance and Installation) or positions requiring certification(s) (e.g., Wastewater Works, Power Plant, Facility Operator)). A passing score on such assessments will be required.

(C) General Provisions

1. In cases where the factors under Paragraph B have relatively equal weight, those with the shortest period of bargaining unit seniority shall be laid off first in the case of a decrease of forces.
2. In cases where the factors under Paragraph B have relatively equal weight, those with the longest period of bargaining unit seniority shall be the first to be reemployed, following a general layoff of Employees.
3. All Employees on layoff retaining recall rights in accordance with Article XX, shall be considered as having bid on all job vacancies which are posted. Such Employees shall be offered said vacancies on the basis of seniority, ability, skill, experience and fitness.
4. In cases where the factors under Paragraph B have relatively equal weight, those with the longest period of continuous bargaining unit seniority shall be given prior consideration in making promotions from one job classification to another within the bargaining unit.
5. In times of layoff, where forces are decreased within the Mechanical Division, resulting placements may necessitate the transfer of a Mechanical Division Employee into a Classification where the Employee previously worked. Such an Employee shall accrue seniority in the Employee's present and former (both the pre-layoff and post layoff) Classifications until such time that the application of the Employee's seniority and the posting procedure would permit the Employee's return to the pre-layoff Mechanical Division Classification. The exercising of the Employee's seniority in such a timely manner will maintain continuous seniority credit in the pre-layoff Classification. Failure to exercise the Employee's seniority, however, will result in the waiver of pre-layoff Classification seniority credit from time of displacement. The intent of this provision is to provide seniority protection when compared to Mechanical Division Employees on layoff with recall rights (Article XX, Section B).
6. In the event a previously held job no longer exists, the seniority on such job shall be applied to the job presently held (This applies to Mechanical Division only).
7. The Company retains the right to design the Work Area or change/redefine Work Areas in its discretion based upon its assessment of the needs of the business and will not change the composition of any individual Work Area more than once in any 12 month period.

When the company redefines a Work Area or Work Areas, incumbent Employees will remain in their jobs unless the Company designates otherwise; existing jobs will not be cancelled and reposted simply because of a redefining of a Work Area or Work Areas.

8. The scope of assignments within particular Work Areas, Work Groups or Classifications is determined by business needs and in the exercise of this right of assignment the Company may consider an Employee's demonstrated skill set, competence, experience and work history. The following principles will prevail with respect to right of assignment:

- Permanent work assignments within Work Group will be based on seniority.
- Work assignments within a Work Area but to a different Work Group or from one Work Area to another Work Area for longer than five days will be treated as a temporary transfer.
- Absent emergency situations, work assignments within a Work Area but to a different Work Group will be for the duration of the task assigned. A work assignment from one Work Area to another Work Area for common and Plant wide tasks or from Work Area to Work Area for the Mechanical Division for a duration between one shift and up to and including five days will not require a change of work hours.
- Work assignments will be defined by the best use of Employee skills and by the most efficient ways to complete the work. Changes in workload within a Work Area are handled by direct placement to need.
- Employees will share many tasks and skills across Classifications so that work is not segregated by artificially rigid Work Area, Work Group or Classification boundaries.
- Operator Division Employees may be trained and required to troubleshoot, complete routine maintenance and non-complex repairs, set ups, changeovers, preventive maintenance, ongoing adjustments, and the like. These examples are for illustration only and do not create boundaries or restrictions.
- Any Employee may perform routine, non-complex maintenance work, e.g., painting, ceiling tiles, light bulbs, check fluids, etc.
- Employees will be trained and required to perform lock-out/tag-out, initiate safety permits and other related safety tasks relevant to operations they are required to perform.
- Employees will be trained and expected to fully utilize current MMD business systems, (current examples include SAP, Trackwise, ADP, Enablon) relevant to the normal performance of their jobs. Again, these examples are provided for illustration only and do not create boundaries or restrictions.
- Employees will use common tools and equipment across Classifications and Work Areas and Work Groups once they have been trained, i.e. fork lifts, hand and power tools, etc.

(D) Posting Procedure

1. The concept of posting is understood to apply to all cases where there is a bona fide permanent Work Group vacancy to be filled. No vacancy shall be deemed to exist in a Work Group where the number of employees in the Work Area is equal to or exceeds

the number of jobs available in a given Classification, regardless of hours of work. In such situations employees whose jobs have been eliminated for any reason shall be given preference for openings within the Work Area on the basis of factors A and B above; Employees in the Work Area unaffected by the change will remain in their positions and will not be subject to being displaced, except an affected day-shift Employee may displace the least senior day-shift Employee in the same Classification in the Work Area with such displaced Employee moving to the opening regardless of shift.

2. When the Company elects to post a vacancy, it will do so for a minimum of seven (7) calendar days listing only the Job Classification, Work Area, hours of work, rates of pay, and initial Work Group. Employees who cannot access the system (vacation or short term disability, for example) may bid by phone by calling or emailing the designated Plant Human Resources employee or may authorize a co-worker to make a bid on their behalf. Listing of the initial Work Group does not preclude the Company from changing Employee assignments within a Work Area in time of business needs. For clarity, whenever this Agreement provides for what will happen with a vacancy it means a vacancy that the Company has decided in its discretion to fill; the Company maintains the right to staff its workforce and may always elect not to fill a vacated position.
3. A vacancy for a Mechanical Division will be re-posted if that vacancy remains unfilled six months after original posting date and the Company still intends to post the vacancy.
4. Vacancies shall be filled on the basis of bargaining unit seniority where the factors under Paragraph B are relatively equal. Primary vacancies and Secondary vacancies (i.e., vacancies created by primary bids) shall be posted. Tertiary vacancies (i.e., vacancies created by secondary bids) shall be posted; however, only Employees who are eligible for promotional opportunities will be selected on basis of bargaining unit seniority when ability, skill, experience and fitness are relatively equal. If vacancies cannot be filled by a qualified eligible bidder, the Company will proceed to fill the vacancy (1) by layoffs retaining reemployment rights in accordance with Article XX, or (2) by new Employees.
5. In times of surplus Employees, vacancies will be filled in the following manner: Vacancies created by primary and secondary bids will be posted. Vacancies created by tertiary bids will be filled by direct transfer of surplus employees from the Work Area(s) having the surplus. All vacancies will be filled based on bargaining unit seniority when ability, skill, experience and fitness are relatively equal. Names of surplus Employees shall be listed by Work Area or Work Group on the job posting, and vacancies of this type will be posted in the electronic bidding system. In times of layoff, surplus Employee(s) will move to vacancy(s) within their Division on a surplus to need basis. Surplus Employee(s) will be given job preference on the basis of bargaining unit seniority.
6. Relief positions will be designated in each Work Group or Work Area.
7. Relief positions will not be posted, but will be staffed by the assigned from among the existing group of Proficient Employees within Work Groups and Work Areas.

Appointments will be made on the basis of seniority and will last for one year. The specific number of relief positions will be periodically reviewed and adjusted as business needs warrant.

8. A relief position will be assigned to a daylight Home Shift, which will be Monday through Friday for an eight hour relief position and a rotation (for example, A/C, B/D) for a twelve-hour relief position. Those Employees assigned to relief positions may be assigned to alternate shifts on a regular basis to cover vacations, illnesses, workload spikes, or other vacancies within Work Areas unless, at the time of the assignment, the Company is aware of a planned vacancy on the Employees Home Shift, subject to the following limitations: (a) an eight-hour relief Employee may be moved from the Employee's Home Shift no more than twice per week (consecutive days worked on an alternate shift is one move); and (b) a twelve-hour relief Employee may be moved from the Employee's Home Shift no more than once per week (such move may be for any duration from a single day to an entire week) and may be moved to the Employee's alternate rotation (for example, from A/C to B/D) only if the move is for an entire basic work week as defined in Article XV. Notice of a change in hours will be made at least forty-eight (48) hours prior to the change. Changes may be made with less than forty-eight (48) hours notice by mutual agreement of the area and the Employee affected with no loss of earning to the Employee.
9. It is agreed that Employees must accept the vacancies on which they bid successfully. After the job is awarded, an Employee may not bid into another job regardless of Classification or hours of work until the Employee has worked in the job for a minimum of twenty-four (24) months after the bid is awarded ("Restricted Period"). A surplus Employee will not be restricted.
10. New hires may not bid into another job regardless of Classification or hours of work until they have worked in a job for a minimum of thirty (30) months after hire ("Initial Restricted Period"). An Employee surplus during the Initial Restricted Period will only be required to work a total of thirty months before obtaining a bid right.
11. An Employee in a Restricted Period or Initial Restricted Period who is Proficient in the Employee's current job may bid on a promotional or daylight opportunity; an Employee may bid on a Mechanical Division position at any time.
12. An Employee in a Restricted Period or an Initial Restricted Period may move by bid into a lower rated Classification or the Employee's immediately prior classification in a Work Group in which the Employee was Proficient. If the bid is successful, the Employee will lose all pay progressions obtained after becoming Qualified and/or Proficient in the prior job and the Employee's Restricted Period would start over. In the event an Employee in the Initial Restricted Period moves into a lower rated Classification pursuant to this paragraph the Employee will be subject to the Restricted Period in the new Classification.
13. The Restricted Period and the Initial Restricted Period may be mitigated with joint agreement from both the Union President and the Plant Manager. To qualify for mitigation, the candidate must have exercised the Employee's right to bid and

demonstrate a personal hardship which would necessitate the need to bid again inside the restricted period of time. In any such instance, the Employee allowed out of a Restricted Period or Initial Restricted Period would lose all pay progressions the Employee obtained after becoming Qualified and/or Proficient in the Employee's prior job and the Employee's Restricted Period would start over. In the event an Employee in the Initial Restricted Period moves into a different Classification pursuant to this paragraph, the Employee will be subject to the Restricted Period in the new Classification.

14. A successful bidder will be transferred to the given job as soon as practical, but not to exceed ninety (90) days from the award or posted effective date, whichever is later, except in the case of an emergency. In any event, such an Employee will be transferred, for Classification purposes, on the Monday following the awarding of the job and, for pay purposes, once Qualified. The Company will provide the Union with written notification of the name of the successful bidder and written notification when the successful bidder is moved to the new job. This provision will not be applicable in those cases where the Company indicates an effective date on the posting. If the Company fails to transfer the Employee within the time period provided in this subparagraph, it will pay the Employee at a rate of one and one-half times the Employee's base rate for all hours that exceed such time period.
15. Employees in a Work Group will be given the opportunity to make a written request for changes in shift and/or assignment within the Employee's Work Group same hours of work, to a posted basic vacancy once every twelve (12) months.
16. It is understood that full consideration shall be given to factors A and B above and other provisions of this article in filling vacancies by this bidding procedure.
17. When temporary job vacancies are posted, they shall include information on the approximate duration of the temporary assignment. The successful bidder will be returned to the Employee's former job upon completion of the temporary assignment. Temporary job vacancies will be posted for primary bids only.

ARTICLE XXIV EMPLOYER'S RULES AND REGULATIONS

The Company shall provide general rules and regulations governing plant operation and general working rules. Subject only to the limitations that are specifically imposed upon it by this Agreement, the Company shall have the right exclusively to manage all aspects of the operation at its discretion. When the Company determines to change existing work rules, the Plant Manager or the Plant Manager's designee will notify the Union in advance in writing.

ARTICLE XXV SAFETY, SECURITY, HEALTH AND WORK UNIFORMS

(A) Cooperation. The Union agrees to cooperate with the Company in encouraging employees to observe all safety and housekeeping regulations prescribed by the Company and to work in a safe manner and to adhere to the principle of equal onus.

(B) Protection for Employees. The Company will continue to make every reasonable provision for the protection of the safety and health of the Employees. In addition to its current right to use cameras for building and perimeter security and process monitoring, based on regulatory recommendations and requirements impacting the Merck supply network, the Company shall have the right to install surveillance cameras in any area of the plant site (except for dressing areas and restrooms) for the purpose of observing, monitoring and/or recording GMP compliance or for reasons of security. The Company will provide a minimum of two week's advance notice. For clarity, the notice provision does not apply to portable videotaping for purposes such as safety-related investigations, ergonomic assessments, and continuous improvement.

(C) Protective clothing. Where Employees are required by the Company to wear uniforms, or where the Company now furnishes such articles of clothing as rubber gloves, boots, etc., the Company will continue to furnish such articles of clothing, including laundry of uniforms, without cost to the Employee. The source of such uniform supply and the schedule of distribution shall be determined by the Company. The Employee shall use the clothing with reasonable care and only for the purpose for which it was furnished and during the regular hours of work. All working uniforms issued shall remain the property of the Company and shall be returned to the Company upon request. In default of such return, the sum of \$5.00 shall be deducted from the Employee's last pay.

(D) Employees who are required by the Company to wear safety shoes in the performance of their jobs shall be furnished two (2) pairs of such shoes each year by the Company. If desired, provide for one (1) pair of approved safety boots and one (1) pair of safety shoes. One pair of safety boots is in lieu of one pair safety shoes. Upon the medical recommendation of a health care provider approved by the Company, Employees may substitute orthopedic safety shoes for one (1) or both pairs of safety shoes provided by the Company. Orthopedic safety shoes will be in lieu of and not in addition to the two pairs of safety shoes provided by the Company. Any additional shoes required by such Employees may be purchased from the Company at fifty percent (50%) of the cost of such shoes to the Company. However, Employees will not be permitted to purchase additional orthopedic safety shoes. In all cases, Employees will be required to turn in worn safety shoes in order to be eligible for a replacement pair.

(E) A safety committee mutually agreeable in number to the Company and Union shall meet with the safety supervisor at times designated by the Company for the purpose of making recommendations concerning plant safety practices. Every effort will be made to hold these meetings at approximately six (6) week intervals.

(F) Employees who require prescription eye glasses will be provided with safety eye glasses in the Employee's own prescription at no cost. Eye examinations to determine the proper prescription will, however, continue to be at the Employee's expense.

(G) The Company will continue its policy of furnishing medical services to Employees in cases of work-connected accidental injuries. Physical examinations and monitoring will only be provided to employees by the Company to the extent required by Company policy or regulatory monitoring. Fees for routine non-occupational personal services, such as lab tests, will be billed to the Employee's health insurance.

(H) Employees required to wear a hearing aid to safely perform their job shall be furnished a hearing aid after an audio metric evaluation and upon medical recommendation of a health care provider approved by the Company.

(I) Smoke/Tobacco Free Work Policy. On and after July 1, 2018, smoking and/or the use of any tobacco product (including cigarettes, cigars, chewing tobacco, snuff, e-cigarettes, vapor and/or similar products) will be prohibited on all Company owned, leased or operated property, including all buildings and grounds and including all Company vehicles whether or not such vehicle is being operated on Company property. There will be no designated smoking or tobacco use areas on Company property, except that the Company agrees to maintain the smoke shacks until June 30, 2019. Violations of the policy will be subject to progressive discipline up to and including termination.

ARTICLE XXVI BARGAINING AND GRIEVANCE COMMITTEE

(A) Union representatives, committee persons, and stewards will be granted reasonable time off from their regular work with basic pay plus shift premium, if applicable, to handle differences and grievances with permission of the immediate supervisor for Inside Union Business ("IUB"). It is understood that such permission will not be unreasonably withheld.

(B) Union representatives may request time off to conduct Union-related activities other than those activities as described in Section (A). Any such request must be made by the Union Representative to the site Human Resource Lead no less than five (5) business days in advance. The Company will make a reasonable effort to grant such a request, subject to needs of the business. Regularly scheduled work time missed by a Union Representative as a result of such a request will not be paid by the Company or otherwise recorded as time worked. A Union Representative may request that any such granted time off be considered and charged as vacation and/or personal time. Approved time off to engage in the activities described above will be coded as Outside Union business ("OUB").

(C) The Union agrees to provide the Company with a list of its Union Representatives and their official titles as well as a list of the Stewards and the Work Area they represent and to update this list whenever there is a change. The Company will recognize only those listed as Union Representatives.

ARTICLE XXVII DISCIPLINARY AND DISCHARGE PROCEDURE

(A) Any written disciplinary warning or notice of disciplinary action will be addressed to the Employee with a copy to the president of the Union.

(B) Final action will not be taken on any discharge for cause until the Union has been informed of the reasons for the discharge at a meeting which the Employee may attend. The Employee subject to such penalty may be suspended from work pending discharge, but such suspension shall not exceed five (5) days.

(C) Any grievance arising from a discharge may be taken up under the grievance procedure only if the grievance is filed in writing with the plant manager within five (5) working days (excluding Saturdays, Sundays and Holidays) after the discharge becomes effective.

ARTICLE XXVIII GRIEVANCE PROCEDURE

(A) An employee having a grievance as to wages, hours, or other conditions of employment shall first, within thirty (30) days of the alleged violation of the contract, make an effort to have the matter adjusted by the employee's immediate supervisor ("First Step"). Not more than one Union Representative together with the grievant may be present at First Step. If not adjusted to the satisfaction of the Employee within five (5) days, the Employee shall next make an effort to have the matter adjusted by the Work Area head ("Second Step"). The Employee shall arrange for the Second Step hearing within ten (10) business days after receipt of the First Step response, which may be attended by no more than three (3) Union Representatives. The Work Area head will provide an answer within ten (10) days after the Second Step hearing.

(B) If the grievance be not adjusted to the satisfaction of the Employee or if the Union be not satisfied, and in all cases where the Employee or Union claims that the Company is guilty of an unfair labor practice as defined by the Labor Management Relations Act, 1947, the grievance shall be set forth in writing (or electronically if such system has been established) by the Employee or the Union, in duplicate (or electronically), within one week. Such writing shall set forth a brief statement of the facts and of the grievance and identify the provision of the Agreement at issue. Until an electronic system is established, one of such forms shall be retained by the Employee or the Union and one filed with Human Resources. The plant manager, or his/her designee, shall arrange to give a hearing with the Employee and no more than five (5) Union Representatives to review the matter. Prior to the hearing, the Union may request that additional Employees be allowed to attend the hearing as witnesses in a writing setting forth a summary of the evidence to be provided through any such witness. Such requests will not be unreasonably denied. The Company will give a written answer not later than thirty (30) calendar days following the meeting or will notify the Union that the matter will not be answered within thirty (30) calendar days. The Union will notify the Company of its decision to withdraw the grievance or to proceed to arbitration within seven (7) days after its monthly Union meeting following receipt of the Company's third step answer or the Company's failure to answer within the allotted time. Throughout the grievance procedure and in every case, notice to the Union shall be deemed notice to the Employee alleging a grievance.

(C) Grievances of a character or kind not hereinbefore provided for shall be considered and acted upon at conferences held for the purpose between the Plant Manager and the Union. Such conferences may be called at any time by the Plant Manager, and shall be called by the Plant Manager upon the request of the Union, within one week of the request. Absent prior approval, no more than five (5) Union Representatives may attend such meetings. The Plant Manager may, at his/her discretion, bring into the conferences other plant executives.

(D) Whenever in this Article, the Union is to confer or act, it may do so by an accredited agent or agents, and wherever the Plant Manager of the Company is to confer or act, the Plant Manager may do so by a person designated by the Plant Manager.

(E) Arbitration: If the grievance appealed to the Plant Manager is that the Company is guilty of an unfair labor practice as defined in the Labor Management Relations Act, 1947, or if such grievance raises a controversy over the meeting of application of this Agreement, or any provisions thereof, and if the Plant Manager and the Union be unable to adjust the matter to their mutual satisfaction on the appeal to the Plant Manager hereinbefore provided, the matter shall be referred to an impartial arbitrator. If the parties hereto cannot agree upon the appointee as impartial arbitrator within five (5) days after a matter has come up for arbitration, the arbitrator shall be appointed, upon application of either party, by the Federal Mediation and Conciliation Service. The arbitrator shall have no power to add to or subtract from or modify any of the terms of this Agreement. The decision of the arbitrator shall be made within a reasonable time after a matter is presented to the arbitrator and shall be final and binding upon the Company and the employees. The expense of the arbitration shall be borne equally by the Company and the Union.

(F) Electronic Grievance Tracking Procedure: The Company may implement a new electronic grievance tracking procedure process at any time, on or after January 1, 2019 by providing thirty days notice to the Union of such intent. Upon such implementation, that electronic system shall be the system of record and all actions required by the grievance process will be performed using that system.

ARTICLE XXIX PERSONAL TIME

Employees will be allowed forty (40) hours of personal time beginning January 1, 2019 (as of the effective date of the 2018 Agreement, personal time for 2018 had already been allotted and will continued to be honored). Personal time may be taken in one (1) hour allotments or any combination thereof. Employees are expected to give at least two (2) hours advance notice (prior to the start of the Employee's shift) to the Employee's supervisor and the supervisor has the discretion to grant or refuse such permission after considering the effect on work requirements. At the end of the calendar year, employees will be compensated for the entire remaining balance of hours not taken. Such time is not accumulative from year to year. Newly hired Employees' personal time will be pro-rated as indicated in the New Hire Personal Time chart below:

Month Hired	Total Hours
January	40
February	36
March	32
April	28
May	24
June	20
July	16
August	12
September	8
October	4
November	0
December	0

ARTICLE XXX SKILLS DEVELOPMENT, ASSESSMENT AND TRAINING

(A) **Definitions.** As used in this Agreement, the following terms have the meanings as set forth below:

1. **“Disqualified”** means the state of an employee after the Company has determined that the employee cannot become Qualified, has failed to become Proficient, has failed to maintain the Employee’s status as Proficient or has otherwise demonstrated an inability to meet the regulatory requirements and expectations of the position. The term **“Disqualify”** means the act of rendering an employee Disqualified.
2. **“Proficient”** means (a) Operator Division employees who complete the required Training Plan in the time periods established; (b) all Mechanical Division employees; and (c) Utility Division employees who maintain required certifications and progress to the next appropriate level within the prescribed timeframe. All employees will lose their status as Proficient after one year of inactivity in a Work Group. Proficient refers to an employee’s status and does not refer to and may not be used as evidence of an employee’s competence. **“Proficiency”** means performing in a manner that is Proficient.
3. **“Qualified”** means the state of an employee who has met the minimum Job Classification requirements as determined by the Company.
4. A **“Training Plan”** means that complete portfolio of training as established by the Company for a Job Classification in a Work Group that must be completed successfully by an employee in such Job Classification and Work Group. An employee begins to work through a Training Plan after the Employee is Qualified.

(B) **Skills Development and Assessment.** Wherever this Section provides for an increase in an Employee’s wage progression it is understood that such increase is capped at the Classification’s Top Rate as defined in the Wage Tables. In other words, employees who are no longer in wage progression will be required to comply with the provisions below

concerning Qualification and Proficiency but will not be eligible to receive additional wages in connection with Qualification and Proficiency requirements. An Employee is entitled to only one progression increase for becoming Qualified and only one progression increase for becoming Proficient throughout the Employee's career. An employee who has not completed the Employee's probationary period by July 1, 2018 or is hired after July 1, 2018 shall be considered a new hire. In all instances, once an Employee is trained on a task, the Employee may be assigned to perform that task independently regardless of whether the Employee has reached Proficient status; however, when a task is part of group of tasks that are not reasonably severable, the employee should be assigned to perform such work independently only after the Employee is trained to perform the entire group of tasks.

1. Operator Division. The following sets forth the Qualified and Proficient framework for the Operator Division.

a. Qualified.

- i. 2018 Transition Rule. As of the effective date of the Agreement that is the successor to the Agreement expiring on April 30, 2018 (the "2018 Agreement"), an Employee who had been in his/her Classification for more than one year or who had been designated as provisionally qualified or qualified under the standards set forth in the parties 2009 Memorandum of Agreement (the "2009 Standards") will be considered Qualified and will be awarded one step in the wage progression table within thirty calendar days of the effective date of the 2018 Agreement.
- ii. An Employee in the Operating Division on July 1, 2018 (and not covered by (i) above) or who moves into the Operator Division after July 1, 2018, will be provided with a qualification plan with specific orientation and qualification activities to be complete in order to demonstrate ability to perform core tasks and skills required of an Operator Division employee in his/her Classification and evaluation target dates for the employee to demonstrate competence.
 - (a) An Employee will be provided a four-month period to demonstrate that the Employee is Qualified and, upon doing so, will be awarded one step in the wage progression schedule (if applicable) and will begin specific training for the Employee's Work Group with a Training Plan.
 - (b) An Employee who fails to meet the standard of Qualified within the four month period will be (i) terminated if a new hire; (ii) Disqualified if an non-probationary Employee who bid, bumped or otherwise moved into the Operator Division after July 1, 2018; or (iii) provided with a period of additional training and remedial assistance and will be given an additional three month period to meet the standard of Qualified if in the Operator Division on July 1, 2018, after which such Employee will be awarded one step in the wage progression schedule and begin specific training for the Employee's Work Group with a

Training Plan if the Employee meets the standard of Qualified, or will be Disqualified if the Employee does not.

b. Proficient.

- i. 2018 Transition Rule. As of the effective date of the 2018 Agreement, an Employee who had been designated as provisionally qualified or qualified under the 2009 Standards will be considered Proficient and will be awarded three steps in the wage progression table within thirty calendar days of the effective date of the 2018 Agreement.
- ii. An Employee who meets the standard of Qualified after July 1, 2018 will be afforded the opportunity to demonstrate that the Employee is competent to perform the tasks of the Work Group through both observable and measurable assessment.
 - (a) An Employee who demonstrates competence to perform the tasks of a Work Group within an eight-month period will be declared Proficient and, if applicable, will be awarded three additional steps on the wage progression schedule (if applicable).
 - (b) An employee who fails to demonstrate Proficiency within an eight-month period will be (i) terminated if a new hire; (ii) provided an additional four months to demonstrate Proficiency (or return to the Employee's prior job if such a position is available) if a non-probationary Employee, after which the Employee will be declared Proficient if the Employee meets the standards (and provided three steps on the wage progression if applicable), or Disqualified if the Employee does not.

2. Mechanical Division. The following sets forth the Qualified and Proficient framework for the Mechanical Division.

- a. Qualified. Classifications in the Mechanical Division require an employee to be Qualified by virtue of some specific, generally recognized measures of fundamental competence in the job responsibilities (e.g., a journeyman card, entry test) in order to be hired and, therefore, will be deemed Qualified and will begin specific Job Classification training with a Training Plan. If in the future a new Job Classification that does not require the attainment of some specific, generally recognized measures of fundamental competence in the job responsibilities were to be added to the Mechanical Division, or if those type of requirements were to be removed from a current Job Classification, then the parties intend that a system similar to the one outlined for the Operator Division would apply to such position.
- b. Proficient. Mechanical Division employees are considered Proficient by virtue of the specific, generally recognized measures of fundamental competence (e.g., a journeyman card, entry test) required as a prerequisite of hire. Nevertheless, the Company will provide Mechanical Division

employees with an opportunity to take a third-party certification test designed to test the skills and abilities of an employee with the job duties of that Classification ("Mechanical Test"). A Mechanical Division employee may request to take the Mechanical Test at any time, up to a maximum of two attempts per calendar year, until the Employee passes the test. If the employee passes the Mechanical Test, the Employee will be awarded three additional steps on the wage progression; employees failing to pass the test will suffer no employment consequences.

3. Utility Division. The following sets forth the Qualified and Proficient framework for the Utility Division.

a. Qualified.

- i. 2018 Transition Rule. As of the effective date of the 2018 Agreement, an Employee in the Employee's Classification for more than one year will be considered Qualified and will be awarded one step in the wage progression table within thirty calendar days of the effective date of the 2018 Agreement.
- ii. An Employee in the Utility Division on July 1, 2018 (and not covered by (i) above) or who moves into the Utility Division after July 1, 2018, will be provided with a qualification plan with specific orientation and qualification activities to be complete in order to demonstrate ability to perform core tasks and skills required of a Utility Division employee in their Classification and evaluation target dates for the employee to demonstrate competence.
 - (a) An Employee will be provided a four-month period to demonstrate that the Employee is Qualified and, upon doing so, will be awarded one step in the wage progression schedule (if applicable) and will begin specific training for the Employee's Work Group with a Training Plan.
 - (b) An Employee who fails to meet the standard of Qualified within the four month period will be (i) terminated if a new hire; (ii) Disqualified if an non-probationary Employee who bid, bump or otherwise moved into the Utility Division after July 1, 2018; or (iii) provided with a period of additional training and remedial assistance and will be given an additional three month period to meet the standard of Qualified if in the Utility Division on July 1, 2018, after which such Employee will be awarded one step in the wage progression schedule and begin specific training for the Employee's Work Group with a Training Plan if the Employee meets the standard of Qualified, or will be Disqualified if the Employee does not.

b. Proficient.

- i. Utility Division Employees are considered Proficient as long as they obtain the proper certification for their classification and ensure that they maintain and keep current that certification within the prescribed timeframe. Utility Division employees will be required to participate in any and all site training and meet all applicable training requirements as determined by the Company. A Utility Division employee is responsible to perform whatever tasks and take whatever steps are necessary to keep all required certifications current and must provide evidence of the required certifications to the Company. An employee who fails to maintain valid and current proper certification for the Employee's classification within the prescribed timeframe or progress to the next appropriate level given time in job will be deemed to have lost his/her Proficient status and will be Disqualified. An employee who is so Disqualified may seek to mitigate that Disqualification on the grounds that the loss of the Employee's certification or failure to progress to the next appropriate level was due to an administrative oversight or other procedural error. In such circumstances, the Plant Manager has discretion to grant a delayed Disqualification of up to three months to allow the employee an opportunity to become current with the Employee's certification. In such a case, the employee may be placed on an unpaid leave of absence or, if work is available within what the Employee is able to do (as interpreted by the company in good faith), then the Employee may be allowed to perform such work.
 - ii. If, in the future, new Job Classifications that do not have certification requirements were to be added to the Utility Division, or if certification requirements were to be removed from a current Job Classification, then the parties intend that the Company would create an internal testing system to establish Proficiency.
4. Incumbent Employees. The Company will periodically review and assess the performance of incumbent Employees, even after the Employee is declared Proficient. Such evaluations may include ongoing checklists of required skills and tasks performed in the normal course of a job, practical skill and task demonstration and assessment, and written assessments. The Company will engage the Union in discussions before finalizing any check lists of required skills and tasks, practical skills and task demonstrations and written assessments used to assess employees who have established Proficiency. The Company will consider the Union's input prior to implementing the initial assessment process. The results of such assessments will be used to gauge Employees' mastery of new skills, and to help employees improve their performance when required. An incumbent employee who fails to satisfactorily pass such an assessment will be subject to Disqualification after being given a reasonable period of time to retake and satisfactorily complete the assessment.

5. General

- a. All job skills training programs will be designed to ensure employees are fully competent in all aspects of their job. Performance standards will be established by the Company; however, employee input will be solicited. Employees may be asked to demonstrate their competence through testing and performance of on-the-job tasks or other such methods as may be determined by the Company from time-to-time. Employees will be evaluated in a manner that is observable and measurable. When it becomes apparent that an employee is having difficulty, the employee's supervisor will meet with the employee, the area Steward or the Steward's designee, the Union President or the Union President's designee, the area operations lead and the training lead or the training lead's designee to discuss the individual's training plan and potential remedial action, if any, that should be taken ("Mitigation Meeting"). The intent is to assist the employee in meeting the Employee's requirements within the required timeframe. No employee will be Disqualified until at least thirty days after the meeting has been held, unless the employee fails to attend the meeting.
- b. The Company is responsible for providing adequate opportunity for an employee to become Qualified and/or Proficient in the time periods as established in this Section A. The Union is responsible for raising any concern over the adequacy of an employee's opportunity either at or before the Mitigation Meeting. In response to any such concern, the Company may offer to extend the relevant time period and/or may, agree to award a partial step progression. The Union may accept any such offer or may pursue the matter in accordance with the grievance and arbitration process. The Parties agree that if the Union accepts any such offer it shall resolve the matter fully and shall be considered as non-precedential.
- c. The Company agrees that it will monitor the time periods that employees take to become Qualified and Proficient in the various Divisions, Classifications and Work Groups and the Company and Union agree to meet in good faith to discuss adjusting time periods based to actual experience.

(C) Training

1. The Company is involved in a dynamic and highly regulated industry which is subjected to the scrutiny of various outside governmental agencies. The nature of the business requires that the employees performing the various jobs at the Company have and maintain the abilities and competencies to perform those jobs in light of ongoing changes in the industry as well as all regulatory requirements and expectations. The Company and Union agree that adequate and continuing training is essential to satisfy internal and external job requirements and expectations and are each committed to ensuring that such training is provided and maintained.

2. Company Responsibilities.

- a. The Company has the responsibility to design and implement Training Plans for positions in the bargaining unit and to determine the funding for training. The term Training Plans as used in this Article includes all aspects of training, including, without limitation, the identification of key employee job competencies and the requisite business and compliance-related training requirements, the establishment of training modules and/or curriculum, the establishment of the standards for meeting training requirements, frequency of re-training and the appropriate time limits on demonstrating competency in training, the identification of employees subject to specific training, the establishment of the timing of training and the size of training classes, and the establishment of criteria for selecting and utilizing employee trainers to deliver training. The Company is not obligated to train all Employees on complex and/or infrequent tasks or to include such tasks in a Training Plan.
 - b. The Company will use reasonable efforts to establish and maintain Training Plans for each Work Group in the bargaining unit and to ensure that the employees in such Work Group are provided with the training required to perform their job tasks.
 - c. The establishment and content of the Training Plans is within the Company's discretion; however, because the Company recognizes that the Union is able to provide significant and important information and input with respect to the issue of training, the Company will reasonably consider the Union's views in the establishment and content of Training Plans. It is understood that Training Plans may include, without limitation, classroom training, on the job training, self-study training and/or outside, third-party training (e.g., course at local vocational schools for those in Mechanical Division) and that all aspects of such training may require employees to pass observable and/or measurable assessments. In the event Employees are required to attend training off site, they will be paid for the hours in attendance plus one hour to cover travel time to and from the training.
 - d. The Company has the responsibility to provide an appropriate level of continuous training designed to ensure that the employees maintain the ability to perform their job tasks. The Company will provide appropriate assistance and/or refresher training to an employee who expresses an inability to perform or a hesitation to perform a task because the Employee has not performed or received training on that task in the prior six months.
3. Union Responsibilities. The Union agrees to cooperate fully with the Company in the design and implementation of Training Plans, which cooperation will include its exercise of reasonable efforts to (a) provide feedback and input on Training Plans as requested; (b) encourage employees to engage and participate fully in

Training Plans; (c) participate fully in training initiatives; and (d) otherwise to support the goals and objectives of maintaining a well trained work force.

4. Training Off Shift. The Company may, upon two weeks advance notice to the Union, change an Employees' work hours for the purpose of providing process specific training to the Employee on a different shift. An Employee will remain entitled to the Employee's normal shift premium (in addition to the Employee's regular base pay) while training on an alternate shift. In altering Employee's work hours for the purpose of training, the following principles will apply:
 - a. If feasible, the Company will attempt to hold such training in increments of five or fewer days for Work Areas working seven days.
 - b. When feasible, the Factory start-up will be the Monday following such training. If such a start is not feasible, the Company will offer overtime for the weekend work to the Employees scheduled to work.
 - c. The Company will make reasonable efforts to honor break days for Work Areas that do not have shut downs and are being scheduled for multiple off-shift training sessions.
 - d. Employees with previously scheduled vacation during such off-shift training will be expected to revise their vacation selections whenever feasible; if such revision is not feasible (e.g., in the case of a scheduled and pre-paid vacation), arrangements will be made for make-up training.
5. Bargaining-Unit Trainers. The Company and the Union agree that employees working in a job classification have the potential to provide an excellent source of trainers of other employees. The Company and Union also agree, however, that not every employee who is skilled at performing a job is also skilled at training others to perform that job. The parties agree to the following provisions with respect to bargaining unit employees acting as trainers ("Bargaining-Unit Trainers").
 - a. Each Work Group will establish how many (if any) Bargaining-Unit Trainers are desirable, the Job Classifications that warrant Bargaining-Unit Trainers and where to use such Bargaining-Unit Trainers (e.g., across the Work Area, in select Work Groups, departments or other sub-divisions of the Work Area) by mutual agreement between the Company and the Union. If the Company and Union cannot agree, then the Plant Manager will decide based upon the Plant Manager's assessment of the business need.
 - b. The Union and Company will mutually select Bargaining-Unit Trainers from those who are interested in the role, who are Proficient in the Work Group and who have passed an entry test. A selected Bargaining-Unit Trainer will be

expected to complete a site-offered Train the Trainer course and pass a written assessment as a prerequisite to serving in such capacity.

- c. The primary job a Bargaining-Unit Trainer will be to conduct training and assessment activities. In such cases where no such activities are required, the Bargaining Unit Trainer may be used to perform the ordinary job duties of the work Group.
- d. Bargaining-Unit Trainers are expected to participate in scheduled Community of Practice meetings held by the learning team or other team for the purpose of discussing training at the site on topics including, without limitation, continuing education, collection of feedback on current training, and identification of continuous improvement.
- e. Bargaining-Unit trainers will perform every aspect of training and assessment activities, including, without limitation, (i) provide hands on training and demonstration to other employees; (ii) assess other employees in the execution of work; (iii) provide correction and feedback to other employees; (iv) evaluate employees for continuing certifications of PITs and regulated equipment; (v) advise and input on training materials, batch documentation, SOPs, standard work, and all other materials used for the execution of work and training of shop floor employees; and (vi) monitor standard work adherence and raise issues affecting adherence in the tier process.
- f. Bargaining-Unit Trainers may be asked to work alternative shifts for the purpose of training.
- g. The Company will make reasonable efforts to provide support to a Bargaining-Unit Trainer who it believes is not fulfilling the Employee's role as described and will work cooperatively with the Union to determine appropriate remedial measures. The Company may, at its discretion remove a Bargaining-Unit Trainer from the role. If the Union disagrees with a removal decision, it may appeal the matter to the Plant Manager who will have the authority to make a final decision. An employee who is removed as a Bargaining-Unit Trainer will remain in the Work Group.
- h. In no event will the work performed by a Bargaining-Unit Trainer be considered exclusive bargaining unit work.
- i. The Company may name a Bargaining-Unit trainer for a Work Group before such Work Group is turned over to the bargaining unit (i.e., a new area) by mutual agreement with the Union after identifying Employees who are candidates for the position and who are Proficient in their Work Group and have passed the entry test. In the event the Company and Union cannot agree, the Plant Manager will make the final selection.

ARTICLE XXXI COMPANY RECOGNITION AND AWARDS

Employees will be eligible to participate in the company's employee awards and recognition program and service anniversary awards program, currently known as Inspire (the "Program"), on the same terms and conditions as such Program (or its successor) applies to the Company's salaried employees and as such Program (or its successor) may be modified from time to time in the sole discretion of the Company. Any changes or modifications of the Program (or its successor), including without limitation the discontinuance of the Program (or its successor), will apply to employees represented by the Union to the same extent as applicable to salaried employees. The Company will make reasonable efforts to inform the Union in advance of Program design changes.

ARTICLE XXXII – PAYROLL SERVICES

A. Pay Cycle

The Company may elect to provide the following pay cycles: a) A weekly pay period cycle; or, b) A bi-weekly pay period cycle. The Company will provide the Union and employees with a minimum of a 90 day notice prior to a new pay period cycle being implemented.

B. Pay Check Distribution

All bargaining unit employees are required to authorize and sign up for Electronic Funds Transfer (EFT) as the method for paycheck distribution. At any time after June 1, 2018, the Company may cease mailing EFT statements (including the year-end last pay period statement) to Employees homes *provided* that the Company provides Employees (either directly or through its payroll vendor) with information on how to locate such statements electronically.

C. Pay Actions

All routine pay actions will be included in an employee's regularly scheduled paycheck. In the event there is a payroll error which results in a shortage in pay for regular hours worked for that pay period (i.e., up to 40 hours per week), the company will issue payment as soon as administratively feasible after the notification and validation of the payroll error.

ARTICLE XXXIII – SIDE LETTERS, AGREEMENTS AND PAST PRACTICES

A. Those side letters, written agreements and past practices set forth in Appendix E are binding unless and until superseded by subsequent agreement of the Parties.

B. No later than May 31, 2018 the Company and Union will form a joint team to review the approximately 285 side letters, written agreements, and/or past practices compiled by the parties during the term of the parties' 2014 Collective Bargaining Agreement (the "Side

Agreement Compilation”) in order to determine which (if any) of those documents the Parties agree represent binding agreements. In conducting the review, the parties will first consider whether each document in the Side Agreement Compilation is duplicative, expired, no longer relevant to the business (for example, refer to an operation that no longer exists), or superseded by subsequent agreement of the Parties and, if so, will declare any and all such documents void and without binding effect. Next, the team will consider the remaining Side Letter Compilation documents (if any) and determine whether each document should be considered binding on the Parties. Documents that the Parties agree are binding will be added to Appendix E by amendment of the Agreement; and documents that Parties agree are not binding will be declared void. Documents that the Parties cannot agree about will neither be added to Appendix E nor declared void; each Party will reserve all rights with respect to any such document (a “Disputed Document”). The Parties will make reasonable efforts to complete their review by September 1, 2018.

- C. The Company and the Union agree that, on and after May 1, 2018, other than the side letters, written agreements, and past practices identified in Appendix E or later agreed to by the Parties, no side letter, agreement (verbal or written, express or implied), or past practice is or shall be binding on the respective parties unless in writing and signed by the Plant Manager (or delegate) and the Union President (or delegate). For clarity, nothing in this Section C will prohibit a Party from pursuing a matter with reference to a Disputed Document.
- D. This Article does not apply to agreements that the parties have executed concerning situations involving individuals (e.g., Last Chance Agreements).

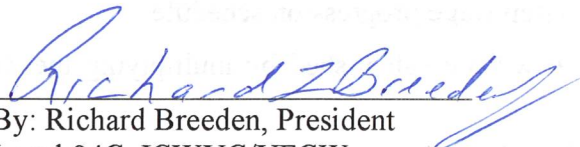
ARTICLE XXXIV TERM OF AGREEMENT

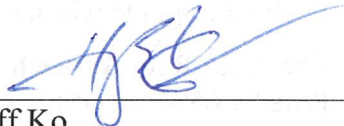
This Agreement shall become effective May 1, 2018 and shall continue in effect until 11:59 p.m., April 30, 2027. The Agreement shall continue in full force and effect for successive terms of one (1) year following April 30, 2027 unless either party shall notify the other party in writing sixty (60) days before April 30, 2027 or sixty (60) days before the expiration of any one (1) year term subsequent to April 30, 2027 that it wishes to terminate or modify this Agreement.

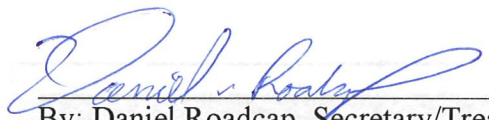
IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.


INTERNATIONAL CHEMICAL
WORKERS UNION COUNCIL of the
UNITED FOOD AND COMMERCIAL
WORKERS UNION, #94C

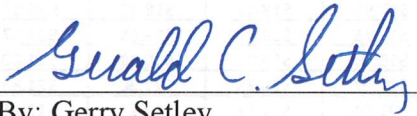
MERCK SHARP & DOHME CORP.
ELKTON PLANT

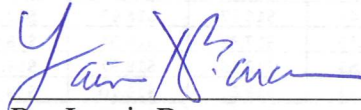

By: Richard Breeden, President
Local 94C, ICWUC/UFCW


By: Jeff Ko
Elkton Plant Manager
Merck Manufacturing Division


By: Daniel Roadcap, Secretary/Treasurer
Local 94C, ICWUC/UFCW


By: Daniel Talbot
Elkton Director Supply Chain
Merck Manufacturing Division


By: Gerry Setley,
International Representative
ICWUC/UFCW


By: Lauris Barcus
Director, Human Resources

Appendix A

Classification of Occupations and Rates of Pay

Implement the following (after the ratification of the new agreement) as soon as administratively feasible:

1. Each labor grade will have a twelve-step wage progression schedule.
2. The Start Rate for each labor grade will be established by multiplying the Top Rate by 65% (or .65).

The schedules are listed in tabular form underneath each of the classifications. Each table includes the applicable wage increase (if any) as negotiated between the parties.

1. Site Service Worker

	Site Service Worker									
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	\$15.03	\$15.72	\$15.95	\$16.19	\$16.52	\$16.85	\$17.19	\$17.62	\$18.06	\$18.51
1	\$15.71	\$16.42	\$16.67	\$16.92	\$17.26	\$17.60	\$17.96	\$18.41	\$18.87	\$19.34
2	\$16.39	\$17.13	\$17.38	\$17.64	\$18.00	\$18.36	\$18.73	\$19.20	\$19.68	\$20.17
3	\$17.05	\$17.83	\$18.10	\$18.37	\$18.74	\$19.12	\$19.50	\$19.99	\$20.49	\$21.00
4	\$17.73	\$18.54	\$18.81	\$19.10	\$19.48	\$19.87	\$20.27	\$20.78	\$21.30	\$21.83
5	\$18.40	\$19.24	\$19.53	\$19.82	\$20.22	\$20.63	\$21.04	\$21.57	\$22.11	\$22.66
6	\$19.08	\$19.95	\$20.25	\$20.55	\$20.96	\$21.38	\$21.81	\$22.36	\$22.92	\$23.49
7	\$19.75	\$20.65	\$20.96	\$21.28	\$21.70	\$22.14	\$22.58	\$23.15	\$23.73	\$24.32
8	\$20.43	\$21.36	\$21.68	\$22.00	\$22.45	\$22.90	\$23.36	\$23.94	\$24.54	\$25.15
9	\$20.05	\$22.06	\$22.39	\$22.73	\$23.19	\$23.65	\$24.13	\$24.73	\$25.35	\$25.98
10	\$21.78	\$22.77	\$23.11	\$23.46	\$23.93	\$24.41	\$24.90	\$25.52	\$26.16	\$26.81
11	\$22.46	\$23.47	\$23.82	\$24.18	\$24.67	\$25.16	\$25.67	\$26.31	\$26.97	\$27.64
12	\$23.12	\$24.18	\$24.54	\$24.91	\$25.41	\$25.92	\$26.44	\$27.10	\$27.78	\$28.47

2. Operating Division – Sterile Cleaning Operator; Material Handler; Solvent Recovery; Manufacturer Operator

	Manufacturing Operator/Sterile Cleaning Operator/Solvent Recovery Operator/Material Handling									
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	\$21.83	\$22.62	\$22.96	\$23.30	\$23.77	\$24.25	\$24.73	\$25.35	\$25.99	\$26.64
1	\$22.82	\$23.64	\$23.99	\$24.35	\$24.84	\$25.33	\$25.84	\$26.49	\$27.15	\$27.83
2	\$23.79	\$24.65	\$25.02	\$25.39	\$25.90	\$26.42	\$26.95	\$27.63	\$28.32	\$29.03
3	\$24.77	\$25.67	\$26.05	\$26.44	\$26.97	\$27.51	\$28.06	\$28.76	\$29.49	\$30.22
4	\$25.76	\$26.68	\$27.08	\$27.49	\$28.04	\$28.60	\$29.17	\$29.90	\$30.65	\$31.42
5	\$26.73	\$27.70	\$28.11	\$28.53	\$29.10	\$29.68	\$30.28	\$31.04	\$31.82	\$32.61
6	\$27.71	\$28.71	\$29.14	\$29.58	\$30.17	\$30.77	\$31.39	\$32.18	\$32.98	\$33.81
7	\$28.68	\$29.73	\$30.17	\$30.62	\$31.24	\$31.86	\$32.50	\$33.31	\$34.15	\$35.00
8	\$29.67	\$30.74	\$31.20	\$31.67	\$32.30	\$32.95	\$33.61	\$34.45	\$35.32	\$36.20
9	\$30.65	\$31.76	\$32.23	\$32.71	\$33.37	\$34.04	\$34.72	\$35.59	\$36.48	\$37.39
10	\$31.62	\$32.77	\$33.26	\$33.76	\$34.44	\$35.12	\$35.83	\$36.73	\$37.65	\$38.59
11	\$32.61	\$33.79	\$34.29	\$34.80	\$35.50	\$36.21	\$36.94	\$37.86	\$38.81	\$39.78
12	\$33.59	\$34.80	\$35.32	\$35.85	\$36.57	\$37.30	\$38.05	\$39.00	\$39.98	\$40.98

3. Mechanical Division – Mechanic; Control Technician; HVAC Mechanic

	Mechanical Division - Mechanic; Control Technician; HVAC Mechanic									
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	\$25.58	\$26.42	\$26.82	\$27.22	\$27.77	\$28.32	\$28.89	\$29.61	\$30.35	\$31.11
1	\$26.72	\$27.61	\$28.02	\$28.44	\$29.01	\$29.59	\$30.18	\$30.94	\$31.71	\$32.50
2	\$27.88	\$28.79	\$29.23	\$29.67	\$30.26	\$30.86	\$31.48	\$32.26	\$33.07	\$33.90
3	\$29.02	\$29.98	\$30.43	\$30.89	\$31.51	\$32.13	\$32.77	\$33.59	\$34.43	\$35.30
4	\$30.17	\$31.17	\$31.63	\$32.11	\$32.75	\$33.40	\$34.07	\$34.92	\$35.80	\$36.69
5	\$31.32	\$32.35	\$32.84	\$33.33	\$34.00	\$34.67	\$35.37	\$36.25	\$37.16	\$38.09
6	\$32.46	\$33.54	\$34.04	\$34.55	\$35.24	\$35.95	\$36.66	\$37.58	\$38.52	\$39.48
7	\$33.61	\$34.72	\$35.24	\$35.77	\$36.49	\$37.22	\$37.96	\$38.91	\$39.88	\$40.88
8	\$34.75	\$35.91	\$36.45	\$36.99	\$37.74	\$38.49	\$39.26	\$40.24	\$41.24	\$42.28
9	\$35.91	\$37.09	\$37.65	\$38.22	\$38.98	\$39.76	\$40.55	\$41.56	\$42.60	\$43.67
10	\$37.06	\$38.28	\$38.85	\$39.44	\$40.23	\$41.03	\$41.85	\$42.89	\$43.97	\$45.07
11	\$38.20	\$39.46	\$40.06	\$40.66	\$41.47	\$42.30	\$43.14	\$44.22	\$45.33	\$46.46
12	\$39.35	\$40.65	\$41.26	\$41.88	\$42.72	\$43.57	\$44.44	\$45.55	\$46.69	\$47.86

4. Utility Division – Facilities Operator

Utility Division - Facilities Operator										
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	\$22.98	\$23.78	\$24.13	\$24.50	\$24.99	\$25.49	\$25.99	\$26.64	\$27.31	\$27.99
1	\$24.00	\$24.84	\$25.22	\$25.60	\$26.11	\$26.63	\$27.16	\$27.84	\$28.53	\$29.24
2	\$25.03	\$25.91	\$26.30	\$26.70	\$27.23	\$27.77	\$28.33	\$29.03	\$29.76	\$30.50
3	\$26.06	\$26.98	\$27.38	\$27.80	\$28.35	\$28.92	\$29.49	\$30.23	\$30.98	\$31.76
4	\$27.09	\$28.04	\$28.47	\$28.90	\$29.47	\$30.06	\$30.66	\$31.43	\$32.21	\$33.01
5	\$28.12	\$29.11	\$29.55	\$29.99	\$30.59	\$31.20	\$31.83	\$32.62	\$33.43	\$34.27
6	\$29.15	\$30.18	\$30.63	\$31.09	\$31.71	\$32.35	\$32.99	\$33.82	\$34.66	\$35.52
7	\$30.18	\$31.25	\$31.72	\$32.19	\$32.83	\$33.49	\$34.16	\$35.01	\$35.88	\$36.78
8	\$31.22	\$32.31	\$32.80	\$33.29	\$33.96	\$34.64	\$35.32	\$36.21	\$37.11	\$38.04
9	\$32.55	\$33.38	\$33.88	\$34.39	\$35.08	\$35.78	\$36.49	\$37.40	\$38.33	\$39.29
10	\$33.28	\$34.45	\$34.96	\$35.49	\$36.20	\$36.92	\$37.66	\$38.60	\$39.56	\$40.55
11	\$34.31	\$35.51	\$36.05	\$36.59	\$37.32	\$38.07	\$38.82	\$39.79	\$40.78	\$41.80
12	\$35.34	\$36.58	\$37.13	\$37.69	\$38.44	\$39.21	\$39.99	\$40.99	\$42.01	\$43.06

5. Utility Division – Facilities Operator Class III

Utility Division - Facilities Operator Class III										
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	NA	\$24.11	\$24.47	\$24.84	\$25.33	\$25.84	\$26.36	\$27.01	\$27.69	\$28.39
1	NA	\$25.19	\$25.57	\$25.95	\$26.47	\$27.00	\$27.54	\$28.23	\$28.93	\$29.66
2	NA	\$26.27	\$26.67	\$27.07	\$27.60	\$28.16	\$28.72	\$29.44	\$30.18	\$30.93
3	NA	\$27.35	\$27.77	\$28.18	\$28.74	\$29.32	\$29.91	\$30.65	\$31.42	\$32.21
4	NA	\$28.44	\$28.87	\$29.29	\$29.88	\$30.48	\$31.09	\$31.86	\$32.66	\$33.48
5	NA	\$29.52	\$29.96	\$30.41	\$31.01	\$31.63	\$32.27	\$33.07	\$33.90	\$34.75
6	NA	\$30.60	\$31.06	\$31.52	\$32.15	\$32.79	\$33.45	\$34.29	\$35.15	\$36.03
7	NA	\$31.68	\$32.16	\$32.64	\$33.29	\$33.95	\$34.64	\$35.50	\$36.39	\$37.30
8	NA	\$32.76	\$33.26	\$33.75	\$34.42	\$35.11	\$35.82	\$36.71	\$37.63	\$38.58
9	NA	\$33.84	\$34.36	\$34.87	\$35.56	\$36.27	\$37.00	\$37.92	\$38.87	\$39.85
10	NA	\$34.93	\$35.45	\$35.98	\$36.70	\$37.43	\$38.18	\$39.14	\$40.12	\$41.12
11	NA	\$36.01	\$36.55	\$37.10	\$37.83	\$38.59	\$39.37	\$40.35	\$41.36	\$42.40
12	NA	\$37.09	\$37.65	\$38.21	\$38.97	\$39.75	\$40.55	\$41.56	\$42.60	\$43.67

6. Utility Division – Facilities Operator Class II

Utility Division - Facilities Operator Class II										
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	NA	\$24.44	\$24.80	\$25.17	\$25.68	\$26.19	\$26.72	\$27.38	\$28.07	\$28.77
1	NA	\$25.54	\$25.92	\$26.30	\$26.83	\$27.36	\$27.91	\$28.61	\$29.33	\$30.06
2	NA	\$26.63	\$27.03	\$27.43	\$27.98	\$28.54	\$29.11	\$29.84	\$30.59	\$31.35
3	NA	\$27.73	\$28.14	\$28.56	\$29.13	\$29.71	\$30.31	\$31.07	\$31.85	\$32.64
4	NA	\$28.83	\$29.26	\$29.69	\$30.28	\$30.89	\$31.51	\$32.30	\$33.10	\$33.93
5	NA	\$29.92	\$30.37	\$30.82	\$31.44	\$32.06	\$32.71	\$33.53	\$34.36	\$35.22
6	NA	\$31.02	\$31.48	\$31.95	\$32.59	\$33.24	\$33.91	\$34.76	\$35.62	\$36.51
7	NA	\$32.12	\$32.60	\$33.08	\$33.74	\$34.41	\$35.11	\$35.99	\$36.88	\$37.81
8	NA	\$33.21	\$33.71	\$34.21	\$34.89	\$35.59	\$36.31	\$37.21	\$38.14	\$39.10
9	NA	\$34.31	\$34.82	\$35.34	\$36.04	\$36.76	\$37.50	\$38.44	\$39.40	\$40.39
10	NA	\$35.41	\$35.93	\$36.47	\$37.20	\$37.94	\$38.70	\$39.67	\$40.66	\$41.68
11	NA	\$36.50	\$37.05	\$37.60	\$38.35	\$39.11	\$39.90	\$40.90	\$41.92	\$42.97
12	NA	\$37.60	\$38.16	\$38.73	\$39.50	\$40.29	\$41.10	\$42.13	\$43.18	\$44.26

7. Utility Division – Facilities Operator Class I

Utility Division - Facilities Operator Class I										
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	NA	\$24.77	\$25.14	\$25.51	\$26.03	\$26.55	\$27.08	\$27.76	\$28.45	\$29.16
1	NA	\$25.88	\$26.26	\$26.66	\$27.19	\$27.74	\$28.29	\$29.00	\$29.73	\$30.47
2	NA	\$26.99	\$27.39	\$27.80	\$28.36	\$28.93	\$29.51	\$30.25	\$31.00	\$31.78
3	NA	\$28.10	\$28.52	\$28.95	\$29.53	\$30.12	\$30.72	\$31.49	\$32.28	\$33.08
4	NA	\$29.21	\$29.65	\$30.09	\$30.70	\$31.31	\$31.94	\$32.74	\$33.56	\$34.39
5	NA	\$30.32	\$30.77	\$31.24	\$31.87	\$32.50	\$33.15	\$33.98	\$34.83	\$35.70
6	NA	\$31.43	\$31.90	\$32.38	\$33.03	\$33.69	\$34.37	\$35.23	\$36.11	\$37.01
7	NA	\$32.54	\$33.03	\$33.53	\$34.20	\$34.88	\$35.58	\$36.47	\$37.39	\$38.32
8	NA	\$33.66	\$34.16	\$34.67	\$35.37	\$36.08	\$36.80	\$37.72	\$38.66	\$39.63
9	NA	\$34.77	\$35.29	\$35.82	\$36.54	\$37.27	\$38.01	\$38.96	\$39.94	\$40.93
10	NA	\$35.88	\$36.41	\$36.96	\$37.70	\$38.46	\$39.23	\$40.21	\$41.22	\$42.24
11	NA	\$36.99	\$37.54	\$38.11	\$38.87	\$39.65	\$40.44	\$41.45	\$42.49	\$43.55
12	NA	\$38.10	\$38.67	\$39.25	\$40.04	\$40.84	\$41.66	\$42.70	\$43.77	\$44.86

8. Utility Division – Waste Water Works

Utility Division - Waste Water Works										
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	\$21.83	\$22.95	\$23.30	\$23.65	\$24.12	\$24.60	\$25.10	\$25.73	\$26.37	\$27.03
1	\$22.82	\$23.98	\$24.34	\$24.71	\$25.20	\$25.71	\$26.22	\$26.88	\$27.55	\$28.24
2	\$23.79	\$25.01	\$25.39	\$25.77	\$26.29	\$26.81	\$27.35	\$28.04	\$28.74	\$29.45
3	\$24.77	\$26.04	\$26.43	\$26.83	\$27.37	\$27.91	\$28.47	\$29.19	\$29.92	\$30.67
4	\$25.76	\$27.07	\$27.48	\$27.89	\$28.45	\$29.02	\$29.60	\$30.34	\$31.10	\$31.88
5	\$26.73	\$28.10	\$28.52	\$28.95	\$29.53	\$30.12	\$30.73	\$31.50	\$32.29	\$33.09
6	\$27.71	\$29.13	\$29.57	\$30.01	\$30.62	\$31.23	\$31.85	\$32.65	\$33.47	\$34.30
7	\$28.68	\$30.16	\$30.61	\$31.07	\$31.70	\$32.33	\$32.98	\$33.81	\$34.65	\$35.52
8	\$29.67	\$31.19	\$31.66	\$32.14	\$32.78	\$33.43	\$34.11	\$34.96	\$35.84	\$36.73
9	\$30.65	\$32.22	\$32.70	\$33.20	\$33.86	\$34.54	\$35.23	\$36.12	\$37.02	\$37.94
10	\$31.62	\$33.25	\$33.75	\$34.26	\$34.95	\$35.64	\$36.36	\$37.27	\$38.20	\$39.15
11	\$32.61	\$34.28	\$34.79	\$35.32	\$36.03	\$36.75	\$37.48	\$38.43	\$39.39	\$40.37
12	\$33.59	\$35.31	\$35.84	\$36.38	\$37.11	\$37.85	\$38.61	\$39.58	\$40.57	\$41.58

9. Utility Division – Waste Water Works Class IV

Utility Division - Waste Water Works Class IV										
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	\$22.23	\$23.35	\$23.71	\$24.06	\$24.54	\$25.04	\$25.54	\$26.18	\$26.83	\$27.50
1	\$23.23	\$24.40	\$24.77	\$25.14	\$25.65	\$26.16	\$26.68	\$27.35	\$28.04	\$28.74
2	\$24.23	\$25.45	\$25.83	\$26.22	\$26.75	\$27.29	\$27.83	\$28.52	\$29.24	\$29.97
3	\$25.22	\$26.50	\$26.90	\$27.30	\$27.85	\$28.41	\$28.98	\$29.70	\$30.44	\$31.20
4	\$26.22	\$27.55	\$27.96	\$28.38	\$28.95	\$29.53	\$30.12	\$30.87	\$31.65	\$32.44
5	\$27.22	\$28.59	\$29.02	\$29.46	\$30.05	\$30.66	\$31.27	\$32.05	\$32.85	\$33.67
6	\$28.22	\$29.64	\$30.09	\$30.54	\$31.15	\$31.78	\$32.41	\$33.22	\$34.06	\$34.91
7	\$29.22	\$30.69	\$31.15	\$31.62	\$32.25	\$32.90	\$33.56	\$34.40	\$35.26	\$36.14
8	\$30.31	\$31.74	\$32.22	\$32.70	\$33.35	\$34.03	\$34.71	\$35.57	\$36.46	\$37.37
9	\$31.21	\$32.79	\$33.28	\$33.78	\$34.46	\$35.15	\$35.85	\$36.75	\$37.67	\$38.61
10	\$32.21	\$33.83	\$34.34	\$34.86	\$35.56	\$36.27	\$37.00	\$37.92	\$38.87	\$39.84
11	\$33.21	\$34.88	\$35.41	\$35.94	\$36.66	\$37.40	\$38.14	\$39.10	\$40.08	\$41.08
12	\$34.20	\$35.93	\$36.47	\$37.02	\$37.76	\$38.52	\$39.29	\$40.27	\$41.28	\$42.31

10. Utility Division – Waste Water Works Class III

Utility Division - Waste Water Works Class III										
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	\$22.66	\$23.78	\$24.14	\$24.51	\$24.99	\$25.49	\$26.00	\$26.65	\$27.32	\$28.00
1	\$23.66	\$24.85	\$25.22	\$25.60	\$26.11	\$26.64	\$27.17	\$27.85	\$28.55	\$29.26
2	\$24.68	\$25.92	\$26.31	\$26.70	\$27.24	\$27.78	\$28.33	\$29.04	\$29.77	\$30.52
3	\$25.70	\$26.99	\$27.39	\$27.80	\$28.36	\$28.92	\$29.50	\$30.24	\$31.00	\$31.77
4	\$26.72	\$28.05	\$28.47	\$28.90	\$29.48	\$30.07	\$30.67	\$31.43	\$32.22	\$33.03
5	\$27.74	\$29.12	\$29.56	\$30.00	\$30.60	\$31.21	\$31.83	\$32.63	\$33.45	\$34.28
6	\$28.75	\$30.19	\$30.64	\$31.10	\$31.72	\$32.36	\$33.00	\$33.83	\$34.67	\$35.54
7	\$29.77	\$31.25	\$31.72	\$32.20	\$32.84	\$33.50	\$34.17	\$35.02	\$35.90	\$36.80
8	\$30.79	\$32.32	\$32.81	\$33.30	\$33.96	\$34.64	\$35.33	\$36.22	\$37.13	\$38.05
9	\$31.80	\$33.39	\$33.89	\$34.40	\$35.09	\$35.79	\$36.50	\$37.41	\$38.35	\$39.31
10	\$32.81	\$34.46	\$34.97	\$35.50	\$36.21	\$36.93	\$37.67	\$38.61	\$39.58	\$40.57
11	\$33.83	\$35.52	\$36.06	\$36.60	\$37.33	\$38.08	\$38.83	\$39.80	\$40.80	\$41.82
12	\$34.85	\$36.59	\$37.14	\$37.70	\$38.45	\$39.22	\$40.00	\$41.00	\$42.03	\$43.08

11. Utility Division – Waste Water Works Class II

Utility Division - Waste Water Works Class II										
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	\$23.06	\$24.20	\$24.56	\$24.93	\$25.43	\$25.94	\$26.46	\$27.12	\$27.80	\$28.50
1	\$24.09	\$25.29	\$25.67	\$26.05	\$26.58	\$27.11	\$27.65	\$28.34	\$29.05	\$29.77
2	\$25.13	\$26.37	\$26.77	\$27.17	\$27.72	\$28.27	\$28.84	\$29.56	\$30.30	\$31.05
3	\$26.16	\$27.46	\$27.87	\$28.29	\$28.86	\$29.43	\$30.02	\$30.78	\$31.54	\$32.33
4	\$27.20	\$28.54	\$28.97	\$29.41	\$30.00	\$30.60	\$31.21	\$31.99	\$32.79	\$33.61
5	\$28.23	\$29.63	\$30.07	\$30.53	\$31.14	\$31.76	\$32.40	\$33.21	\$34.04	\$34.89
6	\$29.27	\$30.71	\$31.18	\$31.65	\$32.28	\$32.93	\$33.59	\$34.43	\$35.29	\$36.17
7	\$30.30	\$31.80	\$32.28	\$32.77	\$33.42	\$34.09	\$34.77	\$35.64	\$36.53	\$37.45
8	\$31.34	\$32.89	\$33.38	\$33.88	\$34.56	\$35.25	\$35.96	\$36.86	\$37.78	\$38.73
9	\$32.37	\$33.97	\$34.48	\$35.00	\$35.71	\$36.42	\$37.15	\$38.08	\$39.03	\$40.00
10	\$33.41	\$35.06	\$35.59	\$36.12	\$36.85	\$37.58	\$38.34	\$39.30	\$40.28	\$41.28
11	\$34.44	\$36.14	\$36.69	\$37.24	\$37.99	\$38.75	\$39.52	\$40.51	\$41.52	\$42.56
12	\$35.48	\$37.23	\$37.79	\$38.36	\$39.13	\$39.91	\$40.71	\$41.73	\$42.77	\$43.84

12. Utility Division – Power Plant

Utility Division - Power Plant										
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	\$22.98	\$23.78	\$24.13	\$24.50	\$24.99	\$25.49	\$25.99	\$26.64	\$27.31	\$27.99
1	\$24.00	\$24.84	\$25.22	\$25.60	\$26.11	\$26.63	\$27.16	\$27.84	\$28.53	\$29.24
2	\$25.03	\$25.91	\$26.30	\$26.70	\$27.23	\$27.77	\$28.33	\$29.03	\$29.76	\$30.50
3	\$26.06	\$26.98	\$27.38	\$27.80	\$28.35	\$28.92	\$29.49	\$30.23	\$30.98	\$31.76
4	\$27.09	\$28.04	\$28.47	\$28.90	\$29.47	\$30.06	\$30.66	\$31.43	\$32.21	\$33.01
5	\$28.12	\$29.11	\$29.55	\$29.99	\$30.59	\$31.20	\$31.83	\$32.62	\$33.43	\$34.27
6	\$29.15	\$30.18	\$30.63	\$31.09	\$31.71	\$32.35	\$32.99	\$33.82	\$34.66	\$35.52
7	\$30.18	\$31.25	\$31.72	\$32.19	\$32.83	\$33.49	\$34.16	\$35.01	\$35.88	\$36.78
8	\$31.22	\$32.31	\$32.80	\$33.29	\$33.96	\$34.64	\$35.32	\$36.21	\$37.11	\$38.04
9	\$32.25	\$33.38	\$33.88	\$34.39	\$35.08	\$35.78	\$36.49	\$37.40	\$38.33	\$39.29
10	\$33.28	\$34.45	\$34.96	\$35.49	\$36.20	\$36.92	\$37.66	\$38.60	\$39.56	\$40.55
11	\$34.31	\$35.51	\$36.05	\$36.59	\$37.32	\$38.07	\$38.82	\$39.79	\$40.78	\$41.80
12	\$35.34	\$36.58	\$37.13	\$37.69	\$38.44	\$39.21	\$39.99	\$40.99	\$42.01	\$43.06

13. Utility Division – Power Plant Class III

Utility Division - Power Plant Class III										
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	\$23.39	\$24.21	\$24.57	\$24.94	\$25.44	\$25.95	\$26.47	\$27.13	\$27.81	\$28.50
1	\$24.44	\$25.29	\$25.67	\$26.06	\$26.58	\$27.11	\$27.66	\$28.35	\$29.05	\$29.78
2	\$25.49	\$26.38	\$26.78	\$27.18	\$27.72	\$28.28	\$28.84	\$29.57	\$30.30	\$31.06
3	\$26.54	\$27.46	\$27.88	\$28.30	\$28.87	\$29.44	\$30.03	\$30.78	\$31.55	\$32.34
4	\$27.59	\$28.55	\$28.98	\$29.42	\$30.01	\$30.61	\$31.22	\$32.00	\$32.80	\$33.62
5	\$28.64	\$29.64	\$30.08	\$30.54	\$31.15	\$31.77	\$32.41	\$33.22	\$34.05	\$34.90
6	\$29.69	\$30.72	\$31.19	\$31.66	\$32.29	\$32.93	\$33.59	\$34.44	\$35.29	\$36.18
7	\$30.73	\$31.81	\$32.29	\$32.77	\$33.43	\$34.10	\$34.78	\$35.65	\$36.54	\$37.46
8	\$31.78	\$32.90	\$33.39	\$33.89	\$34.57	\$35.26	\$35.97	\$36.87	\$37.79	\$38.73
9	\$32.83	\$33.98	\$34.49	\$35.01	\$35.72	\$36.43	\$37.16	\$38.09	\$39.04	\$40.01
10	\$33.88	\$35.07	\$35.60	\$36.13	\$36.86	\$37.59	\$38.34	\$39.31	\$40.28	\$41.29
11	\$34.93	\$36.15	\$36.70	\$37.25	\$38.00	\$38.76	\$39.53	\$40.52	\$41.53	\$42.57
12	\$35.99	\$37.24	\$37.80	\$38.37	\$39.14	\$39.92	\$40.72	\$41.74	\$42.78	\$43.85

14. Utility Division – Power Plant Class II

	Utility Division - Power Plant Class II									
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	\$23.80	\$24.62	\$24.99	\$25.36	\$25.87	\$26.39	\$26.92	\$27.59	\$28.28	\$28.99
1	\$24.86	\$25.72	\$26.11	\$26.50	\$27.03	\$27.57	\$28.12	\$28.83	\$29.55	\$30.29
2	\$25.94	\$26.82	\$27.23	\$27.64	\$28.19	\$28.76	\$29.33	\$30.07	\$30.82	\$31.59
3	\$27.00	\$27.93	\$28.35	\$28.78	\$29.35	\$29.94	\$30.54	\$31.31	\$32.09	\$32.89
4	\$28.07	\$29.03	\$29.47	\$29.92	\$30.51	\$31.13	\$31.75	\$32.55	\$33.36	\$34.19
5	\$29.14	\$30.14	\$30.59	\$31.05	\$31.67	\$32.31	\$32.96	\$33.78	\$34.63	\$35.49
6	\$30.20	\$31.24	\$31.71	\$32.19	\$32.84	\$33.50	\$34.16	\$35.02	\$35.90	\$36.80
7	\$31.27	\$32.35	\$32.83	\$33.33	\$34.00	\$34.68	\$35.37	\$36.26	\$37.16	\$38.10
8	\$32.35	\$33.45	\$33.96	\$34.47	\$35.16	\$35.86	\$36.58	\$37.50	\$38.43	\$39.40
9	\$33.41	\$34.56	\$35.08	\$35.61	\$36.32	\$37.05	\$37.79	\$38.74	\$39.70	\$40.70
10	\$34.48	\$35.66	\$36.20	\$36.74	\$37.48	\$38.23	\$38.99	\$39.97	\$40.97	\$42.00
11	\$35.54	\$36.77	\$37.32	\$37.88	\$38.64	\$39.42	\$40.20	\$41.21	\$42.24	\$43.30
12	\$36.61	\$37.87	\$38.44	\$39.02	\$39.80	\$40.60	\$41.41	\$42.45	\$43.51	\$44.60

15. Utility Division – Power Plant Class I

	Utility Division - Power Plant Class I									
	5/1/2017	5/7/2018	4/29/2019	4/27/2020	5/3/2021	5/2/2022	5/1/2023	4/29/2024	4/28/2025	4/29/2026
		1.50%	1.50%	1.50%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%
STEP										
Entry	\$24.21	\$25.03	\$25.41	\$25.79	\$26.31	\$26.83	\$27.37	\$28.05	\$28.76	\$29.48
1	\$25.29	\$26.15	\$26.55	\$26.95	\$27.49	\$28.04	\$28.60	\$29.31	\$30.05	\$30.80
2	\$26.38	\$27.28	\$27.69	\$28.11	\$28.67	\$29.24	\$29.83	\$30.57	\$31.34	\$32.12
3	\$27.46	\$28.40	\$28.83	\$29.26	\$29.85	\$30.44	\$31.06	\$31.83	\$32.63	\$33.45
4	\$28.55	\$29.52	\$29.97	\$30.42	\$31.03	\$31.65	\$32.28	\$33.09	\$33.92	\$34.77
5	\$29.64	\$30.65	\$31.11	\$31.58	\$32.21	\$32.85	\$33.51	\$34.35	\$35.21	\$36.09
6	\$30.72	\$31.77	\$32.25	\$32.74	\$33.39	\$34.06	\$34.74	\$35.61	\$36.50	\$37.41
7	\$31.80	\$32.89	\$33.39	\$33.89	\$34.57	\$35.26	\$35.97	\$36.87	\$37.79	\$38.74
8	\$32.90	\$34.02	\$34.53	\$35.05	\$35.75	\$36.46	\$37.20	\$38.12	\$39.08	\$40.06
9	\$33.98	\$35.14	\$35.67	\$36.21	\$36.93	\$37.67	\$38.43	\$39.38	\$40.37	\$41.38
10	\$35.06	\$36.26	\$36.81	\$37.37	\$38.11	\$38.87	\$39.65	\$40.64	\$41.66	\$42.70
11	\$36.16	\$37.39	\$37.95	\$38.52	\$39.29	\$40.08	\$40.88	\$41.90	\$42.95	\$44.03
12	\$37.24	\$38.51	\$39.09	\$39.68	\$40.47	\$41.28	\$42.11	\$43.16	\$44.24	\$45.35

APPENDIX B

MECHANICAL FLEXIBILITY

- A. History of Mechanical Division Consolidation. For context, the Mechanical Division was formerly consolidated as follows:
1. The Mechanical Classification was consolidated from Pipefitter/Millwright, Rigging, Welder, Sheet Metal Worker, Machinist, Safety Valve Mechanic and Lubrication Mechanic.
 2. The Control Technician Classification included Instrument Mechanic and Electrician.
- B. Flexible Work Assignments. The Mechanic Division Classifications, currently comprised of HVAC Mechanics, Mechanics and Control Technicians will share and perform a broad scope of overlapping mechanical and electrical work provided that the Employee is trained and able according to the standard, to perform the assigned work safely. Any work that is exclusive to the Mechanical Division that does not require specific knowledge particular to one of the Classifications and does not require the use of specific tools particular to one of the Classifications is considered shared, or common work and can be performed by any Employee in the Mechanical Division. Such work includes, without limitation, work on automatic valves (appropriate to the classification(s)), sight-glasses, gaskets (leaks), and small insulation jobs.
- C. Partially Shared tasks. Notwithstanding Section (B) above, subject to the Company's general rights under this Agreement, the parties agree that some tasks should be limited to the Classifications as listed below:

CT/Mechanic	Mechanic/HVAC	HVAC/CT
Regulators	Belts	Electrical lockout of refrigerator circuit
Pneumatic Tubing	Blowers	
Backflow Preventers	Bearings	
	Shafts	
	Fans	
	HEPA filters (when done in house)	

- D. Exclusivity. Notwithstanding Section (B) above, subject to the Company's general rights under this Agreement, the parties agree that some tasks should be limited to an individual Classification (or Classifications), as follows:
1. Control Technicians. The Control Technician Classification will have exclusive jurisdiction within the bargaining unit over the following tasks, except as such tasks are part of a HVAC Mechanic's work: wires that physically need to be terminated (except for quick disconnect connections); transmitters; solenoids; electrical components (breakers, circuit boards, terminal panels); calibration PMs;

analog instruments; PLCs (component change out); wireless devices; scales (Mechanics/Operators assist); conduit runs and wire pulls.

2. Mechanical. The Mechanical Classification will have exclusive jurisdiction within the bargaining unit over the following tasks, except as such tasks are part of a HVAC Mechanic's work: mechanical rebuilds requiring gears, bearings, seals, shafts or similar items; pipefitting as it relates to process piping (slope and drain); pump seals; PRV/PSV work; welding; machinist; sheet metal; trap maintenance; rotating equipment alignment, and trap testing.
 3. HVAC Mechanic. The HVAC Mechanic Classification will have exclusive jurisdiction within the bargaining unit over the following tasks: compressor replacement (evacuate and replenish refrigerant); maintenance involving refrigerant circuit; transfer/control of refrigerant; and CTU maintenance.
- E. Planning. Employees may be assigned and expected to schedule their own work utilizing MMD's data systems and business tools even though such tasks are not exclusive bargaining unit work and salaried employees will continue to perform these tasks. Such tasks will include, but are not limited to, planning their own work, specifying man power, materials and the time required to complete the job. Employees will be expected to understand the production schedule and plan maintenance activities around the production schedule.

MECHANICAL TRAINING PROGRAM

I. Purpose

This program is established to train qualified employees to become skilled crafts persons.

II. Administration

- (A) The administration of the M.T.P. is under the direction of an M.T.P. Committee, composed of the Plant Engineer (who acts as chairperson), Maintenance Engineer, Personnel Manager (who acts as secretary and has no vote except to break ties), President of the Union, and one other top-rated Union craftsperson.
- (B) In the event the Union is in disagreement with a decision of the M.T.P. Committee, such decision may be subject to the grievance procedure.
- (C) The M.T.P. Committee will determine aptitude test format and minimum score requirements on such evaluations, in order to ensure that those employees who enter the program have a high probability of success.

III. Selection, Seniority and Layoff

- (A) The Company has the responsibility for determining the need for trainees, both as to number and as to craft.

(B) Openings in the M.T.P. shall be posted by craft in accordance with Article XXIII of the Agreement.

(C) Selection of trainees will be made on the basis of seniority from among those applicants meeting the following requirements:

1. Achievement of a passing score on an aptitude test for the craft.
2. Satisfactory physical condition.
3. In the event there are no qualified bidders, such vacancies will be filled by qualified new hires.
4. Should there be a need for a skilled craftsman in a given craft and such need cannot be immediately satisfied by means of the M.T.P., such needs will be met by other qualified persons.
5. A trainee shall not have the right to bid for transfer to an opening in another classification unless the Employee has bona fide qualifications for such vacancy.
6. Mechanics B, C, and helpers may enter the program if qualified. Those in these classifications who do not enter the program shall continue to perform their present duties and remain in their present positions. Those who qualify and enter the program will be given credit to their present level and have the opportunity to advance according to the schedule in Item V.
7. An employee accepted into the M.T.P. will earn seniority in the job classification in which the Employee enters from the date of the Employee's transfer into the program or the effective date on the posting, whichever is earlier.
8. When necessary, employees will be laid off in accordance with Article XXIII of the Agreement.

IV. Training

(A) The training material shall be developed by the Company and include "on-the-job" training together with related classroom instruction.

(B) The Company will bear the cost of tuition, books, instruction and training materials.

(C) No compensation of any kind shall be paid by the Company to any trainee for time spent securing related classroom instruction outside normal working hours.

(D) If an employee fails to pass a period of training, the Employee may be permitted to repeat that training period only. If the Employee fails to pass the same period of training a second time, the Employee shall be dropped from the program and will not be eligible again in the same or different job classification.

V. Compensation

(A) Trainees must pass written, oral, or other pertinent examinations prepared and administered by the Company in order to qualify for advancement.

(B) Salary advancement will be in accordance with the following schedule:

	5/1/2017	5/1/2018	5/1/2019	5/1/2020	5/1/2021	5/1/2022	5/1/2023	5/1/2024	5/1/2025	5/1/2026
Start Rate	29.66	30.64	31.10	31.57	32.20	32.84	33.50	34.33	35.19	36.07
6 Months	30.41	31.41	31.88	32.36	33.01	33.67	34.34	35.20	36.08	36.98
9 Months	31.15	32.18	32.66	33.15	33.82	34.49	35.18	36.06	36.96	37.89
12 Months	31.90	32.95	33.44	33.95	34.63	35.32	36.02	36.92	37.85	38.79
15 Months	32.64	33.72	34.23	34.74	35.44	36.14	36.86	37.78	38.73	39.70
18 Months	33.39	34.49	35.01	35.53	36.25	36.97	37.71	38.65	39.61	40.61
21 Months	34.13	35.26	35.79	36.33	37.06	37.79	38.55	39.51	40.50	41.51
24 Months	34.88	36.03	36.57	37.12	37.86	38.62	39.39	40.37	41.38	42.42
27 Months	35.62	36.80	37.35	37.91	38.67	39.44	40.23	41.24	42.27	43.33
30 Months	36.37	37.57	38.13	38.71	39.48	40.27	41.07	42.10	43.15	44.23
33 Months	37.11	38.34	38.92	39.50	40.29	41.09	41.91	42.96	44.04	45.14
36 Months	37.86	39.11	39.70	40.29	41.10	41.92	42.76	43.82	44.92	46.05
39 Months - Class A	38.60	39.88	40.48	41.09	41.91	42.74	43.60	44.69	45.81	46.95
42 Months - Class A (top)	39.35	40.65	41.26	41.88	42.72	43.57	44.44	45.55	46.69	47.86

EFFECTIVE DATES OF RATES

The foregoing rates of pay shall become effective as indicated on May 1, 2018.

APPENDIX C

DISCIPLINARY MATTERS

A. Formal progressive disciplinary steps as set forth below:

- Step 1 – Verbal Counseling
- Step 2 – Written Warning
- Step 3 – One Day Suspension
- Step 4 – Three Day Suspension
- Step 5 – Discharge under Article XXVII

B. Generally, formal discipline will commence at the level that is appropriate based upon a review of the facts and circumstances of each particular situation. The Company shall continue to have the right to determine that some violations of performance standards, behavior, work rules and procedures, Company policy, etc., may lead to an employee being suspended or discharged at steps earlier than the normal progression. Each occurrence of discipline will be documented to the Human Resources file.

C. Disciplinary action other than attendance will be addressed and administered using a single disciplinary ladder with a five step process as set forth above and will remain active for purposes of disciplinary progression for a period of twenty-four (24) months. The Union President will receive a copy of all Written Warnings and Suspensions within five (5) working days.

APPENDIX D

ATTENDANCE MATTERS

Definition of Terms

Abandonment of Job - If an employee is absent three (3) consecutive scheduled workdays without notice, unless there is not reasonable opportunity to give such notice, the Employee will be considered to have voluntarily resigned his/her employment. The burden for providing notice or proving that it was not reasonably possible to provide notice rests with the employee.

Absence - The term "absence" or "day of absence" means a day of work, or any portion of a day of work, for which an employee has been scheduled, regardless of the number of hours the employee is scheduled to work. Consecutive days of absence will each be regarded as individual infractions. All absences, regardless of reason, will count toward disciplinary action with the exception of those listed under "Exclusions" below. Failure to work scheduled overtime will be counted as an absence as the word absence is defined above.

Exclusions

Absences NOT considered for purposes of disciplinary action include:

Approved: Vacation Days, Holidays, Personal Days, FMLA absences, Death in Family absence, Court Appearance, Union Business, Jury Duty, Military Duty, Outpatient Surgery not covered by FMLA, Leaves of Absence Granted by the Company, Disciplinary Suspensions, Occupational Injury/ Illness Absences. Employees will not be counted absent if they call 24 hours or more prior to the start of scheduled overtime.

Employees, at their discretion, will be allowed to use personal time or vacation time to cover up to three Absences in a calendar year.

Documentation

1. Type of written documentation required in order to qualify for exclusion:
 - a. For all medically-related absences greater than three (3) or more scheduled work days, the employee will be required to follow the procedures outlined in Article XXI ("Disability Benefits"); failure to do so will result in a charged absence.
 - b. For all non-medically-related absences written documentation will be required. Examples of acceptable documentation include the following:

1. A subpoena or summons indicating that an employee was required to make a court appearance
 2. Documentation from Human Resources excusing the employee for Union Business
 3. Official court certificates stating dates served for jury duty
 4. A written statement from the relevant military organization stating the dates the employee served military duty.
2. Who is to receive the documentation:
- a. For medically-related absences – Documentation should be provided to Disability Management or other agent as designated by the Company as set forth in Article XXI (“Disability Benefits”).
 - b. For all other absences – Documentation should be submitted to the employee’s supervisor
3. Timing for providing documentation:
- a. For all medically-related absences documentation acceptable to the Company must be provided within the time periods outlined in Article XXI (“Disability Benefits”).
 - b. For all non-medical absences which qualify as exclusions under this policy, acceptable documentation should be provided immediately but must be provided within one (1) week following the employee’s return to work in order to avoid the workdays absent being counted toward disciplinary action.

Notification of Absence

Notification of absence from work is the sole responsibility of the employee. An employee must notify a supervisor or manager in their department by phone call as soon as it is determined that the employee is unable to report to work but no later than prior to the start of the scheduled work time. The manager or supervisor will determine the frequency for which the employee must call if absence from work exceeds one (1) day.

Designation of FMLA Leave

In cases where an employee seeks and receives disability pay in accordance with Article XXI (“Disability Benefits”), any period of FMLA eligibility available to that employee will run concurrently with such absence.

Counseling and Progressive Discipline

The intent of informal counseling and subsequent progressive discipline is to encourage good attendance through counseling and, when absences continue, corrective disciplinary action. Problems associated with attendance will be pointed out in a constructive and

informative manner, and the Company will use this disciplinary process in the hopes of attempting to correct the deficiency. Progressive corrective action up to and including discharge will be taken for violations of this policy determined over the preceding rolling 12 month period.

Point Assessments for Violations

1. One violation point is charged for any Absence that extends for 75% or more of the employee's scheduled shift.
2. One half violation point is charged for any Absence that extends for less than 75% of the employee's scheduled shift.

DISCIPLINE SYSTEM AND PROGRESSION SCHEDULE	
Will Receive	Number of Accumulated Violation Points in the Prior 12 month period
Step 1 Verbal Counseling	Counseling given when an employee has accumulated 4 violation points
Step 2- Written Warning	When an employee has accumulated 5 violation points
Step 3 – 3 Day Suspension	When an employee has accumulated 7 violation points
Step 4 - Discharge	When an employee has accumulated 9 violation points

For example

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Year 1		1	1	1			1					1
Total Year 1 Accumulated Violation Points		1	2	3			4					5
Year 2			1	1	1	2						
Total Year 2 Accumulated Violation Points		4	4	4	5	7	6					5
Year 3	1	3										
Total Year 3 Accumulated Violation Points	6	9										

Year 1 – Written Warning in December

Year 2 – 3 Day Suspension in June

Year 3 - Termination

For every period of twelve months in which the employee accumulates no violation points, the Employee will receive one (1) "good attendance credit point" (up to a maximum of 3) that can be used to offset the receipt of violation points.

Each day or partial day of a period of consecutive days of absence will be counted independently as an accumulated violation point. If the employee is not present at work on the date that the Employee reaches the disciplinary stage, a notice will be sent to the employee's Company-issued e-mail account and a copy will be provided to the Union President.

For example, if an employee has already progressed to the written warning step and then misses two (2) consecutive days, a notice will be sent to the employee's Company-issued e-mail account informing the employee of a three (3) day suspension to be served when stipulated by the Company, and a copy of such notice will be provided to the Union President. Employees will be notified that they have reached successive steps of the disciplinary progression through separate notices for each respective step of discipline. The original documents of all stages of discipline will be made available to the employee upon the Employee's return to work. In the event an absent employee with FMLA eligibility becomes subject to discharge, the discharge will be held in abeyance until the employee has submitted his/her paperwork or his/her time to do so has expired.

Although it is the Company's intention to administer corrective discipline in a timely manner, it is at all times the responsibility of the employee to comply with all rules, policies and procedures. The consequences for failure to do so rest with the employee. Additionally, it is the employee's responsibility to know where they are with respect to infractions and the progressive discipline process.

Mitigation

Although this is intended to be a no-fault policy, in exceptional cases in which a seriously ill employee (or an employee with a seriously ill family member) is not eligible for FMLA or has exhausted the Employee's yearly FMLA usage, the Company may decide not to discipline the employee. In these circumstances, an employee or the Union may petition the Plant Manager for mitigation either prior to or immediately upon the conclusion of the period of absence. An employee is limited to one mitigation request every 12 months.

General

This attendance document is intended to provide individual employees an objective standard by which to measure their absenteeism; however, nothing in this document is intended to restrict the Company's ability to manage the operation of the facility and address any absence issues not explicitly stated in this policy. Employees who chronically and habitually violate this policy will be subject to disciplinary action aside from the normal progression set forth herein.

APPENDIX E

SIDE LETTERS AND PAST PRACTICES

The Company and Union agree that the following side letters and past practices will continue to prevail unless and until superseded by agreement of the parties:

- A. Without limitation to the Company's rights under Article XI, the parties agree that the following type of work has been and may continue to be performed by non-unit employees and/or third parties:
- work on exterior building drainage (e.g., downspouts, guttering);
 - work on exterior lights on and off the buildings;
 - work on windows, including any associated hardware and/or controls;
 - work on doors, including any associated hardware and/or controls;
 - office furniture moves;
 - floor work (including without limitation, carpet and/or tile installation or removals, epoxy systems);
 - any electrical or fiber hookups associated with office moves;
 - painting, drywall repairs;
 - scaffolding;
 - insulation (except temporary insulation or small jobs to complete a repair);
 - trash hauling and/or removal of large items (e.g., office chairs, bookshelves, etc.);
 - exterior building or roof repairs (e.g., brick pointing, siding) and associated work (e.g., fall protection installations);
 - excavation;
 - concrete work and asphalt and associated guardrails, handrails;
 - fire prevention;
 - work associated with card readers;
 - work associated with cameras;
 - work on storm sewers;
 - work on chemical sewers outside the building envelope;
 - predictive maintenance;
 - work on any project executed using capital funds.
- B. The Company may outsource the HVAC work associated with the buildings listed in Appendix H of the March 3, 2014 Agreement and other buildings that have since been outsourced, (that is, Buildings 2, 2A, 3, 4, 5, guardhouse, all Trailers, 69, 69A, 85, and 110); and all bargaining-unit work associated with the laboratories and server room in Building 24, all office space and restroom maintenance for the entire site, all area outside the fence line except well houses, and all fire pump buildings and associated

equipment. For avoidance of doubt all work outsourced under Appendix H March 3, 2014 Agreement.

- C. The company will provide the Union with notice of subcontracting work other than work listed in this Appendix E.
- D. The Company will continue to allow the Union to make input for the purpose of safe maintainability or consistency with current equipment and tools with respect to "new or capital" work.
- E. In 2018, the Company will have a year-end shutdown consistent with the language in the 2014 Agreement and Employees will be required to reserve vacation time to cover the shutdown period.
- F. September 26, 2013 document concerning "Aseptic Behavior" (SA-39)
- G. April 28, 2017 document concerning Factory 5 Work Group (SA-79)

APPENDIX F

Alternative Separation Benefit Allowance

The parties have agreed upon a separation benefits alternatives as follows:

1. **Program Description.** The Alternative Separation Benefit Allowance Program described herein ("Program") will go into effect on May 1, 2018 (or on the date of Ratification of the Agreement, whichever date is later) and will expire on April 30, 2027. The following general terms will govern the Program.
 - a. **Purpose.** The Program was negotiated by the parties to deal with the effects of layoffs that occur by virtue of the Company's decision to subcontract work in accordance with the Subcontracting and Siting article of the Agreement and/or in such other cases as determined by the Company in the sole discretion of the Plant Manager.
 - b. **Eligibility.** Employees who are impacted either directly (i.e., employees working in a department, area, classification or other work unit impacted by the decision) or indirectly (i.e., as the result of being displaced by a more senior employee directly so affected) by a decision to reduce the number of employees at a site are eligible for this program, *provided that* (i) the impact was the result of a Company decision made in accordance with the Subcontracting and Siting article of the Agreement; or (ii) (a) the impact was the result of a decision other than as described in (i); and (b) the Plant Manager has made the Program applicable to the impacted employees.
 - c. **Process.** In all cases, the Plant Manager will determine the number of surplus employees and the timing of layoffs. All other non-economic processes and procedures relating to layoffs will be determined by the parties' agreement.
 - d. **Volunteers.** In accordance with the principles set forth in this subsection d, whenever a reduction in force results in eligibility for this Program (under either subsection b(i) or b(ii) above), the Plant Manager will solicit volunteers for layoff either from within the affected classification (in the case of a layoff that is less than classification wide) and from classification not directly affected by the layoff decision in an effort to reduce the impact of involuntary layoffs *provided* that there will remain sufficient skilled workers to perform the required work.
 - i. In considering whether to solicit volunteers for layoff, the Plant Manager or the Plant Manager's designee will consider the skills and qualifications of those employees in the classifications subject to layoff and whether such employees possess the requisite skills and qualifications to perform the work done by employees in classifications not subject to the layoff.

- ii. The Plant Manager or the Plant Manager's designee will notify the Union of the impending layoff and afford it the opportunity to express its views on the appropriateness of soliciting volunteers from other classifications.
 - iii. The Plant Manager or the Plant Manager's designee will have the discretion to determine whether soliciting volunteers will be consistent with maintaining a sufficient number of skilled workers necessary to perform the required work.
 - iv. In the case where the Plant Manager determines that volunteers may be solicited, he/she will determine the number of volunteers that will be accepted in the aggregate as well as the number of volunteers that will be accepted from otherwise unaffected classifications and will accept volunteers by seniority up to the lesser of the applicable number.
 - v. Volunteers will be solicited in writing and will be required to sign an acknowledgment indicating that they are volunteering for layoff, that they will be selected for layoff by seniority up to the number established by the Company, that if selected, absent a material change in personal circumstances, they cannot change their mind, that they will be offered an enhanced separation agreement upon their selection and that if selected they will be forfeiting all seniority rights, including recall rights, under the collective bargaining agreement.
 - vi. In no case will the Company be compelled to accept more volunteers than is required to meet its business need or more volunteers from any given classification than it determined eligible.
- e. **Benefits.** This Program supplements (and does not replace) the agreement's Separation Benefit Allowance Plan (the "SBAP"). In addition to the SBAP, in accordance with the terms of this program, employees may be eligible for the Enhanced Separation Benefit Allowance (described as "Benefit A") and/or may be eligible for the separation pay and benefits under the Separation Benefits Plan for Local 94C Employees (described as "Benefit B"). The eligibility and terms of Benefit A and Benefit B are described below.
- f. **Benefits Not Cumulative.** Employees who are eligible for Benefit A and/or Benefit B under this program must choose between the SBAP and Benefit A and/or Benefit B, as applicable. In no case is an employee eligible to select more than one of the various benefits; that is, the SBAP, Benefit A and Benefit B.
- g. **Conditions of Eligibility for Benefits.**
- i. Employees who are eligible for benefits under this Program or under the SBAP by virtue of layoff (whether involuntary or voluntary) must work until

the identified layoff date as a condition of eligibility. Employees whose employment terminates for any reason before the identified date are not eligible for any separation pay or benefits, whether under the SBAP, Benefit A or Benefit B.

- ii. Eligibility for the enhanced benefits described in Benefit A and Benefit B below is contingent on the recommendation by the bargaining committee to ratify the proposed 2018 successor agreement; and the ratification of that agreement on or before April 30, 2018.
- h. **Unemployment Compensation Insurance.** Nothing in this program is intended to disqualify an employee from eligibility for unemployment compensation insurance. Employees eligible for separation benefits in accordance with this program shall also be eligible for unemployment insurance to the extent permitted by applicable state law.

2. **Enhanced Separation Benefit Allowance ("Benefit A") Described.**

- a. **Eligibility.** Employees who meet the eligibility as described in paragraph 1(b) above and who also meet the following requirements are eligible for Benefit A in lieu of the benefit under the SBAP and the benefit under Benefit B, if eligible; and
 - i. Sign a general release of all claims against their local and national unions and the Company, in the time and manner and in a form satisfactory to the Company (except that, unlike the release required under Benefit B described below, the release will not include an acknowledgement that their employment with the Company, accrual of credited service under the Hourly Retirement Plan and all recall rights end as of their layoff date). A form of release is attached hereto as Attachment A.
- b. **Benefits.**
 - i. Separation Pay-Separation Benefit Allowance as described in paragraphs 1, 2 and 3 of the SBAP (the "SBA"). When calculating the SBA,
 - 1. Service:
 - a. Partial years are excluded
 - b. For employees with a break in service, service before the employee's most recent rehire date is excluded

2. Weeks Pay:
 - a. Based on 40 hours per week
 - b. Hourly rate-the rate of pay in effect on the layoff date (excluding shift premium, and incentive pay).
 3. Offsets: SBA is reduced by the following:
 - a. The total amount of any previous separation pay (including Separation Benefit Allowance under the prior contract) paid by and not repaid to the Company as of the employee's layoff date.
 - b. The amount the Company reasonably concludes the employee owes the Company (e.g., unpaid benefit premiums, wage overpayments, etc.)
- ii. Pension-credited service under the Hourly Retirement Plan continues to accrue during the layoff period for a maximum of 42 months. This right is extinguished by the termination of the parties' 2018 Agreement other than for employees laid off during the term of the 2018 Agreement.
 - iii. Retiree Healthcare-employees on layoff are eligible to terminate employment with the Company, and commence retiree healthcare benefits on the same terms and conditions that apply to those who are not on layoff and whose active employment continues. The layoff period prior to the employee's termination of employment counts toward eligibility and retiree contribution calculations for retiree healthcare (provided service is used in such calculations), except that where service under the plan that provides those benefits is tied to credited service under the Hourly Retirement Plan, service on layoff is limited as described under the Hourly Retirement Plan. If an employee elects to terminate employment with the Company during the Benefits Continuation period described below, then he or she will be eligible to continue medical and dental benefits during the Benefits Continuation Period as described below; and, following the completion of the Benefits Continuation Period, will be eligible for either (x) continuation of medical and/or dental coverage in accordance with the applicable plans as they may be amended from time to time under COBRA to the extent required by law by electing and paying the full COBRA contribution or (y), if he or she satisfies the age and service requirements to be eligible for retiree healthcare benefits on the date his or her employment with the Company ends, he or she will be eligible for retiree medical benefits under the terms of retiree medical plan applicable to him or her, as it may be amended from time to time.

- iv. Benefits Continuation. Continued medical, dental, employee assistance program (EAP) and basic life insurance as described below.
1. Benefits Continuation Period: Medical, dental, EAP and basic life benefits will continue for the number of weeks upon which separation pay is calculated, with a minimum continuation period of 6 months, provided however that to be eligible for medical and dental coverage during the Benefits Continuation Period, the employee must be enrolled for such coverage as of the date the employee's employment ends. If the employee is not enrolled for such coverage as of the date the employee's employment ends, then the employee will not be eligible for continuation of medical and/or dental coverage during the Benefits Continuation Period or otherwise.
 2. COBRA: Former employees may continue medical benefits, unless they otherwise enroll for retiree medical benefits described below, and/or dental benefits after the end of the Benefits Continuation Period, under COBRA to the extent required by law, provided the former employee timely elects and pays the full COBRA contribution.
 3. Employee Contribution during the Benefits Continuation Period:
 - a. Same as active employees
 - b. Deducted from SBA or billed directly to the employee by Fidelity, as determined by the Company in its discretion
 4. Other:
 - a. Waiver: An employee can decline Benefit Continuation coverage, but must irrevocably decline all (or none) upon layoff.
 - b. Death: covered dependents may continue medical and dental at active employee rates for the remainder of the Benefits Continuation Period, provided they continue to satisfy the definition of an eligible dependent and thereafter (A) for medical coverage (x) if the deceased satisfied the age and service requirements to be eligible for retiree medical on his or her date of death, his or her covered eligible dependents will be eligible to continue coverage under COBRA to the extent required by law provided the eligible dependents timely elect and pay the full COBRA contribution and for retiree medical benefits under the terms of retiree medical plan applicable to surviving dependents, as it may be amended from time to time or (y) if the deceased did not satisfy the age and service requirements to be eligible for retiree medical on his or her date of death, his or her covered eligible dependents will be eligible to continue medical coverage under COBRA to the extent required by

- law provided the eligible dependents timely elect and pay the full COBRA contribution and (B) for dental coverage, his or her covered eligible dependents will be eligible to continue dental coverage under COBRA to the extent required by law provided the eligible dependents timely elect and pay the full COBRA contribution..
- c. Retirees -- following the completion of the Benefits Continuation Period, the former employee will be eligible for (A) medical coverage either (x) under COBRA to the extent required by law by timely electing and paying the full COBRA contribution or (y), if he or she satisfies the age and service requirements to be eligible for retiree medical benefits on the date his or her employment with the Company ends, he or she will be eligible under COBRA to the extent required by law by timely electing and paying the full COBRA contribution and for retiree medical benefits under the terms of retiree medical plan applicable to him or her, as it may be amended from time to time, and (B) dental coverage under COBRA to the extent required by law by timely electing and paying the full COBRA contribution.
 - d. Dual Coverage: A former employee is not eligible for coverage under the Company's retiree healthcare plans until the expiration of his or her Benefits Continuation Period. A former employee cannot be covered under the Company's health and insurance benefits as an employee (including as an employee or former employee under the Benefits Continuation period or a former employee under COBRA) and a retired employee during the same period. However, a former employee may be covered under COBRA dental and be a retired employee covered under the Company's retiree medical plan during the same period.
 - e. Plan Terms. Medical, dental, EAP and life insurance coverages described above are provided under the terms of the applicable Company plans as they apply to employees on inactive status, former employees or retirees, as applicable, as they may be amended from time to time.
 - v. Optional Life. Employee group term life insurance (but not AD&D coverage) until the earlier of (x) the end of the layoff period or (y) the date the employee's employment with the Company is terminated for any reason, provided, in either case, the employee timely pays the applicable premiums; optional life continuation is not available to employees who are hired by a purchaser of a Company facility upon layoff from the Company if the purchaser offers medical coverage to the employees.

3. **Separation Benefits Plan for Local 94C Employees ("Benefit B") Described.**

- a. **Eligibility:** Employees who meet the eligibility of paragraph 1(b) above, who are not offered a position with a purchaser of a Company facility, plant, factory, department and/or operation upon layoff from the Company (whether or not they accept purchaser's offer) and who also meet the following requirements:
- i. Timely and irrevocably elect benefits under this Benefit B in lieu of the benefit under the SBAP and the benefit under Benefit A.
 - ii. Sign a general release of all claims against their local and national unions and the Company in the time and manner and in a form satisfactory to the Company that includes an acknowledgement that their layoff terminates their Company employment, including seniority and that accrual of credited service under the Hourly Retirement Plan and all recall and transfer rights terminate as of their layoff date. A form of release is attached hereto as Attachment B.
 - iii. Employees who are on Long Term Disability ("LTD") may participate in this Benefit B option by submitting a written request to be selected for layoff to the Plant Manager or the Plant Manager's designee. As a condition precedent to selection for layoff and in consideration for the enhanced separation benefits offered under this Benefit B, an employee on LTD, as part of their general release (paragraph 3a(ii) above), must agree to relinquish any and all future right to LTD benefits and waive participation in the Company's LTD plan(s).
- b. **Benefits:**
- i. **Separation Pay**
 1. Amount:
 - a. 2 weeks pay per complete year of continuous service
 - b. minimum 2 weeks pay
 - c. maximum 78 weeks pay
 2. Payable in a lump sum as soon as administratively feasible following the date layoff begins.
 3. Service:
 - a. Partial years are excluded
 - b. For employees with a break in service, service before the employee's most recent rehire date is excluded.

4. Weeks Pay:

- a. Based on 40 hours per week
- b. Hourly rate—the rate of pay in effect on the layoff date (excluding shift premium, and incentive pay).

5. Offsets: Separation pay is reduced by the following:

- a. The total amount of any previous separation pay (including Separation Benefit Allowance under the prior contract) paid by and not repaid to the Company as of the employee's layoff date; and
- b. The amount the Company reasonably concludes the employee owes the Company (e.g., unpaid benefit premiums, wage overpayments, etc.).

ii. Benefits Continuation: Continued medical, dental, employee assistance program (EAP) and basic life insurance as described below in accordance with the terms of the applicable plans as they may be amended from time to time and as they apply to former employees.

1. Benefits Continuation Period: Medical, dental, EAP and basic life benefits will continue for the number of weeks upon which separation pay is calculated, with a minimum continuation period of 6 months, provided however that to be eligible for medical and dental coverage during the Benefits Continuation Period, the employee must be enrolled for such coverage as of the date the employee's employment ends. If the employee is not enrolled for such coverage as of the date the employee's employment ends, then the employee will not be eligible for continuation of medical and/or dental coverage during the Benefits Continuation Period or otherwise.
2. COBRA: Former employees may continue medical benefits, unless they otherwise enroll for retiree medical benefits described below, and/or dental benefits after the end of the Benefits Continuation Period in accordance with COBRA, if eligible, provided the former employee timely elects and pays the full COBRA contribution.
3. Employee Contribution during the Benefit Continuation Period:
 - a. Same as active employees
 - b. Billed directly to the former employee by Fidelity

4. Other:

- a. Waiver: An employee can decline Benefits Continuation coverage, but must irrevocably decline all (or none) upon layoff;
- b. Death: covered dependents may continue medical, dental at the active employee rates for the remainder of the Benefits Continuation Period, provided that they continue to satisfy the definition of an eligible dependent and thereafter (A) for medical coverage (x) if the deceased satisfied the age and service requirements to be eligible for retiree medical on his or her date of death, his or her covered eligible dependents will be eligible for COBRA to the extent required by law provided the eligible dependents timely elect and pay the full COBRA contribution and for retiree medical benefits under the terms of retiree medical plan applicable to surviving dependents, as it may be amended from time to time or (y) if the deceased did not satisfy the age and service requirements to be eligible for retiree medical on his or her date of death, his or her covered eligible dependents will be eligible to continue medical coverage under COBRA to the extent required by law provided the eligible dependents timely elect and pay the full COBRA contribution and (B) for dental coverage, his or her covered eligible dependents will be eligible to continue dental coverage under COBRA to the extent required by law provided the eligible dependents timely elect and pay the full COBRA contribution.
- c. Retirees: Following the completion of the Benefits Continuation Period, the former employee will be eligible for (A) for medical coverage either (x) under COBRA to the extent required by law by timely electing and paying the full COBRA contribution or (y), if he or she satisfies the age and service requirements to be eligible for retiree healthcare benefits on the date his or her employment with the Company ends, he or she will be eligible for COBRA to the extent required by law by timely electing and paying the full COBRA contribution and for retiree medical benefits under the terms of retiree medical plan applicable to him or her, as it may be amended from time to time, and (B) dental coverage under COBRA to the extent required by law by timely electing and paying the full COBRA contribution.
- d. Dual Coverage: A former employee is not eligible for coverage under the Company's retiree healthcare plans until the expiration of his or her Benefits Continuation Period. A former employee cannot be covered under the Company's health and insurance benefits as an employee (including as a former employee during the Benefits Continuation Period or under COBRA) and a retired employee during the same period. However, a former employee may be

covered under COBRA dental and be a retired employee covered under the Company's retiree medical plan during the same period.

- e. **Plan Terms:** Medical, dental, EAP and life insurance coverages described above are provided under the terms of the applicable Company plans as they apply to former employees or retirees, as applicable, as they may be amended from time to time.
- iii. **Administration:** Administered by the Company as an ERISA plan, subject to ERISA's claims and appeals provisions.

4. **Employees who are Eligible for Benefit A and Benefit B.**

- a) **Purchase of Company Facility:** An employee laid off as the result of the purchase of a Company facility, plant, factory, department and/or operation who is offered a position with the purchaser of such Company facility, plant, factory, department and/or operation (whether or not such employee accepts the offer) shall not be eligible for Benefit B, but will remain eligible for Benefit A or the SBAP.
- b) **Choice of Benefits:** Employees who are eligible for Benefit A and Benefit B must irrevocably choose either Benefit A or Benefit B and in no event may choose both Benefit A and Benefit B.
- c) **Timing of Election:** Employees must choose Benefit A or Benefit B within 45 days from the employee's layoff date and will be afforded 7 days to revoke such decision. An employee may not sign their release prior to the Employee's layoff date.
- d) **Indicating Choice:** Employees who timely sign (and do not timely revoke) the release of claims applicable to Benefit A will be deemed to have irrevocably chosen Benefit A. Employees who timely sign (and do not timely revoke) the release of claims applicable to Benefit B will be deemed to have irrevocably chosen Benefit B. Employees who do not timely sign the release of claims applicable to Benefit A or Benefit B, will be deemed to have irrevocably waived benefits under Benefit A and Benefit B but will be eligible for the SBAP. Employees who timely sign the release of claims applicable to Benefit A or Benefit B but who timely revoke such release will be deemed to have irrevocably waived benefits under Benefit A and Benefit B, unless there is time remaining to choose the other benefit and they select the other benefit by timely signing and not revoking the applicable release.

Appendix G

INTEGRATED FACILITIES MANAGEMENT BOUNDARIES

In determining work that is normally performed by the bargaining unit as opposed to non-core work or other work performed by non-unit employees (such as IFM), the following general (non all inclusive) principles apply:

1. For utility services, the branch line from the main header to the building shall be included in the building envelope.
2. For electrical services, the feeder cable into the building is plant scope. The IFM scope will start at the first breaker in/on the building.
3. For waste services, the branch line to the nearest connection to a main or ditch shall be included in the building envelope. If a pump station is dedicated to IFM buildings only, then said station shall be included in the building envelope. If a pump station services a combination of IFM and non-IFM buildings then the line connecting the building to the station is included in the building envelope.

The Company will provide the Union with a map showing these boundaries.

Appendix H

Sterile Cleaning Operator

The classification formerly known as Factory Service Worker will be re-named as Sterile Cleaning Operator. The rate of pay shall be the Manufacturing Operator rate.

The Sterile Cleaning Operator will be assigned to clean A and B space. In addition, grade C&D workspace will also be cleaned in any building containing A&B space. Employees in this classification may also perform other duties as assigned, including but not limited to, facility walk throughs for the purpose of identifying leaks and safety issues, wiping material in and out of graded space, etc.

In the event that regulatory requirements demand a re-evaluation of the cleaning of grade C & D space, the company may decide to expand the role of this classification to include buildings that contain C&D space.