PANTEX TRADES AGREEMENT

between

CNS | consolidated nuclear security, llc

PANTEX PLANT | Y-12 NATIONAL SECURITY COMPLEX

&

WEST TEXAS BUILDING & CONSTRUCTION TRADES COUNCIL (WTBCTC) and the LOCAL AFFILIATES

OPERATING ENGINEERS LOCAL 178 DALLAS / FORT WORTH

IBEW LOCAL 602 AMARILLO • LUBBOCK • MIDLAND

LABORERS 154 TX

PL&CM LU 783 TX STATE

UNITED UNION OF ROOFERS, WATERPROOFERS & ALLIED WORKERS

669 SPRINKLER FITTERS

SHEET METAL | AIR | RAIL | TRANSPORTATION SMART Local Union 49

May 2022 - May 2025

PANTEX TRADES AGREEMENT

May 2022

TABLE OF CONTENTS

COVENANTS 1
ARTICLE 1 INTENTS AND PURPOSES 2
ARTICLE 2 MANAGEMENT RIGHTS 3
ARTICLE 3 UNION SECURITY AND REFERRAL 5
ARTICLE 4 NON-DISCRIMINATION 6
ARTICLE 5 SCOPE OF WORK 7
ARTICLE 6 DEFINITIONS 8
ARTICLE 7 GRIEVANCE PROCEDURE 9
ARTICLE 8 WORK ASSIGNMENTS 10
ARTICLE 9 UNION SITE REPRESENTATION 11
ARTICLE 10 COMPANY'S REPRESENTATIVE 12
ARTICLE 11 LOCAL UNION REPERESENTATIVES 13
ARTICLE 12 WAGE RATES AND PAYDAY 14
ARTICLE 13 DAY WORK SCHEDULES 16
ARTICLE 14 TEMPORARY SHIFT WORK CONDITIONS 17
ARTICLE 15 HOLIDAYS 18
ARTICLE 16 SICK LEAVE 19
ARTICLE 17 REPORTING TIME & CALL-INS 21
ARTICLE 18 TOOLS 22
ARTICLE 19 FIRST AID AND SAFETY 23
ARTICLE 20 PROJECT RULES 24
ARTICLE 21 PROTECTIVE LEGISLATION 25
ARTICLE 22 PERIODIC CONFERENCES 26
ARTICLE 23 GENERAL SAVINGS CLAUSE 27
ARTICLE 24 WORK STOPPAGES 28
ARTICLE 25 TERMS OF THE AGREEMENT 29
SCHEDULE A 30
RECRUITING AND RETENTION INCENTIVES 31

This Agreement is entered into this 16th day of May, 2022, by and between Consolidated Nuclear Security, LLC, (CNS) located in Amarillo, Texas, hereinafter referenced to as "The Company", and those Unions listed hereinafter (herein referred to as "Unions"). The Unions composed are: UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA, Local Union #665; INTERNATIONAL ASSOCIATION OF BRIDGE, STRUCTURAL, ORNAMENTAL, AND REINFORCING IRON WORKERS, Local Union #263; UNITED ASSOCIATION OF PLUMBERS, FITTERS, WELDERS, and SERVICE TECHS, Local Union #404; INTERNATIONAL UNION OF OPERATING ENGINEERS, Local Union #178; INTERNATIONAL UNION OF PAINTERS AND ALLIED TRADES, District Council #88; LABORERS' INTERNATIONAL UNION OF NORTH AMERICA, Local Union #154; INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, Local Union #602; INTERNATIONAL ASSOCIATION OF HEAT AND FROST INSULATORS AND ALLIED CRAFTS, Local Union #21; INTERNATIONAL ASSOCIATION OF SHEET METAL, AIR, RAIL, AND TRANSPORTATION WORKERS, Local Union #49; INTERNATIONAL ASSOCIATION OF OPERATIVE PLASTERERS and CEMENT MASONS, Local #783; ROAD SPRINKLER FITTERS, Local Union #669; UNITED UNION OF ROOFERS, WATERPROOFERS AND ALLIED WORKERS, Local Union #123; INTERNATIONAL UNION OF ELEVATOR CONSTRUCTORS, Local Union #21 and will continue in full force and effort until midnight May 16, 2025.

It is agreed that in the event Company or Union organizations or Locals should change name of ownership, merge or consolidate, this Agreement shall be binding on its successors and assigns.

COVENANTS

WHEREAS, the Company is engaged in construction activities (including upgrading and refurbishing of buildings and/or components) as defined in Articles 5 and 6) with diversified industries and this work is of importance to the Unions herein listed, and it being recognized there is an essential difference in the conditions required to perform this type of work, the Unions herein listed with the Company wish to enter into an Agreement for their mutual benefit covering work of this nature.

WHEREAS, the Unions have in their membership throughout the area, members competent and qualified to perform the work of the Company.

WHEREAS, the contractor has employed and now employs members of the Unions and the contractor has a commitment and/or contract from the Department of Energy, hereinafter referred to as "DOE/NPO", that includes restoration of Plant buildings/facilities by replacement, overhaul, or reprocessing of constituent parts or materials and other construction activities recognized by the Unions as being within the jurisdiction of said Unions (subject to Pantex Trades Agreement Committee's policies and criteria).

WHEREAS, in order to ensure relative equity and uniform interpretation and application, the Unions wish to establish and administer said Collective Agreement in concert, each with the other, and all with the Company.

WHEREAS, the Company and the Unions desire to mutually stabilize wages, hours and working conditions.

WHEREAS, the Company and the Unions agree that, due to the particular nature of the work covered by this Agreement, there shall be no lockouts or strikes during the life of this Agreement, and provisions must be made to achieve this end. Exception:

In the event that Metal Trades Council (MTC) employees engage in work stoppage activities at Pantex, there is no expectation that any members of any Local Unions covered by this contract will continue work until work activities have resumed by the MTC.

IT IS, THEREFORE, AGREED by the Undersigned Company and Unions, in consideration of the mutual promises and covenants contained herein, that the Pantex Trades Agreement be made as follows:

ARTICLE 1
INTENTS AND PURPOSES

This Pantex Trades Agreement, hereinafter is referred as the "Agreement" is for the joint use and benefit of the contracting parties, and the provisions herein defined and set forth shall be construed as binding upon and effective in determining the relations between the parties and/or subordinate sub-divisions hereof signing hereto; and to set forth herein the basic Agreement covering the rates of pay, hours of work and conditions of employment to be observed by the parties hereto.

It is mutually understood that the following terms and conditions relating to the employment of workers covered by this Agreement have been decided upon by means of collective bargaining and that the following provisions will be binding upon the Company and the Unions during the term of this Agreement and any renewal thereafter. It is further agreed that the Direct Hires working under this Agreement shall constitute a bargaining unit separate and distinct from all others. This Agreement may be modified by mutual consent in writing by the parties' signatory hereto.

ARTICLE 2
MANAGEMENT RIGHTS

The Unions understand that the Company is responsible to perform the work required by the Owner DOE/NPO. Therefore, the Company retains all rights not specifically limited by the terms of this Agreement and has the complete authority and right to:

1. Plan, direct and control the operation of all work.

2. Decide the number of Direct Hires required with due consideration to proper craft classification thereof to ensure quality, safety and security.

3. Hire and lay off Direct Hires as the Company feels appropriate to meet work requirements and/or skills required. The Company may hire Direct Hires by name that have special skills or have previous craft experience provided the Company has work in skills requested.

4. Transfer Direct Hires with special skills or qualifications and/or Direct Hires from jobs where forces are being reduced to jobs where forces are being increased without restriction or limitations.

5. Determine work methods and procedures.

6. Determine the need and number of Foremen. To name the Foremen, and to require Foremen to work with their own tools when, in the Company's opinion, this is advisable. This is not to mean that the Company will have inadequate amount of supervision on the job.

7. Require all Direct Hires to observe the Company's rules and regulations.

8. Require all Direct Hires to observe all safety regulations prescribed by the Company, and to work safely.

9. Discharge, suspend or discipline Direct Hires for proper cause.

10. The Company may, if it desires. Maintain a variety of skills within its group of Direct Hires to be prepared to have skills and/or supervision for any type of work that may arise.

11. It is understood that all Direct Hires will work together harmoniously as a group and as directed by the Company. Direct Hires will also cooperate with and follow directions as required by Company.

12. The Unions understand the extreme importance of keeping operating equipment and units running at all times. The Unions also understand that the loss of production and the cost of repairs together create a great loss to the Company. Therefore, the Unions will encourage and advise the Direct Hires to exhaust every effort, ways and means to perform work of good quality and quantity.

The Company and the Unions recognize the necessity for eliminating restrictions and promoting efficiency and agree that no rules, customs or practices shall be permitted that limit production or increase the time required to do the work, and no limitation shall be placed upon the amount of work which an employee shall perform. Nor shall there be any restrictions against the use of any kinds of machinery, tools or labor-saving devices.

13. Questions arising over the application and intent of this Agreement are subject to review by the Pantex Trades Agreement Committee of Union and Company representatives to determine whether there has been exploitation of stipulated Prerogatives. This Committee shall be composed of at least the Labor Relations Manager of the Company and the Chairman of the West Texas Building Trades Council. Others may be appointed as agreed by these two.

ARTICLE 3
UNION SECURITY AND REFERRAL

1. The Unions are recognized by the Company as the sole and exclusive source of Building Trades referrals. The appropriate Unions will be contacted and shall refer all applicants for employment to this project according to the standards or criteria uniformly applied to any construction project in the area. Applicants referred must be able to obtain and maintain the appropriate security clearance.

2. Plant construction activities (including upgrading and refurbishing of buildings and/or components) that the Company performs will require, at times, the acceptance of extreme fluctuations in the labor demand. The Unions, by this Agreement, completely understand the necessity of these extremes and agree to make every effort to fulfill the manpower requirements of the Company.

~~3.~~ The above shall not restrict the Company from soliciting and hiring qualified personnel from any other source, provided the Unions are unable to fulfill manpower requirements within forty-eight (48) hours, emergencies excluded.

4. The Company agrees to be bound by the hiring practices of the local union, consistent with the terms of this Agreement.

ARTICLE 4
NON-DISCRIMINATION

The Unions and the Company shall not discriminate against any Direct Hire or applicant for employment because of race, creed, color, sex, national origin, age, handicap or status as a disabled veteran or veteran of the Vietnam War.

ARTICLE 5
SCOPE OF WORK

1. This Agreement covers only that work assigned by the Company and performed by the Direct Hires covered by this Agreement.

2. This Agreement shall cover construction activities performed by the Company.

3. The Unions understand that the Company may choose to perform, directly subcontract, or purchase any part or parts of the work necessary on any project.

4. It is understood that this Agreement will not replace current or future maintenance workers or their jurisdiction represented by the Metal Trades Council and each of their affiliated Local Unions. This Agreement will not take jobs or work performed by the MTC away from those employees at any time. Maintenance work historically performed by the MTC is not covered under this agreement and will not be performed by workers covered under this Agreement.

ARTICLE 6
DEFINITIONS

1. Project work shall be performed for construction activities (including upgrading and refurbishing of buildings and/or components) within the limits of the Plant property.

2. The administration and interpretation of this Article, as well as the entire Agreement, by Contract is the responsibility and sole prerogative of the Pantex Trades Agreement Committee.

ARTICLE 7
GRIEVANCE PROCEDURE

All grievances involving the interpretation and application of this Agreement, other than those pertaining to general wage rates or jurisdictional disputes, that arise on a job covered by this Agreement, shall be handled in the following manner with the understanding that there shall be no suspension of work or strike or lockout. Any grievance must be submitted to the other party within five (5) workdays of occurrence or it will be considered closed. However, time limits provided in this grievance procedure may be extended by mutual agreement of the parties.

Step I

Between the Direct Hire and/or the on-site Representative and the company's on-site supervisor. If not settled in this step within five (5) working days, it shall be reduced to writing and referred to the next step.

Step II

Between the Local Union Representative and the Company's on-site supervisor and/or Labor Relations Manager of the Company. If not settled in this step within ten (10) working days, it shall be referred to the next step.

Step III

Between the appropriate Union Representative, the Local Union Representative and the Employer's Labor Relations Manager. If not settled in this step within ten (10) working days, it shall be referred to the next step.

Step IV

1. Within ten (10) days after the grievance has been referred to Step IV, the parties shall apply to the Federal Mediation and Conciliation Service for the service of an Arbitrator in accordance with established rules of said service. The impartial Arbitrator shall only have jurisdiction and authority to determine the meaning, application of, or compliance with the provisions of this Agreement and shall not have jurisdiction or authority to add to or detract from or alter in any way, such provision.

2. In arbitration proceedings, the expenses of the impartial Arbitrator shall be shared equally by the Company and Union.

3. The findings of the Arbitrator shall be binding on both parties.

ARTICLE 8
WORK ASSIGNMENTS

1. The signatories to this Agreement agree to the concept that jurisdictional disputes cannot and shall not interfere with the efficient and continuous operations required in the successful application of the intent of this Agreement; and to make available to the Company the skills and expertise the Building and Construction industry has to offer in the scope of work as defined by the Company.

2. Project conditions do not always justify adherence to craft lines, which in itself does not establish precedent or change the appropriate jurisdiction of the crafts involved. Periodic review of the work assignments shall be made for the purpose of adjusting such assignments as appropriate to take care of changing needs.

3. Composite crews, consisting of different crafts, may be used to expedite project completion.

4. The company shall employ, at all times, as a minimum:

    - Two (2) Painters
    - Two (2) Carpenters
    - Two (2) Electricians
    - Two (2) Cement masons/plasterers
    - One (1) Sheet metal worker
    - One (1) Pipefitter/Plumber

ARTICLE 9
UNION SITE REPRESENTATION

When necessary, the Union representatives shall appoint one (1) Union Site Representative from the Direct Hires.

The Union Site Representative shall have qualifications to provide leadership, maintain harmonious relations among Direct Hires and with the Company and conduct his business in a respectful and business-like manner. He/she shall be a qualified working craftsman, to act as a representative of the Unions in connections with the application of this Agreement with the signatory Company. He/she shall be allowed reasonable time to conduct Union business. Any dispute concerning the selection of the Union Site Representative shall be resolved immediately by the Pantex Trades Agreement Committee, and there will be no interruption of work. The Representative shall have access to a telephone.

ARTICLE 10
COMPANY'S REPRESENTATIVE

The Company shall appoint a Representative who shall cooperate with the on-site Union Representative in the exchange of information, which will be beneficial to the harmonious operation of the project.

ARTICLE 11
LOCAL UNION REPERESENTATIVES

Officials of any of the signatory Unions shall be provided access to the Direct Hires covered by this Agreement. Requests shall be arranged through the Company for such visitations in keeping with Company's uniform rules for safety and security as expeditiously as possible. Each Local Union shall designate one (1) official as its representative and so inform the Company.

Union Officials will only have access to uncleared areas of the facility.

ARTICLE 12
WAGE RATES AND PAYDAY

The undersigned further agrees to comply with all of the terms and conditions enumerated in said agreement, particularly those related to wage rates, and payments to be made to Health and Welfare, Pension Apprentice Training Trusts (the "Trusts"), each of which have been established under Section 302(c)(5) of the Labor-Management Relation Act. The Employer irrevocably authorizes and designates as its representative Boards of Trustees, those Employer Trustees named in the agreements and Declaration of Trust, and their successors. The Employer agrees to be bound by terms of such Agreements and Declarations of Trust and such policies and resolutions duly adopted by such Boards of Trustees. This Agreement is binding with respect to the Trusts' successors, whether by merger, consolidation or otherwise.

1. Wage rates shall be as specified in Schedule "A", attached hereto.

2. Fringe Benefits, as negotiated in local and/or National working agreements, shall be paid as part of wage rates as specified in Schedule "A". This includes welfare funds, apprentice training funds, pension funds and other monetary funds. Construction industry promotional funds are not applicable under terms of this Agreement.

3. Except as specifically noted in the wage schedules, wage premiums established under local and/or national agreements affecting construction or renovation work such as hazard pay, acid pay, high or low work and other similar premiums, shall not be applicable to this Agreement.

4. Under the terms of this Agreement, travel allowance or mileage pay for travel time will not be paid to any employee. Exceptions may be allowed at the sole discretion of the Company.

5. Wages will be paid weekly. If unforeseen layoffs occur during other than normal working hours of the Company's office, the layoff checks shall be mailed to the Direct Hires address, or picked up at the Company's office the following working day.

6. Apprentices will be paid fringes as defined in local agreements and a wage calculated at their respective percentage, as defined by each local agreement, taken from the base wage negotiated in this contract.

7. For each Union which has dues check-off negotiated as part of its local Building Trades Agreement, the Company signatory to this agreement agrees to deduct from the pay of Union members covered by this Agreement regular uniform monthly dues, working dues, dues assessments in the amount specified by the Union provided, before any such deduction is made.

8. The Union shall secure and furnish to the Company a properly signed authorization from each Direct Hire permitting such deductions. Such deductions shall be remitted to the Union or benefit administrator by the 15th of each month following the end of the month for which deductions are made. Since the Union hereby undertakes the responsibility of securing a properly executed authorization card for dues deduction

from each of its members working under this Agreement, and fully understands that the Company will uniformly make deductions for all Direct Hires covered by this Agreement for whom an authorization card has been submitted, the Union agrees to hold the Company harmless from and all suits, claims, or legal proceedings which arise as a result of enforcement of this Article or compliance with the Article by the Company. Violation of the dues check-off clause of this Agreement is specifically accepted from the application of grievance and arbitration procedure.

ARTICLE 13
DAY WORK SCHEDULES

1. The standard workday shall be an established consecutive eight (8) hour period between the hours of 6:30 a.m.-5:30 p.m., exclusive of a thirty (30) minute unpaid lunch period. Forty (40) hours per week shall constitute a week's work, Monday through Friday inclusive.

   On any project, when the job conditions dictate a change in the established starting time and/or a staggered lunch period on certain work on the project or with individual crafts, the Company and the local Unions involved shall mutually agree to such changes. If work schedule change cannot be mutually agreed to between the Company and the Union or Unions involved, the hours fixed in the Agreement shall prevail. However, the parties involved shall have the prerogative of calling on the Pantex Trades Agreement Committee as a whole to request such changes; requests shall be in writing; the Committee's decision shall be final.

2. All time before and after the established workday of eight (8) hours, nine (9) hours, or ten (10) hours, Monday through Friday, and all time on Saturday shall be paid for at the rate of time and one-half. All time on Sundays and paid holidays stated in Article 15 shall be paid for at the rate of double time.

3. A standard four (4) 10-hour day work week shall be Monday through Thursday may be established upon agreement by parties hereto; in which case, overtime will be paid for over ten (10) hours per day and forty (40) hours worked per week.

4. In the event that a four (4) 10-hour day workweek is scheduled, and for reasons not under the control of the Company the job is shut down. Friday or Monday may be used as a makeup day at straight time wages, with the consent of the parties. This provision will not apply to work performed on holidays, nor will any Direct Hire be required to work on said make-up day. A make-up day is a job day rather than a day for individual parties to make-up lost time, and will be worked the same pay period.

5. A 9/80 work schedule may be established, in which case, time and one half (1½) will be paid for hours worked in excess of nine (9) hours in a single workday (Monday through Thursday), hours worked in excess of eight (8) hours on the Friday scheduled as a regular work day will be paid at time and one half (1½), and hours worked on the Friday scheduled off for the 9/80 schedule, will be paid at time and one half (1½).

ARTICLE 14
TEMPORARY SHIFT WORK CONDITIONS

When so elected by the Company, multiple shifts on a temporary basis of at least five (5) consecutive workdays duration may be worked. When two (2) or three (3) shifts are worked, the first or day shift shall be established on an eight (8) hour basis, the second shift shall be established on a seven and one-half (7½) hour basis, and the third shift shall be established on a seven (7) hour basis. The determination of the start of multiple shifts is the prerogative of the Company. If it is necessary to use Direct Hires from a previous shift within a twenty-four (24) hour period, overtime provisions of Article 13, paragraph 1 shall apply and will be considered the beginning of the three (3) consecutive work days.

Except as specifically noted in the wage schedule, pay for the second and third shifts shall be equivalent of eight (8) times the Direct Hires straight time hourly rate.

ARTICLE 15
HOLIDAYS

The following eight (8) days shall constitute the recognized paid holidays within the terms of this Agreement except when mutually agreed to changes occur with the Committee.

New Year's Day	Memorial Day	July 4th
Labor Day	Thanksgiving Day	Day after Thanksgiving
Christmas Day		
One (1) Floating Holiday		

Each Direct Hire covered by this Agreement will receive a holiday pay allowance for the above-designated holidays. Direct Hire Employees will be compensated for hours not worked of the current scheduled work week as defined in “Article 13” (5/8, 4/10, or 9/80s) at his/her base hourly rate up to eighty (80) hours for the above designated paid holidays. Good Friday and Columbus Day shall constitute the recognized unpaid holidays within the terms of this Agreement. Work at the Direct Hires base hourly wage rate will be available on the days recognized as unpaid holidays. Should no work be available on a recognized unpaid holiday, the Direct Hires will receive pay for all regular scheduled hours at his/her base hourly wage rate.

If any of the above holidays fall on Sunday, Monday shall be observed as the holiday. For premium purposes, holidays celebrated as such shall be utilized for the computation for overtime pay. All work performed on recognized paid holidays and Sundays shall be paid for at the rate of (2X) double time.

ARTICLE 16
SICK LEAVE

1. 56 hours per allotment year will be provided to each WTBCTC represented employee.
2. Effective June 1, 2022 each WTBCTC represented employee will receive 56 hours of sick leave. Employees who hire in with WTBCTC after June 1, 2022 will have their hours prorated, based on the month their employment begins.
3. An allotment year is defined as January 1st of a calendar year through December 31st of the subsequent calendar year.
4. The annual allotment of 56 hours will be frontloaded on January 1st of each year.
5. Employees who hire in with WTBCTC after January 1st each year will have their hours prorated, based on the month their employment begins.
6. Hours will be zeroed at the end of each allotment year with a new allotment of 56 hours reloaded on January 1st beginning the new allotment year.
7. Management may request documentation for absences of 3 consecutive days or longer.
8. Employees shall provide as much advanced notification to management as practicable when using paid sick leave.
9. Employees may use sick leave in increments of one (1) hour.
10. Paid sick leave will not count as hours worked for determining overtime premiums.
11. Sick leave may not be used for overtime or other workdays requiring premium pay.
12. Unused sick leave hours may not be cashed out at any time, including at the separation of employment. These hours are available for use for paid sick leave as noted in 13 and 14 below. However, if an employee is re-employed by WTBCTC within the same allotment year, any unused paid sick leave hours will be restored to the employee for use for the remainder of the allotment year. Previous year's allotment hours will not be restored.
13. WTBCTC employees using sick leave will receive the same regular pay and benefits, i.e., fringe payments that the employee would have received had the employee not used paid sick leave.
14. WTBCTC employees may use the paid sick leave hours for the following reasons:
    a) A physical or mental illness, injury, or medical condition
    b) Obtaining diagnosis, care, or preventive care from a health care provider.
    c) Caring for a child, parent, spouse, domestic partner, or any other individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship who has any conditions or needs for

diagnosis, care, or preventive care described in (a) or (b) or is otherwise in need of care.

d) Domestic violence, sexual assault, or stalking, if the time absent from work is for the purposes described in (a) or (b) or to obtain additional counseling, seek relocation, seek assistance from a victim services organization, take related legal action, including preparation for or participation in any related civil or criminal legal proceeding, or assist an individual related to the employee as described in (c) in engaging in any of these activities.

15. Any changes to this article as required by government regulation or requirement will be provided in writing to the WTBCTC by Labor Relations prior to implementation of the changes.

ARTICLE 17
REPORTING TIME & CALL-INS

When a Direct Hire or new hire reports to work on any shift between the established hours of his regular work and is not given the opportunity to work because none was available, and was not notified before the completion of the previous day's work, he shall be paid two (2) hours reporting time. When Direct Hires start to work, they shall be paid not less than four (4) hours, and if they work beyond four (4) hours, they shall be paid for actual time worked. It shall be the Company's prerogative whether or not to stop work. If a Direct Hire refuses to start or stop work on his own volition, the minimum set forth herein shall not apply. To collect reporting time, the Direct Hires shall remain on the job until released by the employer.

ARTICLE 18
TOOLS

The Company will provide sufficient tools to support the work. Each craftsperson shall provide basic tools for the job in accordance with the approved local union's tool list for his craft. In such cases, the Direct Hire shall present a written list of tools brought to the job and be prepared to have tool boxes inspected for verification.

ARTICLE 19
FIRST AID AND SAFETY

1. The Direct Hires covered by the terms of this Agreement shall at all times while in the employ of the Company be bound by the safety rules and regulations established by the Company. These rules and regulations are to be posted at conspicuous places throughout the Plant.

2. All Direct Hires covered by this Agreement will be required as a condition of employment to submit to drug and/or alcohol screening by legally acceptable methods. This includes random drug and alcohol screening and other sampling as required.

3. The Company shall provide personal protective equipment (PPE) to each employee as deemed necessary to perform the work in a safe manner.

ARTICLE 20
PROJECT RULES

1. It is agreed that project rules and regulations will include safety and security, and will be prepared and distributed among the Direct Hires on the job by the Company, provided such rules do not conflict with or contravene terms of this Agreement.

2. It is further agreed that violation of these project rules and regulations is direct and just cause for disciplinary action, including immediate discharge subject to Article 7 – Grievance Procedure.

ARTICLE 21
PROTECTIVE LEGISLATION

All Direct Hires covered by this Agreement shall have the protection of all existing federal, state and local laws applicable to Direct Hires in general. Employer must at all times carry Workers Compensation Insurance in accordance with State requirements. A Certificate of Insurance indicating a minimum ten (10) day notification before cancellation will be filed annually with the West Texas Building and Construction Trades Council.

ARTICLE 22
PERIODIC CONFERENCES

Periodic Conferences shall be held with representatives of the local union and the Company for the purpose of discussing matters of mutual interest.

ARTICLE 23
GENERAL SAVINGS CLAUSE

Any provisions in this Agreement which are in contravention of any federal, state, local or county regulation or laws affecting all or part of the limits covered by this Agreement shall be suspended in operation within the limits to which such law or regulation is in effect. Such suspension shall not affect the operation of any such provisions covered by this Agreement, to which the law or regulation is not applicable. Nor shall it affect the operations of the remainder of the provisions of the Agreement within the limits to which such law or regulation is applicable.

ARTICLE 24
WORK STOPPAGES

There shall be no strikes, work stoppages, picketing or slowdowns by the Unions or employees against the Company or any other Company performing work on the project site that would affect the terms of this Agreement. There shall be no lockouts by the Company. Exception: In the event that Metal Trades Council (MTC) employees are engaged in work stoppage or strike activities, there is no exception that any members of any Local Union covered by this contract will continue work until work activities have been resumed by the MTC.

ARTICLE 25
TERMS OF THE AGREEMENT

The term of this Agreement shall be May 16, 2022 to May 16, 2025 and shall be considered renewed from year to year thereafter unless either party to this Agreement shall give written notice to the other of its desire to terminate, modify or change this Agreement; such notice shall be given not less than sixty (60) days prior to its termination or the end of such current Contract Year if extended beyond May 16, 2025 under this Article.

SCHEDULE A

All craft rates will be equal to the locally negotiated base hourly wage plus a 5% allowance.

Benefits will be paid per each craft's locally negotiated CBA.

Foreman and General Foreman-Wage to be per individual crafts rules per their local contract plus a 5% allowance.

RECRUITING AND RETENTION INCENTIVES

Incentives

As a mechanism for recruiting and retaining skilled craft labor at Pantex, CNS will offer the following incentives:

1. **Local Labor Incentive:** Construction craft employees who live less than fifty (50) miles from the Pantex Plant will be eligible for a local labor incentive of $60 per week. The payment of the $60 weekly local labor incentive is contingent upon the employee's completion of all regular scheduled hours during the workweek. This incentive is based on attendance. Any unexcused absence, unexcused late start or unexcused early quit, on a scheduled work day, disqualifies a craft employee from receiving the local labor incentive for the week in which the unexcused absence occurred. Any FMLA-protected absence is considered an excused absence and will not disqualify the employee from receiving this incentive.

   The Local Labor Incentive will apply to all construction craft employees until such time that the Company provides an alternative incentive for those who live outside of the fifty (50) mile radius of the Pantex Plant. The local labor incentive outlined above may be discontinued at the Company's sole discretion with a seventy-five (75) day advance written notification to the WTBCTC.

   Every effort will be made to give as much as a ninety (90) day notice, but a minimum of a seventy-five (75) day notice will be required before discontinuance of any skills incentive detailed as part of this MOU.

2. **Skills Differential Incentive:** Skills incentives are offered at the Company's discretion when Projects & Construction Management in concert with Pantex Labor Relations determines that skilled labor is proving difficult to staff due to supply and demand. This incentive is payable in addition to the other incentives outlined in this agreement as well as the current Collective Bargaining Agreement between the WTBCTC and the Company. The payment of the 10% per hour skills incentive is made on a weekly basis and is contingent upon the employee's completion of all regular scheduled hours during the workweek. Any unexcused absence, unexcused late start or unexcused early quit, on a scheduled work day, disqualifies a craft employee from receiving the skills differential incentive for the week in which the unexcused absence occurred. Any FMLA-protected absence is considered an excused absence and will not disqualify the employee from receiving this incentive.

   a. The 10% skills incentive will be applied to the local negotiated collective bargaining agreement rate of the applicable classification before the 5% wage allowance is applied. Beginning no later than June 1, 2019 the skills incentive will be applied to all WTBCTC classifications currently working at the Pantex Plant.

      Initiation or discontinuance of the skills incentives will be made unilaterally by Project & Construction Management in concert with Labor Relations based on

the present supply and demand of skilled labor. The skills differential incentive outlined above may be discontinued with a seventy-five (75) day advance written notification to the WTBCTC.

3. **Pre-hire Incentive:** Construction craft employees hired after the ratification of the current PTA will be eligible for a $300 pre-hire incentive. In order to be eligible for the incentive, employees must successfully complete all pre-hire steps and complete four (4) full regularly scheduled workweeks. The pre-hire steps include, but are not limited, to the following:

    - Successful completion of the Background Information and Authorization process
    - Provide all required onboarding documentation (I-9, W-4, Proof of Citizenship)
    - Pass the extended panel substance abuse test
    - Pass the Fit-for-Duty physical examination
    - Complete General Employee Training and other required training

If an employee is involuntarily terminated (i.e., laid off due to lack of work), and is subsequently rehired at a later date, the employee may be eligible for an additional $300 pre-hire incentive payment provided the following conditions are met:

- The separation in employment lasted longer than ninety (90) days requiring the above pre-hire steps to be completed again.

- The employee's prior separation from the Company was not due to the employee electing to leave voluntarily (i.e., personal reasons, another job, etc.).

- The employee's prior separation was not due to an involuntary termination related to misconduct or poor attendance.

The pre-hire incentive outlined above may be discontinued at the Company's sole discretion with a seventy-five (75) day advance written notification to the WTBCTC.

Contingencies

- The above incentives will become effective no later than June 1, 2019.

- Employees are expected to be at the designated work location, clocked in, and properly dressed with all required equipment at their scheduled start time.

- Pre-Approved Unpaid Time Off (UPTO) and Closures due to holiday observance or inclement weather will not be considered scheduled hours in the determination of eligibility for incentive payments. Regular scheduled hours are defined in Article 13 and will consist of forty (40) scheduled hours per week. The completion of scheduled OT hours will not be required to receive any incentive defined in this agreement.

- Effective May 16, 2022 employees are allotted 160 hours of Unpaid Time Off annually. It cannot be carried over to the next calendar year and must be approved

by supervisor before use.

Absences for the following situations will not be deducted from the annual allotted hours of UPTO, however the appropriate documentation will be required:

- Approved Family and Medical Leave Act absence (FMLA)
- Jury Duty
- Military Leave
- Occupational injury absence
- Management request (craft rotation when working extended work schedules)
- Approved union business or training absences
- Funeral leave- (No more than three (3) consecutive days one of which encompasses the day of the funeral). Death in the immediate family (spouse, children or stepchildren, parents and stepparents, parents-in-law, brother, half-brother, sister, half-sister, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandchildren, grandparents.)
- Fringe benefit contributions will not be paid to any fringe benefit fund on behalf of any bargaining unit employee based on the payment of the above incentives.

This agreement shall expire at the expiration of the WTBCTC labor agreement on May 16, 2025. However, it is understood any and all incentives may be modified or terminated at the sole discretion of the Company provided the Company gives the WTBCTC at least seventy-five (75) days written notification of the change.

AGREED TO AND SIGNED THIS 16th DAY OF May, 2022.

FOR THE COMPANY:

Diane Grooms
Chief Human Resource Officer (CHRO)
Human Resources

Tonya Detten
Acting Labor Relations Manager
Human Resources

Ian J. Hughes
Construction Manager
Infrastructure & Project Management

Heather Cathey
Labor Relations Specialist
Human Resources

Brad Thomas
Labor Relations Specialist
Human Resources

FOR THE UNION:

Jerrod Strange (Jun 29, 2022 15:11 CDT)

Jerrod Strange, President
West Texas Building and Construction Trades Council

Shawn Smith, Recording Secretary
West Texas Building and Construction Trades Council
International Association of Sheet Metal, Air, Rail & Transportation Workers, Local Union #49

International Union of Painters & Allied Trades, District Council #88

Jerrod Strange (Jun 29, 2022 15:11 CDT)

International Association of Bridge, Structural, Ornamental & Reinforcing Iron Workers, Local Union #263

Rick Twombly B.A. (Jun 30, 2022 09:40 CDT)

International Union of Operating Engineers, Local Union #178

Larry JAramillo
Larry JAramillo (Jun 30, 2022 10:13 CDT)

Laborers' International Union of North America, Local Union #154

Robert Melton (Jun 30, 2022 10:55 CDT)

International Brotherhood of Electrical Workers, Local Union #602

John Roberts (Jun 30, 2022 11:29 CDT)

United Brotherhood of Carpenters & Joiners of America, Local Union #665

BA LU 404 Israel Reyna
BA LU 404 Israel Reyna (Jun 30, 2022 11:46 CDT)

United Association of Plumbers, Fitters, Welders and Service Techs, Local Union #404

Plasterers' Cement Masons' (Jun 30, 2022 13:28 EDT)

Operative Plasterers & Cement Masons International Association, Local Union #783

Jordan Ritenour
Jordan Ritenour (Jul 6, 2022 20:53 EDT)

United Union of Roofers, Waterproofers & Allied Workers Local Union #123

James Landers BA Local 669 (Jul 7, 2022 14:23 CDT)

Road Sprinkler Fitters, Local Union #669

M. Monroe Worrick Jr @ L.U. 21 INSULATORS

International Association of Heat & Frost Insulators & Allied Workers, Local Union #21

Ryan Donnell 7-11-2022

International Union of Elevator Constructors, Local Union #21