AGREEMENT

Between

WASHINGTON TRU SOLUTIONS, LLC

And

UNITED STEEL, PAPER AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND
SERVICE WORKERS
INTERNATIONAL UNION
AFL-CIO AND ITS LOCAL 12-9477

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AGREEMENT

Between

WASHINGTON TRU SOLUTIONS, LLC

And

United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied
Industrial
And Service Workers
International Union
AFL-CIO and its Local 12-9477

AGREEMENT

AGREEMENT, entered into as of the 1st day of October 2005 between WASHINGTON TRU SOLUTIONS, LLC, Carlsbad, New Mexico (hereinafter referred to as the "Company,") and Local 12-9477, United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (AFL-CIO), (hereinafter referred to as the "Union,") for and in behalf of all employees to whom it applies;

WITNESSETH:

SECTION I - RECOGNITION

Pursuant to and in conformity with the National Labor Relations Act, the Company recognizes the Union as the sole and exclusive bargaining agency for all hourly employees with respect to rates of pay, wages, hours, and other conditions of employment in Underground Operations, Maintenance, Surface Operations and all other hourly employees at the Waste Isolation Pilot Project on site 26 miles east Southeast of Carlsbad - Jal Highway. The certification excludes all Guards, Clerical, Administrative, Non-Exempt Salary, Exempt, Professional, and Supervisors as defined by the National Labor Relations Act.

SECTION II - CONSIDERATION AND COOPERATION

Both Parties enter into this Agreement in consideration of the mutual performance thereof in good faith. The intention of this Agreement is to establish harmonious relations between the Company and the Union and its membership and to promote the general welfare of the Company and the employees. The Parties to this Agreement agree to cooperate in every reasonable way in carrying out the provisions hereof and to exchange such information with respect hereto as is mutually deemed essential for the furtherance of harmonious relations.

SECTION III - AFFIRMATIVE ACTION AND OTHER COMMITMENTS

There will be no discrimination by supervisory or other employees of the Company not included in the units covered by this Agreement, against any employee because of membership or activities in the Union.

The Union agrees that neither it, nor its Locals, nor their respective officers and members, nor persons employed directly or indirectly by the Union or its Locals, will discriminate against any employee. The Union further agrees that there will be no solicitation of members, dues, or funds during the working hours of employees involved.

The Union, the Local and the Company reaffirm their intention that the provisions of this Agreement will continue to be applied without discrimination because of race, creed, color, sex, age, national origin, physical or mental handicap or disability, because an employee is a disabled veteran or veteran of the Vietnam era or because of citizenship status, except citizenship status which is otherwise required in order to comply with law, regulation or federal executive order, or required by Federal, State or local government contract, or which the Attorney General of the United States determines to be essential for an employer to do business with an agency or department of the Federal. State, or local government.

The Parties recognize and accept that any term of gender in this Agreement is intended to include and does include both feminine and masculine as appropriate.

The Company shall make reasonable provisions as required by law for the safety and health of employees during the hours of work of their employment. The Union will cooperate with the Company in encouraging all employees to work in a safe manner.

All provisions of this Agreement shall be subject to any applicable law or any Government requirement or regulation now or hereafter in effect.

SECTION IV - MANAGEMENT RIGHTS

A. Operation of the Plant: The management of the plant and the direction of the working forces including the planning, direction and control of plant operations, the scheduling of work and the assignment of employees to such work, including the right to assign employees to perform work outside of their job classification as necessary, the control and regulation of all equipment and other property of the Company, the determination of ability, production standards, the quality and quantity of work to be produced, the determination of the products to be manufactured and/or procured, the location or relocation of work, the work to be assigned to each location, the methods, process and means of production, shift assignments and schedules, the determination and establishment of any new or improved production methods or facilities, the establishment and enforcement of reasonable rules of conduct, and the right to maintain discipline and efficiency of all employees are all vested solely and exclusively in the Company, except as they may be expressly abridged or modified by other terms of this Agreement. It is further agreed that this enumeration of sole and exclusive Management prerogatives shall not be deemed to exclude other prerogatives not herein enumerated, and the Company retains the right to exercise any other prerogatives or functions of management which are not abridged by a specific provision of the Agreement.

Note: The Company will advise the Union of sub-contracting work done at the WIPP, where the bargaining unit personnel, prior to the commencement of such work, would normally perform the work. If the Union requests a meeting to discuss the matter, such meeting will take place as soon as practical, but before the commencement of the work.

B. Hiring, Transfer, Suspension, Discipline and Discharge: The Company retains the right to hire, suspend, discharge or discipline employees for just cause, transfer employees to other positions, departments, or facilities, and the right to relieve employees from duty because or other legitimate reasons including fitness for duty. When any employee has been terminated for proper cause, the Company agrees to provide the Union with a copy of the termination notice within two working days of the effective date of termination. The time limits of the grievance procedure will not begin until receipt of the termination notice by the Union. Additionally, whenever an employee is suspended pending investigation, notification of the suspension and the cause of the suspension will be provided to the Union as soon as practical and, in all cases, prior to close of the investigation and subsequent corrective / disciplinary actions. Progressive discipline will be administered in accordance with the Company rules of conduct as defined in the Employee Handbook. The Company will notify a representative of the union prior to any change to the rules of conduct as defined in the employee handbook.

C. Research and Development: In view of the recognized necessity for research, development and experimentation by the Company, it is understood by both Parties to this Agreement that construction and operation of experimental or pilot programs shall be discussed with the Union as it pertains to this Agreement. Regular employees coming within the provisions of this Agreement who may be assigned to such work or temporary operations shall continue to be covered by the terms of this Agreement.

SECTION V - CHECKOFF

Membership in the Union will be on a voluntary basis for employees of the Company who are regularly assigned to positions covered by this agreement.

All employees who are not Union members and who are on jobs covered by this certification and who do not in the future become and remain members shall, immediately following a thirty (30) day period from the date hereof as condition of employment, pay to the Union each month, a service charge as a contribution towards the administration of this agreement, in an amount equal to the regular monthly dues, not including initiation fees, fines or assessments, or any other charge uniformly required as condition of acquiring or retaining membership in the Union. This provision does not apply to new employees, since the obligation to pay the service charge begins ninety (90) days after the date of employment.

Upon receipt of written assignment and authorization from an employee, as set forth below, the Company agrees to deduct from the wages of said employee, Union dues or service charges in such amounts as may now, or hereafter be established in accordance with the constitution and by-laws of the Union. The amount of such union dues or service charges, to be in a dollar amount, shall be certified in writing by the Union to the Company. The assignment and authorization shall be irrevocable for a period of one year, or until the termination of the collective bargaining agreement herein, whichever occurs sooner, but said assignment and authorization shall be automatically renewed and shall be irrevocable for successive periods of one 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 of termination of assignment is given to the Company and the Union not before July 5th of each year and not after July 12th of each year or not less than 10 days prior to the expiration of each applicable collective agreement between the Company and the Union, whichever occurs sooner.

Within the meaning of the dues deduction or service charge authorizations, membership dues or service charges will include only that regular payment required of all employees covered by this certification which has been designated as membership dues or service charges pursuant to appropriate Union and Local constitutions and by-laws. Excluded specifically from such

authorizations are fines, penalties, contributions, assessments, strike assessments, taxes of any kind or any other type of payment.

Dues amounts will be increased annually, the dates to coincide with increases to wages.

Neither the Union nor its officers or members shall intimidate or coerce employees into joining or continuing their membership in the Union, nor there shall be any solicitation for Union membership or Union Funds on Company time. Officers of the Union will be allowed sufficient time during new employee orientation for the purpose of indoctrinating new employees assigned to positions covered by the terms or this agreement.

For the duration of this agreement the Company shall make deductions from the weekly pay for Union Dues/Initiation Fees or Service Charges and remit such monies monthly within fifteen (15) days after the last payday of the month with a substantiating list attached to the Secretary-Treasurer of Local 12-9477 of the Union.

The Union agrees to indemnify and hold harmless the Company against any and all claims, demands, suits or other forms of liability that may arise out of or by reason of action taken by the Company in reliance upon the voluntary assignments furnished to the Company by the Union as provided in this section.

This Section shall apply only to the extent that its provisions are consistent with all applicable State laws.

ASSIGNMENT/AUTHORIZATION FOR PAYROLL DEDUCTIONS OF DUES/SERVICE CHARGES

, an employee of the Washington TRU Solutions, LLC, Carlsbad, New exico and a member of Local 12-9477, United Steel, Paper and Forestry, Rubber, anufacturing, Energy, Allied Industrial and Service Workers International Union (AFL-CIO) athorize the Company to deduct from my wages and assign to the local Union my weekly union uses and initiation fee, if any, as the Secretary-Treasurer of Local 12-9477 may certify to the company.	1
, an employee of the Washington TRU Solutions, LLC, Carlsbad, New exico and an employee covered by this certification authorize the Company to deduct from my ages and assign to the local Union my weekly service charges, if any, as the Secretary-easurer of Local 12-9477 may certify to the Company.	

This assignment and authorization shall expire if I should leave the bargaining unit. This assignment shall be irrevocable for a period of one (1) year from the date or until the termination of the collective bargaining agreement, whichever occurs sooner. This assignment shall be renewed automatically for successive twelve (12) month periods unless written notice of termination of assignment is given to the Company and the Union not sooner than July 5th of each year and not later than July 12th of each year or not sooner than 10 days prior to the expiration of each applicable collective agreement between the Company and the Union, whichever occurs sooner.

SECTION VI - PAY FOR UNION BUSINESS

A. Pay for Union Business at the Company's Request: All pay at the current rate including premiums will be paid to the Union representative who represents the Union at meetings or conducts Union Business during working hours at the Company's request.

- **B. Pay for Union Time for Adjusting Grievances**: A total of all Union representatives' time, excluding grievance committee meetings with the company, up to twenty (20) hours per month to assist in adjusting grievances during regular working hours (after proper authorization has been given by his manager) will be paid by the Company. Any time over twenty (20) hours per month will be compensated solely by the Union.
- **C. Grievance Committee Meetings**: The Grievance Committee will meet with management on the second Wednesday of each month to adjust grievances in accordance with Section XIV, D, a, (2), Grievance and Arbitration, if required. Changes in schedule or multiple meetings in a single month shall occur only by mutual agreement of both Parties. The Company will pay Grievance Committee members for time spent meeting with management.
- **D. Pay for Contract Re-Negotiation**: The Company shall pay five (5) members of the Union Negotiating Committee their regular rate, while they are in conference with the Company regarding contract negotiations, for a period of up to five (5) days per Committee member. The number of days may be extended by mutual agreement of both Parties.

SECTION VII - WAGES

Wages will be paid in accordance with wage schedules shown in Appendix A.

The employees will be paid weekly (on the same day of every week) in accordance with established practices and procedures. The Company will not make any changes to the above without previous discussions and thirty (30) day notice to the Union.

Employees working night turn will receive an extra compensation at ten percent (10%) of their earnings on night turn when the regular quitting time is after nine o'clock in the evening (9:00 p.m.) and up to and including nine o'clock (9:00 a.m.) of the following day. Employees assigned to the seven-day workweek will receive additional compensation in the amount of ten percent (10%) for work performed on Saturdays and Sundays falling within their regular work schedule. This provision does not apply to employees working voluntary overtime that falls on either a Saturday or Sunday.

When hourly employees report to work at the regular starting time of their shift and have not been advised at least ten (10) hours beforehand not to report, and those who report to work at other times at Management's request, will be guaranteed four (4) hours work at their guaranteed rate or the rate of pay for the job on which they work, whichever is higher. If the employee works more than four hours, he will receive pay for actual hours worked at the appropriate rate of pay. If the employee has qualified for overtime in accordance with the overtime provisions of this Agreement, overtime rates based on the provisions of this Agreement (Section X - Overtime) will be paid for hours not worked.

Note: The foregoing provision will not apply in the case of an emergency such as fire, flood, power failure or work stoppage by employees in the facility.

The Union will be furnished a schedule of wages applying to the employees in the bargaining unit.

It is recognized that changing conditions may from time to time require adjustments to job rates in effect because of significant changes in content of jobs or establishment of new jobs. Under such circumstances the following shall apply:

• The Company will evaluate the new or changed job and establish a rate commensurate with the work performed and consistent with the "Wage Schedule" in effect.

• The new rate will be discussed with the Union. If agreement is not reached between the Union and Management on the new rate, Management will be free to initiate the new position and the Union will be free to pursue the established grievance process.

The employees, the Union and the Company recognize the principle of a fair day's work for a fair day's pay. Performance standards will be in line with the foregoing principle and will be based on established methods, remaining on the job for the normal periods during the entire shift, subject to all customary allowance time and the application of effort equivalent to the normal and reasonable capacity of normal operators working on the job under the prevailing conditions. In grievance and arbitration proceedings resulting from claims that any such performance standard is unreasonable or unsound, the principles set forth in this paragraph will be controlling.

In computing hours worked on late arrivals, early departures and for overtime in connection with attendance control and compensation, an employee will be credited with time worked from the start of the one-tenth hour interval in which the recorded time of departure falls. Elapsed hours will be computed in terms of hours and tenths of hours.

When an employee is required to temporarily perform work in a classification that pays a higher rate than his regular classification, he shall receive the higher rate of pay. If an employee is temporarily assigned to work in a classification that pays a lower rate than his regular classification, his wage shall remain at the higher rate of pay. Employees required to temporarily perform work normally assigned to those compensated at the higher level will also be compensated at the higher level for the duration of their shift. Employees undergoing training for qualification under the direction of higher classified personnel will not be entitled to the terms of this provision.

Temporary schedule changes or shift assignments that result in an economic gain to any employee will be offered to the most senior affected employee first.

Employees shall not be required to work in a temporary assignment for a period greater than three (3) months unless mutually agreed upon by both parties.

SECTION VIII - HOURS OF WORK AND WORK SCHEDULES

A. Hours of work: Each employee will have an established work schedule. Examples of work schedules that employees may be assigned to are defined in paragraph B and C of this section. Changes to the established work schedule or the introduction of a work schedule not defined in paragraph B and C of this section, will be the subject of negotiation with the Union. Should negotiations not result in agreement, Management may exercise their prerogative to implement the desired change.

Work Week: The workweek for all employees, except for rotating shift employees and employees working the 9/80 schedule, starts at 12:01 a.m. on Monday and ends seven (7) days later. The workweek for rotating shift employees starts at 7:30 a.m. on Monday and ends seven (7) days later. The work week for employees working the 9/80 schedule starts four (4) hours after the start of the shift on Friday and ends seven (7) days later. A deduction is made for any hours worked less than forty during the standard workweek and overtime is paid for any hours in excess of forty (40) during the standard workweek.

Work Day: The workday starts at the same times of the start times in paragraph a., above and ends twenty-four (24) hours later.

Posting Work Schedules and Change Notification: The Company shall post current work schedules for all workers. Any change in schedule shall be posted in the same place as the current schedule posting and will be communicated by Company e-mail, written or electronic newsletters and site postings, as appropriate, and verbally by management. Acknowledgment of the notification by employees will be in writing for individual changes or by signature on meeting attendance sheets for site-wide changes. Notification will occur at least one week prior to the implementation of the new schedule.

Collar to Collar: Underground workers, regardless of shift schedule, will be paid collar to collar (i.e., an underground worker's day will start when he enters the collar to go underground and will end when he exits the collar when coming from the underground). Underground workers, when called to the surface prior to end of shift or are scheduled to work on the surface (e.g., such as training), will be compensated for a full day's work at the applicable rate. Underground workers will have the same number of paid work hours as the schedules shown below and do not include an unpaid one-half (1/2) hour lunch period. Employees assigned to temporary underground duties lasting for a week or more will become eligible for collar-to-collar pay for all shifts so assigned. For similar temporary assignments lasting less than a week, collar-to-collar pay will be allowed for employees who remain underground during the defined lunch period. In the event that underground duties are completed prior to the end of the shift, employees may, upon managerial approval, return to and remain on the surface for the duration of their regular shift. Generally, the daily work of employees temporarily assigned underground for less than a week remains the same from day to day. Pay is only affected by the additional one-half (1/2) hour paid lunch. Employees assigned to seven-day workweek shall be paid in accordance with the terms of this paragraph.

B. Work Schedules: The standard work schedule will be one of the following:

5 x 8 Schedule: This schedule will be Monday through Friday inclusive. Workers will be scheduled for eight and one-half (8-1/2) hours with a thirty - (30) minute unpaid lunch period. Start time will be between 6 a.m. and 10 a.m. Release times will be eight and one-half (8-1/2) hours later, between 2:30 p.m. and 6:30 p.m. Normal start time will be 7:30 a.m. unless otherwise specified by the Company.

4 x 10 Schedule: This schedule will be four (4) consecutive days either Monday through Thursday or Tuesday through Friday. Workers will be scheduled for ten and one-half (10-1/2) hours with a thirty - (30) minute unpaid lunch period. Start times will be between 6 a.m. and 10 a.m. Release times will be ten and one-half (10-1/2) hours later, between 4:30 p.m. and 8:30 p.m. Normal start time will be 7:00 a.m. unless otherwise specified by the Company. The schedule may be such that a portion of the workforce will start on alternating days to ensure that personnel are present on site five days per week.

Additionally, an alternate 4 x 10 schedule may be implemented. This consists of four regularly scheduled ten- (10) hour shifts utilizing two crews. Each crew will have a defined workweek of four consecutive days either Sunday through Wednesday or Wednesday through Saturday. Start times will be at 6 a.m. and the shift will end ten (10) hours later with a thirty - (30) minute paid lunch period. Scheduled days off alternate between two (2) and four (4) consecutive days off with four-day cycles spanning the traditional weekend. The workweek shall commence at 6:00 a.m. on Sunday.

9/80 Schedule: This schedule will rotate on an every other week basis with every other Friday off. The first week will consist of four (4) consecutive nine and one-half (9-1/2) hour days with a thirty - (30) minute unpaid lunch period followed by an eight and one-half (8-1/2) hour day with a thirty minute unpaid lunch period. The second week will consist of four (4) consecutive nine and one-half (9-1/2) hour days with a thirty - (30) minute unpaid lunch period and subsequent Friday off. Start times will be between 6 a.m. and 10 a.m. Release times will be eight and one-half (8-1/2) hours later on the Friday worked or nine and one-half (9-1/2) hours later Monday through

Thursday, between 3:30 p.m. and 7:30 p.m. Normal start time will be 7:00 a.m. unless otherwise specified by the Company. The schedule may be such that a portion of the workforce will be on alternating weeks to ensure that personnel are present on site five days per week.

Alternate Work Schedules: In order to meet the business needs of the Company and to adapt to the needs of a diverse work force, schedules other than those described in paragraphs a. through c., above, may be implemented. Before implementation, such schedules will be discussed with the Union to ensure contract items (i.e., meal periods, overtime, and holidays) are properly addressed. This section does not apply to schedule changes resulting from natural events or emergencies. The possible options are numerous and cannot be anticipated in all cases. However, the attributes of such schedules can be described as:

Work Days: The alternate work schedule will be composed of four (4) or five (5) days.

Scheduled Days Off: The alternate work schedule will normally contain no less than two (2) consecutive days off.

Work Hours: The alternate work schedule will normally contain forty (40) regularly scheduled hours per week with no more than twelve (12) and no less than four (4) hours in any workday.

Meal Period: A thirty - (30) minute unpaid meal period will normally be provided on any alternative work schedule.

C. Work Schedules for Shift Workers:

Requirements for Shift Work: The seven-day operations at the Site require employees to work schedules to support those operations.

Types of Shifts: An employee may be assigned to any of these shift schedules to support Site operational

activities:

Rotating Shifts: Where an employee rotates on an eight (8) hour schedule between the day, evening, and night shifts, or where an employee rotates on a twelve (12) hour schedule between the day and night shift, or twenty-four (24) hour schedule where an employee's rotation is one day on and two days off with time allotted for work and sleep on the day on duty.

Fixed Shifts: Where an employee works a steady shift other than days.

Alternating Shifts: Where an employee alternates between two (2) shifts.

Rotating Shift Work Schedules:

Rotating Eights (8s): Normally the day shift will be from 7:00 a.m. to 3:30 p.m., the evening shift will be from 3:00 p.m. to 11:30 p.m., and the night shift will be from 11:00 p.m. to 7:30 a.m.

Rotating Twelve's (12s): Normally the day shift will be from 6:45 a.m. to 7:15 p.m. and the night shift will be from 6:45 p.m. to 7:15 a.m.

Rotating Twenty-Fours (24s): Normally the employee will be on duty one (1) day and be off the following two (2) days. The shift hours during the day on duty will normally be from 7:30 a.m. to 7:45 a.m. the next day. Work hours are sixteen (16) hours from the start of shift. The

following eight (8) hours are allotted for sleep and the last fifteen minutes are for shift turnover. Personnel in this rotation are paid at the regular base rate for the sixteen - (16) work hours and for four (4) of the eight (8) allotted sleep hours.

Work Weeks: Workweeks for rotating shift workers are forty - (40) hours within the standard workweek as defined in this section. A deduction is made for any hours less than forty (40) during the standard workweek and overtime is paid for any hours in excess of forty (40) during the standard workweek.

Shift Worker Meal Break: As business needs allow, shift workers working twelve (12) and twenty-four (24) hour shifts are allowed reasonable time to eat every four (4) hours. Meal times are paid because the shift worker is essentially required to be able to respond to needs of the plant at any time while on shift. Other shifts are allowed one meal break near the middle of shift.

Schedule Changes:

Premium Pay for Short Notice: When an employee's schedule is changed, and at least forty-eight (48) hours notice prior to the time he is to report for work on the new shift / schedule is not given, the employee shall receive pay for the time worked on the first shift of the rearranged schedule at the rate of one and one-half (1-1/2) times his regular base wage rate. This provision does not apply in cases of promotion (to the employee promoted) or when schedule changes to suit the personal convenience of one or more employees are permitted. Premium pay under this clause shall not be paid for a rearranged schedule to the extent the change in schedule results in overtime or for work performed subject to holiday premium.

Changes Between 8, 10, or 12 Hour Schedules: The Company will make every reasonable effort to schedule work in such a manner that the moving of personnel between the 8, 10, or 12 hour schedules is made in full week increments whenever practicable, and to avoid such moves during weeks containing holidays. In the event of a mid-week shift of schedule the Company will ensure the employee has had at least eight hours between the stopping time of his last shift and the start of his new shift. In addition, the Company will ensure the employee is paid the equivalent number of hours that he would have worked in the previous shift, including premium pay and night turn during the first week on the new shift. Any hours worked greater than 40 will be paid as overtime. This premium shall not be paid to an individual who is notified of a schedule change prior to beginning the series of consecutive shifts that define his workweek.

D. Reporting for Work: Each employee will arrive at his workstation prepared to work at the start of his shift and continue to attend to his assigned duties until the end of shift

SECTION IX - TIME FOR DEATH IN IMMEDIATE FAMILY

An hourly paid employee with thirty (30) days continuous service who is absent from work because of the death of a foster child residing in the home, or of the employee's brother, sister, mother-in-law, father-in-law, brother-in-law (which includes the employee's sister's husband, the employee's spouse's brother and the husband of the employee's spouse's sister), sister-in-law (which includes the employee's brother's wife, the employee's spouse's sister, and the wife of the employee's spouse's brother), son-in-law, daughter-in-law, grandparent, grandparent-in-law, stepparent, steppister or grandchild will be compensated for time lost by reason of such absence from his regularly scheduled straight-time shift hours of his work week, excluding holiday, vacation and furlough days, up to a maximum of three (3) days for each such absence. Such paid leave will be limited to three (3) consecutive regular work days within a period of five

(5) days starting on the day immediately following the day of death. In no case shall payment be made for greater than the three (3) days described above.

In the event of the death of the employee's spouse, child, stepchild or parent, compensation for lost time shall be increased to a maximum of five (5) days for each such absence. Such paid leave will be limited to five (5) consecutive regular working days within a period of seven (7) days starting on the day immediately following the day of the death. In case of an employee on swing, rotating or continuous shift, the above payment will be made for time lost during the employee's established week. All employees will be compensated on the basis of their wage rate of record on the date before such absence.

Note: Special circumstances may dictate the allowance for taking funeral leave days that fall outside of the prescribed schedule indicated above. For example, military funeral causes extreme geographic issue related to long distance travel and delayed attendance at funeral service.

In all cases the above payments shall be calculated on straight-time hours and shall not include any overtime or premium payments.

The in-law relationship will terminate for purposes of Section IX, upon divorce or annulment (i.e., legal dissolution) of the connecting marriage which creates the in-law relationship to the employee; and the in-law relationship will terminate upon death and remarriage; that is, in the event of the death of the party with the connecting in-law relationship to the employee, the in-law relationship will not terminate until the remarriage of the surviving spouse.

SECTION X - OVERTIME

- **A. Overtime Rates:** Overtime rates, computed at one and one-half (1-1/2) times the sum of the regular base rate shall be paid for work performed by an employee in excess of forty (40) hours in any workweek. Unpaid leave shall not be counted as time worked for the purpose of computing overtime. "Regular base rate" for overtime pay purposes shall be the rate applicable to the particular work performed during the overtime period. Overtime, for all hours worked on the seventh consecutive day worked of a work week, will be computed and two (2) times the sum of the regular base rate. For the purpose of computing fractional overtime hours worked, such overtime shall be computed to the nearest tenth of an hour (six minutes).
- **B. Work on Scheduled Days Off:** All hours worked by an employee on his scheduled days off shall be paid by the Company at one and one-half (1-1/2) times his hourly rate of pay subject to the 40-hour requirement in paragraph A of this section.
- **C. Holiday Pay:** Personnel performing work on a Company scheduled holiday will receive one and one-half (1-1/2) times the regular base rate for hours worked in addition to the applicable number of hours (based upon individual work schedules) of holiday pay at the regular base rate. Employees scheduled to be off work will receive the applicable number of hours of holiday pay at the regular base rate for scheduled Company holidays. Holidays that are not scheduled workdays will be paid at straight time and will not count toward the accumulation of forty hours for overtime purposes. Holidays that fall outside of an employee's normal work schedule may be taken as floating holidays and be used only as time away from scheduled work. The use of such floating holidays shall only be allowed after the actual date of the holiday with the exception of the Christmas holidays and will be capped at five per calendar year. The tenth (floating) holiday is excluded from the aforementioned cap.

Note: The number of holiday hours paid will be commensurate with the shift schedule in effect at the time (eight (8) hours for 5 x 8s; nine (9) hours for 9/80s; ten (10) for 4 x 10s and twelve (12) hours for shift workers).

- **D. Absence and Vacation:** Paid time absent (vacation, personal/sick, or scheduled holidays) is counted as time towards accumulating forty (40) hours in a workweek. Unpaid time absent does not count toward the accumulation of forty (40) hours.
- **E. Required Time-Off to Avoid Overtime**: An employee who works overtime shall not be required to take time off to offset such overtime.
- **F. Minimum Overtime Pay:** When an employee is unexpectedly called in to work overtime, he shall receive not less than four (4) hours pay in accordance with Section VII, Paragraph D. This rule does not apply to an employee who may be required to remain on his assignment due to the absence or tardiness of another employee who is scheduled to relieve him. All overtime hours worked in excess of four will be paid at the overtime rate for actual hours worked.
- **G. Overtime Records**: Opportunities for overtime work assignments shall be divided as equally as reasonably possible among qualified employees who regularly perform the work and are available.

Recording and Posting Overtime Records: A record of all overtime shall be kept by area or group (e.g., an area/group can be all electricians or waste handling personnel) by the applicable manager or designee. The following criteria applies to the administration of overtime:

- Subgroups of similarly classified employees may be divided into separate overtime sharing units upon mutual agreement of the parties.
- Overtime will be offered to personnel sequentially by area/group starting initially with the most senior person and continuing with the next person on the list thereafter.
- Any person who is offered overtime and declines will be charged with the time as worked for the purposes of tracking overtime worked to ensure fairness to employees in the group.
- All overtime worked will be charged to the in-progression list. Mine rescue team, emergency response team and fire brigade hours worked will be exempted from overtime tracking.
- Employees accepting overtime who fail to work as agreed, will be charged double the number of hours originally offered and will be subject to progressive discipline.
- Overtime resulting at the end of the workweek that is accrued as part of a normally scheduled work day (e.g. hoist checks) will not be tracked overtime.

Scheduling Overtime: Scheduling overtime is solely vested with the Company. The scheduling manager shall define the scope of work and qualifications necessary to perform the work and has the right to not offer the overtime to an individual who has been deemed not qualified to perform the scheduled work.

Meals During Overtime: Meals will not be accommodated during call out unless overtime is expected to meet or exceed four (4) hours. No time will be deducted for meal periods during overtime work, however it is understood that they will be made as short as possible and in no case exceed thirty (30) minutes.

Company Provided Meals During Unscheduled Overtime: Meals will be provided for personnel held over after their scheduled shift when the employee is held two (2) hours beyond the end of his regularly scheduled shift. A meal will be provided two hours after the end of his shift plus an additional meal for every four (4) additional hours beyond the first two hours the employee is held over.

Stand-by Assignments: For employees who accept a scheduled stand-by assignment falling outside of their regularly scheduled shift, a pay adjustment equal to one (1) hour at their normal rate of pay will be paid.

Overtime Cancellation: Employees who accept an overtime assignment that is cancelled within two (2) hours prior to the scheduled start time will receive an amount equal to one (1) hour at their normal rate of pay as a cancellation penalty.

SECTION XI - HOLIDAYS AND VACATIONS

A. Holidays: The Company will observe the following ten (10) holidays for which employees will be paid in accordance with the provisions described below:

New Year's Day
Good Friday
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Day After Thanksgiving
Day Before Christmas
Christmas Day
Floating Holiday

For employees scheduled to work Monday through Friday, holidays falling on Sunday will be observed on Monday; holidays falling on Saturday will be observed on Friday. The "Day before Christmas" holiday will be observed on the last working day before Christmas.

If state or federal law requires the observance of a holiday not listed above, it shall be substituted for the tenth holiday unless the Parties otherwise agree.

Employees are eligible for paid holidays when on the active role on the last working day prior to a holiday. Employees do not receive holiday pay and disability benefits at the same time.

Employees who separate on December 31st of any year will not be entitled to holiday pay for New Year's Day in the following year.

Pay for holidays will be administered in accordance with Section X, Paragraph C.

B. Vacation: The vacation year will be a calendar year. Prior to the last business day of the previous calendar year, Management will consult with all employees entitled to vacation for the purpose of establishing the schedule for vacations. The Company shall attempt to accommodate the wishes of employees, subject to the needs of the business. If scheduling conflicts between employees arise, seniority will prevail. The Union and Company will discuss deviations to the established schedule necessitated by unforeseen circumstances on a case-by-case basis.

Employees are encouraged to schedule and take all allotted vacation time. However, if this is not feasible, up to 40 hours of accumulated vacation can be banked for use in a future year.

When an employee is removed from the active roll for any reason, payment for unused vacation for the current year will be made if the employee has qualified for vacation. Employees who are laid off will be paid for unused vacation to which they are entitled immediately following layoff.

C. Vacation Vesting and Pay: An employee on the active roll who has completed at least thirty (30) days continuous employment immediately preceding the close of business of the calendar year immediately prior to the beginning of the vacation year, shall be entitled to that vacation in the vacation year for which he has qualified at such close of business.

An employee who is on the active roll and who has completed at least thirty (30) days continuous employment at the close of business on his last working day immediately preceding the time of starting his vacation shall be entitled to such additional (or initial) vacation for which he has qualified at such close of business.

For vacation purposes only, continuous employment is interrupted only when an employee's name is removed from the active roll, except that in case the removal is the result of disability, such removal does not interrupt continuous employment unless and until the employee's name has been removed from the active roll for two (2) years.

The Company will grant vacations to employees meeting the requirement of thirty - (30) days continuous employment described above, as follows:

- 30 days of accumulated length of service but less than one (1) year 40 hours.
- One (1) year accumulated length of service but less than six (6) years 80 hours.
- Six (6) years accumulated length of service but less than seven (7) years 90 hours.
- Seven (7) years accumulated length of service but less than fifteen (15) years 120 hours.
- Fifteen (15) years accumulated length of service but less than twenty (20) years 160 hours.
- Twenty (20) years accumulated length of service but less than thirty (30) years 200 hours.
- Thirty (30) years or more accumulated length of service 240 hours.

Payment will be made for vacation time during the employee's established workweek and will be paid on the basis of how many total hours of vacation the employee has expended. In all cases, such payment shall be calculated on base rate of pay and shall not include overtime premiums.

Employees eligible to receive pay under this section may take Vacation time in hourly or ½ hourly increments.

D. Vacation Shutdowns: The Company reserves the right to schedule shutdown(s) for vacation purposes. The Company shall consult with the Union prior to scheduling a shutdown. In such cases, vacations will run concurrently with the vacation shutdown periods. Employees who become eligible for vacations subsequent to the vacation shutdown(s), but before the end of the year, will be granted vacation pay for the previous shutdown period when they become eligible if they were absent during the vacation shutdown periods. Due to circumstances, it is recognized that some employees may be requested to work during the vacation shutdown periods.

The Company shall designate the time of the vacation shutdown(s) before January 31st of the vacation year following discussions with the Union. Except as may otherwise be agreed between the Company and the Union, the total of all periods of vacation shutdowns in any vacation year shall not exceed ten (10) working days (exclusive of Saturdays, Sundays and observed holidays).

Employees entitled to vacation pay during a vacation shutdown, who are on the disability roll on the last working day prior to the vacation shutdown and are receiving Accident and Sickness Benefits under the Company Insurance Plan, shall not be required to take vacation for the period of the scheduled shutdown unless the individual Employee makes a request for said vacation period in writing prior to the shutdown. If such request is made, Accident and Sickness Benefits will be suspended during the vacation shutdown. Vacation payment shall be at the effective rate at the time the Employee became disabled plus any intervening Wage Schedule changes.

SECTION XII - SENIORITY

A. Definition: Seniority, as used in this Agreement, is the measure of an employee's continuous length of service within the bargaining unit and will apply with respect to promotions, demotions, layoffs, bidding, shift preference, vacation scheduling and re-employment.

B. Types of Seniority:

Plant Seniority - total length of service from hire date into a bargaining unit represented position. A tiebreaker for employees with the same seniority date will be the last four digits of the social security number with the lowest being most senior.

Section Seniority - The length of service on a regular, full-time basis in an applicable line of progression.

- **C. Probationary Period**: An employee will be considered on probation and will not be entitled to any seniority rights for ninety (90) calendar days. During such period, a probationary employee may be subject to transfer, layoff, recall to work or discharge at the indisputable discretion of the Company without rights to the grievance and arbitration provisions of this Agreement. Upon completion of the probationary period, the employee's seniority date will become established as of the date of employment.
- **D. Promotions/Bidding**: All positions such as new jobs and job openings within the bargaining unit will be posted for seven (7) calendar days. The Company and the Union will agree to any exception to these posting requirements in writing. Late bids may be accepted where an employee was not present at the time of posting and extenuating circumstances support such acceptance. The acceptance of late bids will be discussed between Management and the Union. The Company may temporarily fill the job until bids are processed. All bidders will be notified of their status within thirty (30) days of the posting deadline.

Management will determine which employees meet the minimum requirements based on plant seniority and a review of training records. If a clear candidate cannot be identified, a personal interview shall be conducted with all interested applicants using a consistent format.

Bidding within a job progression will not be permitted.

Management will seek external candidates when qualified candidates are not available internally, as described above.

E. Promotion/Transfer Trial Period: Employees who are promoted or placed in new positions are required to complete a six (6) month trial period. If the employee fails to meet the performance expectations of the new position, he will be displaced into his former position in accordance with section seniority. If the employee did not hold a former position, he shall be displaced in accordance with the layoff provisions in Section XII, Part F.

Note: Employees must remain in the progression to which they were hired for a minimum period of twelve (12) months.

- **F. Layoff**: In the case of layoff, the senior employee will have the right to bump a less senior employee. The following provisions will apply to layoff bumping:
 - In a reduction of force on any job to which employees have been temporarily assigned, such employees shall be first removed from the job.
 - Bumps may be exercised first within the definition of Section seniority provided or to a job
 previously satisfactorily held by meeting qualification standards.
 - The employee must submit bump applications within two (2) workdays of layoff notification. The employee is responsible to submit bump applications on any job for which they request consideration.
 - The employee must meet qualification standards of a previously held position within thirty (30) days of placement and demonstrate that he is capable of performing the function.

- Employees awaiting decision on a bump or refusing to enter a bump application may be assigned other work, forced to bump an employee with less seniority, or laid off at the discretion of the Company.
- An employee who bumps and fails to perform satisfactorily in the job entered in accordance with the terms of this Section will be removed from the job and the Company may transfer the employee to another job for which they are qualified.
- If a senior employee is forced off payroll completely, then such employee will be allowed to bump the junior employee in plant wide seniority.
- **G. Layoff Notice:** The Company will give the Union notice of plant closing and/or layoffs in accordance with State and Federal laws. The Company will endeavor to give the Union at least one (1) month notice of impending layoffs that may affect the certified bargaining unit.
- **H. Recall from Layoff**: For available positions laid off employees will be recalled in order of Plant seniority. Recall notices specifying the process for notifying the Company of the employee's intention to return or not return to work will be sent by certified mail to the last known address as listed in the employee's personnel record.

The Company will maintain an Inactive Seniority List consisting of laid of employee Plant and Section seniority dates as of the date an employee is officially laid off. Employees with more than two (2) years of accumulated service will be considered inactive and eligible for recall for twenty-four (24) months. Employees with less than two (2) years accumulated service will be considered inactive and eligible for recall for twelve (12) months.

I. Seniority Lists: The Company will, on a fiscal quarterly basis, prepare a Seniority List specifying Plant and Section seniority to the Union for the purpose of observing overtime and vacation preference as well as layoff provisions of this agreement.

Disputes regarding the Seniority List will be resolved between the Union and the Company using the grievance policy. The Union will identify seniority discrepancies to the Company generally within ten (10) calendar days of issuance of each quarterly list.

A Seniority List will be furnished to the Union within thirty (30) days after the signing of this agreement.

- **J. Lost Seniority:** Seniority will be lost for the following reasons:
 - Voluntary quit.
 - Discharge for just cause.
 - Failure to return to work upon notification of layoff recall.
 - Absence for three (3) consecutive workdays without notifying the Company, in which
 case the employee will be considered to have voluntarily quit. Circumstances will be
 discussed between the Company and the Union.
 - Layoff for a period longer than the period specified in the provisions previously prescribed for the Inactive Seniority List.
 - Retirement.
- **K. Special Situations**: Notwithstanding the provisions of the established seniority procedure, the Union and Management may, in special situations, work out by negotiation, individual cases where the Union and Management agree that such special situations exist.
- **L. Shift Preference**: Senior qualified personnel will be offered shift preference only in the event of the creation of (1) backfill positions, (2) new positions or (3) the formation of a new shift or crew. Personnel seeking to move in the exercise of shift preference may move do so as soon as practicable as long as any pending training for qualifications do not affect the balance of either

shift or crew. Senior personnel may only make notification of their intent to 'bump' a less senior employee within approximately thirty (30) days of the less senior employees date of qualification.

Issues <u>not</u> related to training for qualifications, which may prohibit the approval of a shift preference request will be discussed with local union leadership. If agreement cannot be reached, management will make the final determination in the matter and union leadership will be free to follow the grievance process as they see fit.

The exercise of shift preferences will be limited to one time per rolling twelve (12) month period.

SECTION XIII - UNION LEAVE OF ABSENCE

A. Long-Term Leave of Absence: Upon thirty (30) days notice and written request of the Local or Union an employee elected to a Local or a Union office or appointed as a full-time Union representative may be granted leave of absence without pay or loss of seniority, not to exceed one year unless an extension is granted but not to exceed the term of this contract.

At the end of the long-term leave of absence, such employee who has been granted a leave of absence will be restored on the basis of seniority to his former position or similar position at the going rate at the time of his return, providing he can meet the qualifications and fitness for duty requirements.

B. Short-Term Leave of Absence: Temporary leaves of absence without pay to conduct Union service, may be granted during the period of the Agreement, predicated on at least seven (7) calendar days notice to the Company prior to departure. No more than eight (8) employees will be granted simultaneous leaves under this provision, provided however, that simultaneous leaves would not be granted if they would disrupt any of the plant's operation. The Union's request for a leave of absence to attend union conventions will be in the form of a list showing names and dates and will be given to the Human Resources department. That department will then be responsible for attempting to arrange leaves of absence for those named; and will confirm such leaves in writing back to the Union, or attempt to resolve any conflicts of availability.

SECTION XIV - GRIEVANCE AND ARBITRATION

- **A. Definition**: A grievance is defined as; (A) a violation of any provision of this agreement; or (B) a claim that the company has discharged or disciplined without just cause; or (C) a claim that the company has violated any established custom and practice provided such grievance is presented within the time limits set forth below. Probationary employees will not be subject to the grievance / arbitration procedure.
- **B. Stewards**: The Union will furnish to the Human Resources Manager the names of all stewards or acting stewards and the employee groups represented by them.

Any of the above noted stewards shall represent the Union for the purpose of adjusting grievances of employees with the Management representatives in the department concerned as designated by Washington TRU Solutions (WTS), Carlsbad, NM. All stewards shall be full time active employees of Washington TRU Solutions (WTS). The number of stewards shall be limited to the ratio of one (1) for each thirty (30) employees with a minimum of one (1) per each shift.

A steward requesting time to investigate a grievance shall only be permitted to leave his job to assist in adjusting grievances during his regular working hours after his manager has given proper authorization. The Company in accordance with Section VI, Paragraph B, Pay for Union

Business, will pay stewards. Grievance Committee members will be paid in accordance with Section VI. Paragraph C.

C. Committee: The Union shall designate a Grievance Committee consisting of not more than three (3) members all of whom shall be full time represented employees of Washington TRU Solutions (WTS), Carlsbad, NM. The Grievance Committee's membership can be expanded if mutually agreed upon by both Parties.

The Chairman of the Grievance Committee or a substitute in case of his absence shall be permitted to leave his job when necessary for the purpose of adjusting grievances with the Company representatives involved after proper authorization has been given by the manager in his department and the department manager concerned with the grievance. The Company in accordance with Section VI, Paragraph C, will pay the Grievance Committee.

D. Procedure: In resolving grievances, the employee and his steward should first contact the immediate manager involved in the decision or action being grieved. If the dispute cannot be resolved, the following procedure shall apply:

Step 1: If the problem cannot be resolved verbally between the employee, steward and the immediate manager, then the steward must present a written grievance to the Department Manager in order to initiate the formal grievance process. For a grievance to be considered in the first step, it must be presented in writing to the Department Manager within ten (10) working days of the date of such incident. A meeting will be held between the Department Manager, the appropriate immediate Manager and the steward to discuss the grievance. The employee may accompany his steward if he so desires. This meeting will occur within five (5) working days of receipt of the grievance. The company shall respond in writing to the grievance within three (3) working days after the conclusion of the Step 1 meeting.

Appeal: If the Company's answer is unsatisfactory and the union wishes to appeal, it must appeal within five (5) working days after the receipt of the Company's answer or five (5) working days from the 5th day after the Step 1 meeting if no answer is received from the Company. Such appeal shall be in writing to the Human Resources Manager.

Step 2: the Grievance Committee and/or an International Representative will represent the employee. The Human Resources Manager or designated representative shall meet with the Committee and/or its designated Representative as expeditiously as possible. A written decision by the Company shall be rendered within seven (7) working days of the meeting.

Appeal: The Union may appeal in writing a denied Step two (2) grievance to Arbitration within twenty (20) working days of the receipt of the Company's answer or twenty (20) working days from the 7th day after the Step two (2) meeting if no answer is received from the Company.

Note: The time limits in the above procedure may be extended by mutual written agreement for any individual grievance. If the Company defaults on time limits specified in step one (1), the grievance will automatically go to step two (2). If the Company defaults on time limits specified in step two (2), the grievance will be upheld for the Union. If the Union defaults on time limits specified in step two (2), the grievance will be automatically forfeited.

Arbitration: Grievances, which remain unsettled after the grievance procedure has been exhausted, shall be arbitrable upon a valid request of either the Union or the Company. The arbitrator will not have any power to add, subtract, modify, or alter the provisions of this agreement. The decision will be in writing and will be final and binding upon the Union, the grieving employee and the Company.

A request for arbitration shall be valid only if it is in writing, and within the prescribed time period indicated in the appeal from Step 2 of the grievance procedure. If either the Company or the Union makes no such request during such period, both Parties shall be deemed to have waived their right to make such request.

Where a dispute is to be arbitrated and where no arbitrator has otherwise been mutually chosen by the Parties, either the Company or the Union may, but only within fifteen (15) working days from the date of the agreement to arbitrate, request from the Federal Mediation and Conciliation Service (FMCS) to submit a list of names from which an arbitrator may be chosen. The other Party shall receive copies of all such correspondence sent to the Association. No arbitrator who has not been approved by both Parties shall be appointed by either the FMCS unless and until the Parties have had submitted to them three (3) lists of arbitrators from the Association panels and have been unable to elect a mutually satisfactory arbitrator there from.

No more than one (1) dispute that may involve one or more employees may be scheduled before any one (1) arbitrator in any one (1) case, except by mutual agreement of the Parties it being understood, however, that the grievances of all employees resulting from the same incident or series of incidents may be submitted to a single arbitrator in one (1) case.

All arbitration hearings hereunder shall be held at dates, times, and places mutually agreed upon by the Parties, but in the event of failure to reach agreement thereon, the disputed date, time, and/or place shall be determined by the arbitrator. The cost of any arbitration shall be borne equally between both Parties.

A transcript shall be made of the proceedings at every arbitration hearing with the original to be furnished to the arbitrator and the cost thereof to be divided equally between the Parties, unless the Union decides not to receive a copy of the transcript in which case the Company will bear all costs. The Party requesting them shall pay the cost of additional copies of the record.

A copy of any document furnished to the arbitrator by either Party shall also be furnished simultaneously to the other Party. If no copy of a document furnished at the hearing is available, a Copy will be made and furnished to the other Party as soon as possible.

Absent specific agreement of the Parties, an arbitrator shall have no authority or jurisdiction to hear any case or to review, revoke, modify or enter any award with respect to any matter involving the interpretation or application of any pension, insurance or other benefits plan referred to by or made a part of this Agreement, or with respect to the establishment, change or administration of any benefit plan; or to make any award requiring payment to an employee for any period more than thirty (30) days prior to the filing of the grievance in question; or in the event of an award of overtime pay for weekly paid hourly employees, for any period more than two months prior to the month in which the grievance is filed; or to compel either Party to produce new evidence (not already presented during the course of the grievance procedure) considered by such Party to be confidential, irrelevant or immaterial to the proceeding, or which is not available.

In the selection of an arbitrator and the conduct of any arbitration proceeding under the FMCS, the current Voluntary Labor Arbitration Rules of the American Arbitration Association shall control, but only to the extent that they do not conflict with this Agreement. No modification of such rules of the Association shall be controlling in any arbitration proceeding under this Agreement without mutual agreement in writing by the Company and the Union, except that both Parties will comply with the modifications to the extent that they involve the amount of the administrative fees of the FMCS.

The decision of an arbitrator in any arbitration hearing hereunder shall be final and binding upon the Parties to this Agreement, the employee(s) involved in the grievance and the Union representing the bargaining unit in which the grievance arose; provided however, that no

arbitrator shall have any authority or jurisdiction to add to, detract from, or in any way alter or abridge the provisions of this Agreement.

SECTION XV - BULLETIN BOARDS

The Union shall be permitted to maintain bulletin boards at suitable places in the plant designated by the Human Resources Manager for the purpose of posting notices. Such notices shall contain nothing political or religious or reflecting upon the Company or any of its employees inside or outside the bargaining unit. All postings will be subject to the approval of the Human Resources Manager and arrangements for posting will be made by the local Management.

SECTION XVI - COURT APPEARANCES

Employees serving on jury duty or attending a proceeding of a court or governmental agency in response to a subpoena served on the employee in a case to which the employee is not a party and in which the employee has no direct or indirect interest, shall be paid their regular hourly wage, including any applicable premiums. No deduction shall be made for amounts received from the court or agency. It is expected that such employees will report for their regular duties when temporarily excused from attendance.

SECTION XVII - MILITARY SERVICE

Employees entering military service will be granted a military leave of absence. The leave of absence will cover the period of military service up to a maximum equal to that period of time during which re-employment is required under applicable Federal statutes. A military leave of absence will be considered as continuous employment.

The employee must apply for re-employment within ninety (90) days from the date of honorable discharge (or the termination of the required period of military service). An employee so applying will be reinstated in his former position, or a position in the bargaining unit, which he left on the basis of his seniority under the provisions of this Agreement, providing the employee, complies with the following conditions:

- Application for reinstatement is made within the time period provided above.
- Official discharge papers are presented.

Employees reporting, as provided for in the above provision, who are not qualified to perform the duties of their former position will be given special consideration and local Management will endeavor to place them in suitable jobs.

An employee so reinstated will be entitled to participate in insurance and other benefits on the same basis as other employees returning from leave of absence.

Vacation eligibility for employees returning from military leave of absence will be re-established on the basis of the Accumulated Service of the employee on the date he returns to the active roll; however, vacation payment will not be granted until the employee has been on the active roll thirty (30) days following his return from military leave of absence. In any event, the employee will receive the vacation for which he is eligible in that calendar year.

- **A. Annual Military Field Encampment**: Employees required to attend annual military encampments to discharge their National Guard or Reserve obligations will be reimbursed in accordance with the following conditions:
 - Reimbursement will be limited to a maximum period of twenty-three (23) calendar days (not to exceed fifteen (15) working days, excluding holidays for which the employee receives payment) during any one calendar year.
 - Reimbursement, if any, will be the difference between the employee's normal straight
 time earnings and the total amount he receives for service pay from the Federal or State
 Government. In calculating the amount of difference to be paid by the Company, only
 that portion of military pay corresponding to the employee's regularly scheduled work
 days will be used. Travel, quarters and subsistence allowances will not be included in
 determining the amount of compensation received by the employee from the Federal or
 State Government.
 - Normal earnings will be the wage rate of record in effect immediately preceding the encampment period, including night turn bonus and other applicable premiums.
 - No reimbursement of wages shall be made for annual encampment duty during company furlough days or on days that would have been company furlough days.
 - Exceptions to provisions in this part (e.g., two military encampments initiated at the request of the U.S. Armed Services within one calendar year) may be discussed between the Union and the Company on a case-by-case basis.

B. Ready Reserve or National Guard Alerts: Employees required to participate in National Guard or Ready Reserve "alerts" taking place during their regular working hours shall be reimbursed for the difference, if any, between their regular straight time earnings and their military earnings (both calculated as provided in Paragraph F., above) for such time lost from work during their regularly scheduled working hours, up to a maximum of one hundred sixty (160) hours in any calendar year.

No reimbursement of wages shall be made for such Ready Reserve or National Guard alert duty during company furlough days or on days that would have been company furlough days.

SECTION XVIII - SICKNESS AND PERSONAL BUSINESS

An hourly paid employee with one (1) or more years of service as an employee of WTS (WGI, Westinghouse-WID), who is; (1) absent from work because of personal illness for which weekly disability benefits are not payable under Workmen's Compensation; (2) absent from work, with approval of local Management, because of personal business; or (3) absent from work because of Management's decision to furlough, other than disciplinary suspension or furlough resulting from disciplinary action to other employees, or slowdowns, or any other form of work stoppage in the plant, may receive pay for each full day of such absence, up to the number of hours set forth as follows:

- One year accumulated length of service but less than ten (10) years forty (40) hours in each calendar year.
- Ten (10) years accumulated service but less than fifteen (15) years fifty (50) hours in each calendar year.
- Fifteen (15) years or more accumulated service sixty (60) hours in each calendar year.

An employee is expected to notify management in advance of an absence whenever possible so management may have an opportunity to arrange for a replacement or reschedule the work.

All hourly paid employees returning from leave of absence who are otherwise eligible to receive such pay and who have completed thirty (30) days continuous employment immediately preceding the day or days of absence will be paid for their established shift hours:

- if the absence is of the type described in Paragraph A. (1) or A. (2) above;
 or
- if the absences is of the type described in Paragraph A. (3) above and pay has been requested for such day/days.

Payment will be made for absence during the employee's established workweek and will be paid on the basis of how many total hours of compensation to which the employee is entitled. In all cases, such payment shall be calculated on base rate of pay and shall not include overtime premium payments.

An employee who has any unused benefits under this Section remaining at the end of calendar year, and each calendar year thereafter, may have such unused benefits, up to a maximum of forty-five (45) days (450 hours), carried forward to the following calendar year for use in the event of absences of the type described in Paragraph A., above. Employees who have been laid off and who are returned to the active roll in the same calendar year or the following year are entitled, effective upon reinstatement to the active roll, to all unused benefits earned under this Section up to the date they were placed on the inactive roll. Upon resignation, retirement from or death while on the active or disability rolls of the Company, an employee or his beneficiary will be paid for a maximum of forty-five (45) days (450 hours) of benefits accumulated under this paragraph and which are unused as of the employee's last day of work.

Reimbursement under this Section will not be made for any time during which the employee receives any other type of monetary benefit from the Company with the exception of employees paid Accident and Sickness Benefit.

Employees eligible to receive pay under this section may take Sick and Personal time in hourly or ½ hourly increments.

Employees must exhaust all Sick and Personal time prior to seeking unpaid time absent from work.

Employees who have not accrued one year of service may borrow against their first year accrual of Sick and Personal Business bank under exceptional circumstances (i.e. FMLA qualifying events). Approval of such circumstances requires consultation with their immediate manager and human resources.

SECTION XIX - SECURITY REGULATIONS

The Company has certain obligations in its contract covering government work, which pertain to site security or site access. Therefore, if any authorized government agency concerned with the Company's security or access regulations advises the Company that any employee of the Company, covered by this agreement, is restricted from work on the site, access to the site, access to related information or material, the Union will not, after having seen the order, present or prosecute a grievance because the Company acts to restrict such employee from work on the site, access to the site or access to related information or material. This article would not preclude the Union from prosecuting a grievance concerning any action of the Company, which exceeds security requirements.

It is further recognized that all members of the Union and the Company are required to comply with all protective security measures now in effect. If it is found that this contract or any part of

this contract in any way violates security measures which are now in effect, or which may be put into effect later, and the Company and the Union are notified by the proper authority as to the section or sections of the contract in question, negotiations will begin immediately for the purpose of making required changes.

SECTION XX - SAFETY, HEALTH AND ENVIRONMENT

The Company will continue to maintain and direct a safety program and establish policies, rules and practices to enforce this program. The Company will review modification of this program with the Union.

Both Parties to this agreement recognize that employee safety and environmental responsibility to be primary considerations in all activities related to project operations and hereby agree that:

- All employees will comply with their duties and responsibilities to stop work within the established Stop Work Policy.
- All employees with unescorted access to the underground portion of this project will
 continue to serve as their Miner's Representative as established by regulation. The
 Company agrees further that a Union-designated person may participate in scheduled
 compliance visits by mine safety regulatory organizations.
- The policies, practices and criteria defined by the Voluntary Protection Program, Integrated Safety Management System, ISO 14000 Certification, and other such programs shall govern project safety and environmental programs. The Union recognizes its role as an active participant in these programs while the Company recognizes its responsibility to maintain Union involvement in the programs.
- The Company and Union agree that chartered safety committees within the safety program may include a Union-designated representative within each committee's established charter.
- The Company will provide standard personal protective equipment, working apparel and tools required to assure employee safety in work activity. The Company reserves the right to define such material relative to regulatory requirements, quantity and cost, recognizing that employee safety is primary in its judgment.
- The Company will provide an Occupational Health Program within its safety program that provides for the occupational health protection of all employees subject to this agreement. The Company reserves the right to modify the program relative to changes in statute and regulation.
- The Company and Union agree that all employees are responsible for complying with environmental laws and regulations within the scope of their duties and that all employees will comply with their duties and responsibilities within the established Environmental Compliance Program. The Company reserves the right to modify this program relative to regulatory amendments and agrees to notify the Union of such modification if such amendments affect employee duties and responsibilities.
- The Company agrees to provide all employees subject to this agreement with sufficient training to enable them to perform their assigned work safely and to comply with safety, health and environmental laws and regulations as they apply to their work assignment.

SECTION XXI - STRIKE AND LOCKOUT

During the term of this Agreement, no strikes of any nature and no slowdown or other interruption of or interference with work shall be caused or sanctioned or participated in at WASHINGTON TRU SOLUTIONS (WTS) by the Union or any of its officers or representatives or any employee covered by this Agreement and no lockouts shall be permitted at WASHINGTON TRU

SOLUTIONS (WTS) by the Company. The Company reserves the right to discipline or discharge employees who violate this provision.

Prior to legal termination of this Contract, the Parties hereto will meet together for the purpose of reaching mutual agreement on arrangements for governing conditions of a strike for the protection of both Parties.

It is agreed that the Union shall not be responsible for any act alleged to constitute breach of this Section if it can show that neither the Union nor any of its officers, representatives, committeemen or stewards instigated, authorized, condoned, sanctioned or ratified such (non-sanctioned) strike, and the Union so states in writing at the request of the Company and further that the Union and its officers used every reasonable means to prevent or terminate such strike.

SECTION XXII - GENERAL PROVISIONS

A. Manager's Roles with Respect to Plant Work

- A manager, temporary or permanent, shall not perform work regularly performed by employees covered by this Agreement, except for the purpose of training or instructing employees, in cases of emergency or incidental work, or when qualified employees are not available.
- Employees acting in a temporary manager capacity are not empowered to take disciplinary action or to discharge.
- Employees acting in a temporary manager capacity will be compensated at a rate equal to ten (10) percent greater than the highest rate falling within their respective progression.
- Employees shall not be required to act as temporary manager for greater than twelve (12) months unless mutually agreed upon by both Parties.

B. Transportation

The Company will continue to provide transportation to and from the (WIPP) facility as long as the Department of Energy approves the continuation of such transportation.

SECTION XXIII - MODIFICATION

The Parties acknowledge that all agreements arrived at by them during the negotiations concluded on September 30, 2005 are set forth herein (except to the extent they are set forth in the Pension and Insurance Agreement between the Company and the Union). Therefore, except as hereinafter specifically provided in this Section XXIII, the Company and the Union, for the life of this Agreement, each voluntarily and unqualifiedly waives the right, and each agrees that the other shall not be obligated, to bargain collectively with respect to any subject or matter referred to or covered in this Agreement, or with respect to any subjects or matters not specifically referred to or covered in this Agreement which were fully discussed during the negotiation of this Agreement.

Except as herein before provided in this Section XXIII, the Company and the Union agree that neither of them will request consideration of any proposed changes in or additions to this Agreement, including any general wage or salary adjustments before September 30, 2009. If this Agreement continues in effect for any subsequent contract term or terms beginning on or after September 30, 2009, the provisions of the last sentence above shall apply (substituting the year to which this Agreement is renewed for the figures 2005 wherever they appear). When any such request is received, a conference will take place within fifteen (15) days for the purpose of considering it.

If the Parties do not reach agreement prior to October 1, 2009, with respect to any requested contractual changes or additions or wage and salary adjustments submitted on or after August 1,

2009, or if the Parties do not reach agreement prior to the end of any subsequent contract term, with respect to any requested contractual changes or additions or wage and salary adjustments submitted on or after August 1 of such subsequent contract term, the Union may strike after the beginning of the next succeeding contract term in support of any such requests made by it. Either Party may, upon not less than one (1) day's written notice given to the other during such strike, thereupon terminate this Agreement.

SECTION XXIV - TERMINATION

This Agreement shall become effective October 1, 2005 and shall continue in effect until September 30, 2009, and shall continue and remain in full force and effect from year to year thereafter (such period ending September 30, and such succeeding periods of one year being sometimes referred to herein as a "contract term"), unless either Party notifies the other in writing, not more than sixty (60) days nor less than thirty (30) days prior to the expiration date, that a discontinuance or modification is desired. In the event of such notification negotiations between the Parties shall begin within fifteen (15) days following such notification unless otherwise mutually agreed by the Parties. If pursuant to such notification, an agreement or renewal of modification is not reached prior to the current expiration date, this Agreement shall expire at such expiration date unless it is extended for a specified period by mutual agreement of the Parties. Neither Party shall attempt to cancel or terminate this Agreement on the claim that the other Party has violated it except after notice to the other Party calling for arbitration of the question as to whether or not there has been a sufficient violation to justify such action and an award by the arbitrator after hearing that there has been such a violation.

In WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be signed by its duly authorized representative as of this day and year first written above.

SECTION XXV - NOTICES

Notices herein provided shall be given by certified mail addressed respectively as follows:

Union UNITED STEEL, PAPER AND FORESTRY, RUBBER,

MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE

WORKERS INTERNATIONAL UNION

P.O. Box 1475 Nashville, TN 37202

SECRETARY OF LOCAL NO 12-9477

P.O. Box 5273 Carlsbad, NM 88220

Company WASTE ISOLATION PILOT PLANT

Human Resources Manager

P.O. Box 2078 Carlsbad NM 88221

WASHINGTON TRU SOLUTIONS, LLC

Ву:	
	Richard D. Raaz, President & General Manager
Ву:	
	T. L. Frye, Negotiating Committee Member
Ву:	
	M. T. Knowles, Negotiating Committee Member
Ву:	
	E. L. Bostick, Negotiating Committee Member
Ву:	
	R. M. Britain, Negotiating Committee Member
Ву:	
	D. D. Parrish, Negotiating Committee Member

UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION AFL-CIO AND IT'S LOCAL 12-9477

By:	
	R. A. Garza, International Representative, USW
By:	
	J. H. Cobb, President, Local 12-9477
By:	
	S. Castro, Vice President, Local 12-9477
Ву:	
	P. L. Wilson, Negotiating Committee Member
Ву:	
	D. M. Griffin, Negotiating Committee Member

APPENDIX A - WAGE ADJUSTMENTS

The following general guidelines apply for the wage schedules shown below, which are applicable for the duration of this agreement:

- A two-tiered wage system is established to include both a training rate and a standard rate.
- Personnel will remain in the training rate of pay until qualified as specified per the defined training program.
- Selection of candidates filling vacant positions will be done based upon qualification and plant seniority. Qualification will be determined based upon knowledge, skill and experience as defined by management. Every effort will be made to consider incumbent employees whenever possible recognizing their total experience and preparation through specific site training.
- Personnel will return to the training rate when bidding into a different progression or upon failure to maintain qualifications.
- Incumbents will remain at their current applicable wage rate until fully qualified.
- The following wage schedules will be implemented on the effective date of the contract.
 New wage schedules for the successive years will be implemented at twelve (12) month intervals thereafter.
- The wage schedules also reflect a 4% increase (codes 9-12 plus Plant Helpers and EST I) for the first year, a 3% increase for the second and third years and a 4% increase for the fourth year, rounded to the nearest penny.

APPENDIX A - WAGE ADJUSTMENT CHART

WTS JOB TITLE Plant Helper	CODE 3	4.00% 2006 \$17.69	3.00% 2007 \$18.22	3.00% 2008 \$18.77	4.00% 2009 \$19.52
Hoisting – Standard	12	\$25.08	\$25.84	\$26.61	\$27.68
Hoisting – Trainee	9	\$23.41	\$24.11	\$24.84	\$25.83
Shaft Tender - Standard	9	\$23.41	\$24.11	\$24.84	\$25.83
Shaft Tender - Trainee	5	\$19.93	\$19.93	\$19.93	\$20.73
Mining Ops Standard	9	\$23.41	\$24.11	\$24.84	\$25.83
Mining Ops Trainee	3	\$17.69	\$17.69	\$17.69	\$18.40
Shaft & Open. Maint Standard Shaft & Open. Maint Trainee	11 4	\$24.32 \$18.50	\$25.04 \$18.50	\$25.80 \$18.50	\$26.83 \$19.24
Surf. Fac.Ops Standard	12	\$25.08	\$25.84	\$26.61	\$27.68

Surf. Fac.Ops Trainee	5	\$19.93	\$19.93	\$19.93	\$20.73
UG Fac.Ops Standard	9	\$23.41	\$24.11	\$24.84	\$25.83
UG Fac.Ops Trainee	3	\$17.69	\$17.69	\$17.69	\$18.40
Waste Handling - Standard	12	\$25.08	\$25.84	\$26.61	\$27.68
Waste Handling - Trainee	5	\$19.93	\$19.93	\$19.93	\$20.73
EST II	10	\$23.75	\$24.47	\$25.20	\$26.21
ESTI	6	\$21.08	\$21.71	\$22.36	\$23.26
ES&H - Standard	9	\$23.41	\$24.11	\$24.84	\$25.83
ES&H - Trainee	3	\$17.69	\$17.69	\$17.69	\$18.40
Radiological - Standard	12	\$25.08	\$25.84	\$26.61	\$27.68
Radiological - Trainee	5	\$19.93	\$19.93	\$19.93	\$20.73
Inst.&Cont Standard	11	\$24.32	\$25.04	\$25.80	\$26.83
Inst.&Cont Trainee	4	\$18.50	\$18.50	\$18.50	\$19.24
Mechanic - Standard	11	\$24.32	\$25.04	\$25.80	\$26.83
Mechanic - Trainee	4	\$18.50	\$18.50	\$18.50	\$19.24
Electrician - Standard	11	\$24.32	\$25.04	\$25.80	\$26.83
Electrician - Trainee	4	\$18.50	\$18.50	\$18.50	\$19.24
Lab. Tech Standard	12	\$25.08	\$25.84	\$26.61	\$27.68
Lab. Tech Trainee	5	\$19.93	\$19.93	\$19.93	\$20.73
Drafter II	9	\$23.41	\$24.11	\$24.84	\$25.83
Drafter I	5	\$19.93	\$19.93	\$19.93	\$20.73
Eng. Tech Standard	9	\$23.41	\$24.11	\$24.84	\$25.83
Eng. Tech Trainee	3	\$17.69	\$17.69	\$17.69	\$18.40
Q.A. Tech Standard	9	\$23.41	\$24.11	\$24.84	\$25.83
Q.A. Tech Trainee	3	\$17.69	\$17.69	\$17.69	\$18.40

PENSION AND INSURANCE AGREEMENT

Between

WASHINGTON TRU SOLUTIONS, LLC

And

PAPER, ALLIED-INDUSTRIAL, CHEMICAL & ENERGY WORKERS
INTERNATIONAL UNION
AFL-CIO AND ITS LOCAL 4-9477

June 1, 1999

See Reference Copy held by

PAPER, ALLIED-INDUSTRIAL, CHEMICAL & ENERGY WORKERS
INTERNATIONAL UNION
AFL-CIO AND ITS LOCAL 4-9477